AI CHAMPDANY INDUSTRIES LIMITED

(A TRADING HOUSE recognised by Govt. of India) (Established in 1873)
Pioneer Weaves & Spinners of Natural & Synthetic blended Fabrics & Yarns

CIN : L51909WB1917PLC002767

REGD. OFFICE :
25, PRINCEP STREET,
KOLKATA - 700 072, INDIA
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G.P.O. Box No. 543
Kolkata - 700001
E-mail : cil@ho.champdany.co.in
Web : www.jute-world.com

19/07/2016

National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex
Bandra (E)
Mumbai- 400 051

Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

Dear Sir(s),

We attached herewith the yearly submission of Full Annual Report (2015-16) & Abridged Annual Report (2015-16) including notice of AGM in the prescribed format, for your kind perusal and records.

Thanking you.

Yours faithfully,

For **AI Champdany Industries Ltd**

B K Chowdhury
Company Secretary

Encl: As stated above

A N N U A L
R E P O R T
2015–2016

AI CHAMPDANY INDUSTRIES LIMITED

AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767

CHAIRMAN EMERITUS
Mr. G. J. Wadhwa

BOARD OF DIRECTORS
Mr. D. J. Wadhwa, Chairman
Mr. Harbhajan Singh
Mr. S. M.Palia
Dr. G. Goswami
Mr. N. Das
Dr. B. Sen
Mr. B. Wadhwa
Ms. Ramya Hariharan
Mr. N. Pujara, Managing Director

VICE PRESIDENT (F&A) & CHIEF FINANCIAL OFFICER
Mr. Prakash Nagar

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. B. K. Chowdhury (w.e.f. 01 April 2016)

AUDITORS
D. P. Sen & Co.
Chartered Accountants
FRN 301054 E

BANKERS
Bank of Baroda
Allahabad Bank
Export-Import Bank of India
Kotak Mahindra Bank Ltd.
Bank of Maharashtra
IDBI Bank Ltd.

REGISTERED OFFICE
25, Princep Street
Kolkata-700 072

SHARE DEPARTMENT
25, Princep Street
Kolkata-700 072
Phone: 2237 7880/85
Fax: 033-2236 3754/033-2225 0221
E-mail: cil@ho.champdany.co.in
Website: www.jute-world.com

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WORKS

Wellington Jute Mill 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Anglo India Jute Mill 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Fine Yarn Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Flax Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Weaving Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Yarn Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248
Libra Carpet Choudwar Cuttack Odhisa Pin: 754 025	Weaving Unit 39, Shalimar Road Howrah (South) West Bengal Pin: 711 103	Yarn Unit Choudwar Cuttack Odhisa Pin: 754 025	Weaving Unit Naity Road Konnagar Hooghly West Bengal Pin: 712 246	Kankinara Unit Bhutnath Kolay Road Kankinara 24, Parganas (N) West Bengal Pin: 743 126	

AI CHAMPDANY INDUSTRIES LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors are pleased to present the Annual Report of your Company and the Company's Audited Financial Statements for the financial year ended 31 March 2016.

FINANCIAL RESULTS

(Rs. in lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Profit before Finance Cost, Depreciation, and Tax	794.38	1147.32
Finance Cost	1273.40	1234.66
Depreciation and Amortisation	513.17	561.34
Loss Before Tax	**(992.19)**	**(648.68)**
Provision for Tax:		
- Current Tax / MAT	-	2.40
- Tax for prior years	-	(7.32)
- Deferred Tax (Asset)	(449.52)	(230.47)
Loss After Tax	(542.67)	(413.29)
Profit/(Loss)Brought Forward from Previous Years	(407.09)	6.20
Loss Carried over	**(949.76)**	**(407.09)**

DIVIDEND

In view of loss, your Directors do not recommend any dividend on 2% Preference Shares and on Equity Shares.

OPERATIONS

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and the decline was mainly because of curtailment of production due to acute shortage of raw Jute leading to abnormally high raw jute prices. Production & sales also suffered because of temporary suspension of work at Anglo India Jute Mill (Middle Mill) from 26.05.15 to 13.09.15, Yarn Unit Rishra since 20.06.15 till date, Wellington Jute Mill since 26.03.16 till date and Weaving Unit Rishra since 23.05.15 till date. Export sales were at Rs. 49.74 Crores as against Rs. 60.80 Crores in previous year. Incidentally due to shortage and high raw jute prices, working was affected mostly in all mills. Mills adopted different methods of adjusting their production i.e. working 4 or 5 days / week running 2 shifts / day etc. Overall operating performance was adversely affected for the reasons mentioned in the Management Discussion and Analysis Report annexed hereto.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There have been no change in the nature of business of the Company

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As approved by way of special Resolution passed by share holders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 to M/S. P & A Distilleries Private Limited. (subsequently name changed to Anglo India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

RISK MANAGEMENT FRAMEWORK

Your company has a Risk Management Framework approved by the Board of Directors. The Risk Management Framework provides the mechanism for risk assessment and its mitigation .The Risk Management framework is being periodically reviewed by the Audit Committee and the Board of Directors.

DISCLOSURE ON SEXUAL HARRASSMENT OF WOMEN IN WORKPLACE

The Company has received no complaints from any women employee during the year regarding Sexual Harassment of Women in Workplace (Prevention Prohibition & Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES

There was no employee in receipt of remuneration of Rs. 60 lacs or more per annum during the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CHANGES IN KEY MANAGERIAL PERSONNEL

COMPANY SECRETARY

During the year, on resignation of Mr. Swaroop Saha from 30th May, 2015, Mr. Sandip Mandhana was appointed as the Company Secretary and Compliance Officer from 01st June, 2015. Subsequently on resignation of Mr. Sandip Mandhana from 31st January, 2016, Mr. Binod Kumar Chowdhury Sr. General Manager (Accounts) of the Company was appointed as the Company Secretary and Compliance Officer from 01st April, 2016.

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

Under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are set out in a separate statement attached to this report and forms part of it.

DIRECTORS

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company, Shri D. J. Wadhwa, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

The company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act 2013 and Regulation 16 (b) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”)

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of Managerial Remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure I of this Report.

STATUTORY AUDITORS

At the 97th Annual General Meeting held on 14th August, 2015, the members had appointed M/s D. P. Sen & Co., Chartered Accountants, having registration number 301054E as the Statutory Auditors of the Company till the conclusion of the next Annual General Meeting.

The Company has received a consent letter from M/s D. P. Sen & Co., Chartered Accountants, to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and the rules made thereunder. The Board proposes to appoint M/s D. P. Sen & Co., Chartered Accountants as the Statutory Auditors of the Company from the conclusion of ensuing 98th AGM till conclusion of 99th AGM.

COST AUDITORS

M/s N Radhakrishnan & Co, Cost Accountants has been appointed as Cost Auditor for auditing the cost accounts of the Company for the year ended 31 March 2017 by the Board of Directors. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost auditor is being sought at the ensuing Annual General Meeting.

M/s N. Radhakrishnan & Co., Cost Accountants, has given his consent to act as Cost Auditor of the Company confirming that his appointment is within the limits of Section 139 and certified that he is free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The Cost Audit Report for the year 2014-15 has been filed with the Ministry of Corporate Affairs within the due date of filing.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanation received from the day to day operating management, your Directors make the following statements pursuant to Sub-Section (5) of Section 134 of the Companies Act, 2013:

a) that in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) that the Directors 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 Company at the end of the financial year and of the loss of the Company for that period;

c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2016, on a going concern basis;

e) that the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;

f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as Annexure II.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by M/s K. Arun & Co., Company Secretaries, is enclosed as part of this report as Annexure III.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION,RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITOR IN HIS REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

Qualified opinion by the Statutory Auditors in their Report have been adequately dealt with in the Note 44 of the Accounts, which is explained hereunder.

"The Company is providing Gratuity Liability on accrual basis for all its units and only in respect of one unit i.e. Jagatdal it was accounted for on cash basis for the intervening period of 1996-97 to 2006-07 as explained in Note No.44 to the Accounts. However this qualification will not appear from Annual Accounts of current FY 2016-17 onwards as the Unit for which this qualification was appearing has been hived off to the new buyer w.e.f. 01.05.2016 with all its Gratuity Liability both past & future."

The Secretarial Auditor have not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

The Cost Auditor has not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

MEETINGS OF THE BOARD

Four Meetings of the Board of Directors were held during the year. For further details please refer to report on Corporate Governance annexed in this Annual Report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 and the Accounting Standard (AS21), the Consolidated Financial Statement is provided in the Annual Report.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary i.e. Champdany Construction Ltd is presented in a separate section in Form AOC 1 as Annexure IV.

LISTING WITH THE STOCK EXCHANGES

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange and annual listing fees for financial year 2016-17 has been paid to the BSE and NSE.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant & Material Orders relating to settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc. were passed by the Regulators for or against the Company during the financial year ended 31st March 2016.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The internal Auditors continuously monitor the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's risk management with regard to the Internal financial Control system.

The Audit Committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company. In order to strengthen further our existing internal financial control system, the Company has engaged Ernst & Young to study and suggest improvements in our system.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

During the year, the Company has not given any loans, provided any guarantees or made any investments as covered under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS, ARRANGEMENTS ENTERED INTO WITH RELATED PARTIES

During the financial year, the Company had not entered into any contract / arrangement / transactions with related parties which are materially significant.

All contracts/transactions/arrangements entered by the Company with Related parties during the financial year were in the ordinary course of business and on arm's length basis and the provisions of Section 188 are not attracted. Thus, disclosure in Form AOC-2 is not required.

PREVENTION OF INSIDER'S TRADING

In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and its subsequent Amendments in 2008 and 2015, the Company has adopted a model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company. The Code, inter alia, prohibits purchase, sale of the shares of the Company by the Directors, Officers and Designated Employees while in possession of the unpublished price sensitive information in relation to the Company. The Company secretary is the Compliance Officer for the purpose of these Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of this Annual Report

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as prescribed by SEBI. The Corporate Governance Report and a Certificate from the Auditors of the Company certifying compliance with the conditions of Corporate Governance are attached hereto and form part of the Directors' Report.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

INDUSTRIAL RELATIONS

Industrial Relations in all units and branches of the Company remained generally cordial and peaceful throughout the year, except Units under suspension of work, etc. as mentioned in Management Discussion & Analysis Report annexed herewith.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation of the continuous support, encouragement and co-operation received from the Company's bankers, the Government of West Bengal, customers, employees, shareholders and other business associates.

On Behalf of the Board

Place: Kolkata
Dated: 14th June'2016

B. Wadhwa
N. Pujara } Directors

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Development:

During the year under review, Industry suffered due to severe shortage of raw jute due to Crop being lower by almost 24% than earlier year. This resulted in abnormal rise in raw Jute prices putting further pressure on the operations. The production therefore in the Industry is estimated to be approx 20% less than earlier year.

B. Opportunities/Threats, Risks & Concerns:

- **Opportunities**

As per initial projections given by the Government Procurement agencies it is likely that there will be good demand for B Twill Jute Bags from July'16 onwards which coupled with expected bumper Jute crop to arrive in the market from July / Aug'16 may ease both availability and price of raw jute, and should augur well for the Industry going forward, barring unforeseen situation. Opportunity also lies in diversification of products range by installing new generation equipments and innovation of value added products by way of different blends of man made / natural fibres. Your Company having hived off its labour intensive and conventional Unit, namely Anglo India Jute (Middle Mill) will now focus more on enhancing production of diversified items while also giving thrust on improving the productivity.

- **Threats / Risks and Concerns**

Discussion is going on in the Ministry of Textile, Government of India, for dilution of Jute Packaging (compulsory use for packaging commodities) Act 1987 which is due for annual extension as is being done every year. However, efforts are being made by the Industry body to persuade the Government not to dilute the mandatory packaging order in the larger interest of farmers, workers, environment and until the Industry is ready to face this challenge by way of concerted efforts by the Industry to modernise & develop diversified products and create new demands. Besides, both Central and State Government

should also extend their support by devising an Incentive based effective policy to encourage the Industry for modernisation, research & development and innovation of value added range of products. Productivity in the Industry is also quite low compared to wage structure which keeps going up being linked to inflation, hence workers Unions also need to Co-operate with the Industry and link wages to productivity for long term survival of the Industry.

C. Outlook:

There is an expectation of Bumper raw jute crop which will arrive in the market from July/Aug onwards because the farmers have gone for higher acreage of jute cultivation this year due to record high prices realised by them for the previous crop & with expected above normal monsoon, Government procurement Agencies have also projected higher B Twill bags requirements. Considering the above factors it is hoped that performance of Jute Industry including your Company may be better this year, barring unforeseen situation.

Your Company after having sold its Anglo India Jute (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 is now planning to focus more and more on value added products and also ramping up production at its other Units. Since AIJM – Middle Mill was highly labour intensive having very low productivity, manufacturing mostly conventional products, its hiving off should result in overall improvement in the operating performance of the Company. Sales turnover may be lower initially but may gradually increase with the Company's efforts in enhancing production at other Units in a phased manner.

Efforts are continuing to resume operations at Wellington Jute Mill and other Units located at Rishra, Dist-Hooghly, West Bengal which are currently under temporary suspension of work due to acute shortage of raw jute and low productivity. Resumption of operations at these Units also depends upon the outcome of negotiations underway with the Workers Unions to benchmark productivity levels at these Units to Industry standards which at present is very poor when compared with Industry norms.

D. Internal Control System & Adequacy:

The Company has a proper internal control system in place across all its operations. Internal audit work has been assigned to a professional firm of Chartered Accountants who have expressed satisfaction about the adequacy of internal control systems and procedures followed by the Company. The Audit Committee reviews the observations of the internal auditors and implementation aspects on a regular basis.

E. Financial & Operating Performance:

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and it declined mainly due to lower production which had to be curtailed because of acute shortage of raw Jute and suspension of work in some units. Export Sales was at Rs. 49.74 Crores compared to Rs. 60.80 Crores in the previous year. Overall operating performance was adversely effected for the reasons explained in this report.

F. Material Development in Human Resources/Industrial Relations Front:

The Company continues to rationalize its workforce and put emphasis on providing quality training under the Company's programme.

Yarn Unit and Libra Carpet Unit located at Choudwar, District Cuttack, Odisha, Yarn and Weaving Unit at Konnagar continued to be under suspension of work.

Due to very low productivity, temporary suspension of work had to be declared at Weaving Unit Rishra w.e.f 23rd May 2015 continuing till date, Anglo India Jute Mill (Middle Mill) from 26th May 2015 to 13th September 2015, Yarn Unit Rishra from 20th June 2015 continuing till date with intermittent small operations in between. Due to severe Raw Jute shortage & low productivity Wellington Jute Mill also had to temporarily suspend operations from 26th March 2016 which is continuing till date, however negotiations are underway with Workers Unions for increasing productivity & adhering manning norms in line with Industry Standards.

G. Cautionary Statements:

Certain statements in this report may be construed as forward looking statements which have been made as required by laws and regulations, as applicable. There are several factors, which would be beyond the control of management and as such, may affect the actual results, which could be different from that envisaged.

AI CHAMPDANY INDUSTRIES LIMITED

Annexure to the Directors' Report

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

A. CONSERVATION OF ENERGY

The Company continues its efforts to conserve energy and has taken the following steps on ongoing basis:

a. Replacement of conventional Fluorescent lamps with Light Emeidie Diode (LED) type lamp fittings.
b. Replacing in phased manner High Power Sodium Vapour lamps by Metal Halide Lamp.
c. Mounting of spinning motors outside machine frame.
d. Putting variable frequency with driving looms.
e. Taking care for maximum utilization of energy and to reduce the energy consumption, capacitors have been installed in every department to improve power factor and always try to maintain it to 99% to reduce losses. All motors, electrical & electronic equipments and machine parts are regularly checked and maintained to reduce losses.
f. Regular checking and maintenance of Steam pipe lines, valves, steam traps to reduce the loss of steam and finally consumption of fuel in the Boiler.
   Continuous monitoring of system voltage and power factor to minimize losses, follow rigid routine preventive / proactive maintenance schedule of machine, use of energy efficient motors, elimination of idle / under loading of machines.
   Constant efforts are being made to identify new technologies to improve the working of the plants for reduction in consumption of energy and cost of production.

"FORM A"

			Current year	Previous year
a)	**POWER AND FUEL CONSUMPTION**			
i)	**ELECTRICITY**			
	a)	Purchased Units (KWH)	16066615	21839046
		Total Amount (Rs. in lacs)	1399.59	1816.12
		Rate / Unit (Rs.)	8.71	8.32
	b)	Own Generation through Diesel Generator (Units)	7214	10203
		Units per litre of Oil	3.07	3.10
		Cost / Unit (Rs.)	18.32	23.76
ii)	**COAL**			
	(B grade used for generation of steam in boiler)			
		Quantity (M. Ton.)	1.77	5.92
		Total Cost (Rs. in lacs)	0.16	0.55
		Average Rate (Rs.)	9319	9319
b)	**CONSUMPTION PER UNIT OF PRODUCTION**			
	Electricity (KWH/MT)			
	Jute/Jute diversified Products and Services		753	700
	Flax Products		5557	4707
	Coal per ton of Production (M.Ton)			
	Jute/Jute diversified Products & Services		-	-
	Flax Products		-	-
Production				
Jute & Jute Diversified Products (M. Ton.)			**18526**	**28390**
Flax Product (M. Ton.)			**383**	**422**

"FORM B"

B. TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

R&D Projects are being pursued in house & in conjunction with IJIRA/Jute Board for development of value added items having combinations of jute blended with other natural and manmade fibre and improvement of end products including linen yarn.

BENEFITS DERIVED AS A RESULTS OF THE ABOVE R&D AND FUTURE PLAN OF ACTION:

Technology absorption, adaptation and innovation –

a) By taking out Motor from Machine to outside Energy saving is 20 units per day per frame.
b) Motor will remain cool, comparatively clean, wear & tear of Motor will be decreased and most important fire hazards will be eliminated.
c) Consumption of Bearing will be reduced considerably for spinning section.
d) By using armoured cable on Spinning Machine Main line fire hazard and line losses will be minimized.

Benefits are expected to accrue in terms of value addition, cost optimization, better turnaround improvement of quality and serviceability.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION AND INNOVATION:

Continued assistance being sought for technology transfers and up-gradation from developed countries for perpetual improvement of existing products and developments of newer products. The Company had adopted technology of fine yarn and soil saver; further improvements are anticipated in development of HCF Food Grade jute products.

EXPENDITURE ON R&D:

In accordance with the Company's consistent practice, expenditure on R&D activities remains merged with various heads of account.

DETAILS OF IMPORTED TECHNOLOGY:

No technology has been imported during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans:

The Company has taken several initiatives for development of new products by way of diversification of product folio and cost reduction for export market.

Total foreign exchange used and earned (Rs. in lacs)

		Current Year	Previous Year
Used	:	1261.62	3607.69
Earned	:	4973.76	6080.15

On Behalf of the Board

Place: Kolkata
Dated: 14th June'2016

B. Wadhwa
N. Pujara } Directors

ANNEXURE I

DISCLOSURE ON MANAGERIAL REMUNERATION

Details of Remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2016:

Name	Designation	Remuneration of Directors' to Median Employees' Remuneration (times)
Mr. D. J. Wadhwa ,Chairman	Non-Executive	1.71
Mr. Bhushan Wadhwa	Non-Executive	0.64
Mr. S. M. Palia	Independent	0.43
Mr. Harbhajan Singh	Independent	1.71
Dr. G. Goswami	Independent	1.84
Mr. N. Das	Independent	1.41
Dr. B. Sen	Independent	0.86
Ms. Ramya Hariharan	Independent	0.86
Mr. N Pujara	Managing Director	46.71

b) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary or Manager in the financial year ended 31st March, 2016 is as follows:

Name	Designation	Percentage Increase in Remuneration
Mr. D. J. Wadhwa, Chairman	Non-Executive	-
Mr. Bhushan Wadhwa	Non-Executive	-
Mr. S. M. Palia	Independent	-
Mr. Harbhajan Singh	Independent	35.59*
Dr. G. Goswami	Independent	-
Mr. N. Das	Independent	-
Dr. B. Sen	Independent	-
Ms. Ramya Hariharan	Independent	33.33**
Mr. N. Pujara	Managing Director & Chief Executive Officer	23.48***
Mr. P. Nagar	Vice President (Finance& Accounts) &Chief Financial Officer	-
Mr. S. Saha	Company Secretary (upto 31.05.15)	-
Mr. S. Mandhana	Company Secretary (from 01.06.15 to 31.01.16)	-

*The increase in sitting fees is due to 4 meetings of Board and Audit Committee attended in 2015-16 as against 3 meetings each in 2014-15

** The increase in sitting fees is due to 4 meetings of Board attended in 2015-16 as against 3 meetings in 2014-15

***Remuneration increased with effect from September 1,2014 was applicable only for 7 months in 2014-15 whereas such increase was for full year in 2015-16.

c) The number of permanent employees on the rolls of the company is 5007.

d) The details of variations in the market capitalization of the Company, Price Earnings Ratio at the closing date

of the current financial year and previous financial year are as follows:

The Market Capitalization of the company increased by 38.55% from Rs. 4908.32 lacs as at March 31, 2015 to Rs. 6800.37 lacs as at March 31, 2016. The Price Earning Ratio as at March 31, 2016 was Nil as compared to the Price Earnings Ratio as at March 31, 2015 was Nil .

In the year 2009-10 the company came out with an issue of fully paid 2% Preference Shares of the face value of Rs. 5 each at par to existing equity shareholders of the Company on Rights Basis in ratio of 1 share for every 1 share held on record date. The total issue at a price of Rs.5 each aggregated to Rs 6, 20, 91,965/-

The equity shares of the Company closed at Rs. 24.80 on National Stock Exchange of India Ltd. and at Rs. 22.45 on BSE Limited on March 31, 2016 representing an increase of 35% since the last financial year.

e) No variable component in any form was availed by the directors during the financial year ended March 31, 2016.

f) No employee has received remuneration higher than the highest paid director during the financial year ended March 31, 2016.

g) It is hereby affirmed that the remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company.

ANNEXURE II

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) **CIN:- L51909WB1917PLC002767**

(ii) Registration Date: **02.01.1917**

(iii) Name of the Company: **Al Champdany Industries Limited**

(iv) Category / Sub-Category of the Company: **Public Company/Limited by Shares**

(v) Address of the Registered office and contact details: **25, Princep Street, Kolkata – 700072; Phone: 22377880**

(vi) Whether listed company : **Yes**

(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **MCS Share Transfer Agent, 12/1/5, Manoharpukur Road, Kolkata- 700 026, Phone: 40724051**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	SACKING	63051040	61.78
2	HESSIAN	63051030	19.34

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Champdany Constructions Ltd. 33, C. R. Avenue Kolkata - 700 012	U17232WB1993PLC061248	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1865354	-	1865354	6.803	1865354		1865354	6.803	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Governments	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	10942596	-	10942596	39.906	10942496	-	10942496	39.906	-0.0003
e) Banks/ FI	-	-	-		-	-	-	-	-
f) Trusts	1971804	-	1971804	7.191	1971804	-	1971804	7.191	-
Sub-total (A)(1)	14779754		14779754	53.900	14779654	-	14779654	53.900	-0.0003
(2) Foreign						-	-	-	-
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other…	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)									
Total Share-holding of Promoter (A) = (A)(1)+(A) (2)	14779754	-	14779754	53.900	14779654	-	14779654	53.900	-0.0003
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	165746	2565770	2731516	9.961	165746	2565770	2731516	9.961	-
c) Central Government	60	-	60	0.000	60	-	60	0.000	-
d) State Governments	-	704	704	0.003	-	704	704	0.003	-

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	1332	1332	0.005	-	1332	1332	0.005	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	165806	2567806	2733612	9.969	165806	2567806	2733612	9.969	-
2. Non-Institutions									
(a) Bodies Corporates	-	-	-	-	-	-	-	-	-
(i) Indian	119126	405972	525098	1.915	115312	405916	521228	1.900	-0.0141
(ii) Overseas	-	8533332	8533332	31.120	-	8533332	8533332	31.120	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	463274	171751	635025	2.316	463361	171634	634995	2.316	-0.0001
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	214000	-	214000	0.780	218000	-	218000	0.795	+0.0145
c) Trust	10	-	10	.0000	10	-	10	0.000	-
Sub-total (B) (2)	796410	9111055	9907465	36.131	796683	9110882	9907565	36.131	+0.0003
Total Public Shareholding (B) = (B)(1)+(B)(2)	962216	11678861	12641077	46.100	962489	11678688	12641177	46.100	+0.0003
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15741970	11678861	27420831	100.00	15742143	11678688	27420831	100.00	

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
Rishra Investments Ltd	3837952	13.9965	-	3837832	13.9961	-	-0.0004
Shibir India Limited	2951595	10.7641	-	2951595	10.7641	-	-
Amar Investments Ltd.	2545599	9.2834	-	2545619	9.2835	-	+0.0001
Damodardas Jerambhai Wadhwa	2645642	9.6483	-	2645642	9.6483	-	-
Gordhandas Jerambhai Wadhwa	1189300	4.3372	-	1189300	4.3372	-	-
Coopers Wealth Advisors Ltd.	500000	1.8234	-	500000	1.8234	-	-
G Jerambhai Exports Ltd.	550924	2.0091	-	550924	2.0091	-	-
Gunny Dealers Ltd.	203706	0.7429	-	203706	0.7429	-	-
Gojer Brothers Pvt. Ltd.	121332	0.4425	-	121332	0.4425	-	-
Coopers Housing Estates Pvt. Ltd.	106666	0.3890	-	106666	0.3890	-	-
McGregor & Balfour (India) Ltd.	106666	0.3890	-	106666	0.3890	-	-
Libra Transport Ltd.	14932	0.0544	-	14932	0.0544	-	-
National Electronics Pvt. Ltd.	3200	0.0117	-	3200	0.0117	-	-
Bhushan Wadhwa	1732	0.0063	-	1732	0.0063	-	-
Jyoti B Wadhwa	484	0.0018	-	484	0.0018	-	-
Coopers Capital Markets Ltd.	24	0.0001	-	24	0.0001	-	-
Total	**14779754**	**53.8997**	**-**	**14779654**	**53.8994**	**-**	**-0.0003**

(iii) Change in Promotors' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
April 01, 2015	14779754	53.8997	14779754	53.8997
June 30, 2015	-	-	-	-
September 30, 2015	-	-	-	-
December 31, 2015	100	0.0003	100	0.0003
March 31, 2016	-	-	-	-
March 31, 2016	14779654	53.8994	14779654	53.8994

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Aldgate International SA	4266666	15.559	4266666	15.559
Blancatex AG	4266666	15.559	4266666	15.559
Canara Bank	1949332	7.109	1949332	7.109
Bank of India	483530	1.763	483530	1.763
Bank of Baroda	233568	0.852	233568	0.852
Upkar Distributers Pvt. Ltd.	213332	0.778	213332	0.778
Harsha Hitesh Javeri	100000	0.365	100000	0.365
Apson Sales Promotion Pvt. Ltd.	93332	0.340	93332	0.340
Frank Jute Impex Pvt. Ltd.	93332	0.340	93332	0.340
Hitesh Ramji Javeri	66000	0.241	70000	0.25 5

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Equity Shares	% of total Shares of the company	No. of Equity Shares	% of total Shares of the company
1	Mr. D J Wadhwa	2645642	9.6483	2645642	9.6483
2	Mr. N Pujara	3400	0.0124	3400	0.0124
3	Mr. N Das	2666	0.0097	2666	0.0097
4	Mr. B Wadhwa	1732	0.0063	1732	0.0063
5	Mr. S M Palia	266	0.0010	266	0.0010

V. INDEBTEDNESS

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

In Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1098253285	29000000	-	1127253285
(ii) Interest disputed	-	2901242	-	2901242
(iii) Interest accrued but not due	2436738	-	-	2436738
Total (i+ii+iii)	1100690023	31901242	-	1132591265

In Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Change in indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	41914248	-	-	41914248
Net Change	41914248	-	-	41914248
Indebtedness at the end of the financial year				
(i) Principal Amount	1054904125	29000000	-	1083904125
(ii) Interest disputed	-	2901242	-	2901242
(iii) Interest accrued but not due	3871650	-	-	3871650
Total (i+ii+iii)	1058775775	31901242	-	1090677017

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration in Rs.	Name of the Managing Director
		Mr. Nirmal Pujara
1	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	10,50,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	as % of profit	-
	others, specify…	-
5	Contribution to Gratuity Fund	2,01,923
	Total (A)	54,51,923
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors						
Independent Directors	**Mr. S. M. Palia**	**Mr. N. Das**	**Dr. G. Goswami**	**Mr. H. B. Singh**	**Dr. B. Sen**	**Ms. R. Hariharan**	**Total**
• Fee for attending board / committee meeting	50,000	1,65,000	2,15,000	2,00,000	1,00,000	1,00,000	8,30,000
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
Total (1)	50,000	1,65,000	2,15,000	2,00,000	1,00,000	1,00,000	8,30,000
Other Non-Executive Directors	**Mr. D .J. Wadhwa**	**Mr. B. Wadhwa**					
• Fee for attending board committee meeting	2,00,000	75,000		-			2,75,000
• Commission	-	-		-			-
• Others, please specify	-	-		-			-
Total (2)	2,00,000	75,000		-			2,75,000
Total (B)=(1+2)				-			11,05,000
	Total Managerial Remuneration						11,05,000
Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/ MANAGER/ WHOLE TIME DIRECTOR

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	2,48,938	12,00,000	1448938
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	46550	-	46550
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify…	-	-	-
5	Others, please specify…	-	-	-
	Total	**295488**	**1200000**	**1495488**

VII. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st Day of March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

AI Champdany Industries Limited

CIN: L51909WB1917PLC002767

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AI Champdany Industries Limited (hereinafter called "the Company").** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015.

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

V. The company operates in the Jute Industry and compliances are made with the applicable regulatory authorities and the guidelines laid down by them.

We have also examined compliance with the applicable clauses of the following:

The Listing Agreements entered into by the Company with **BSE Limited, National Stock Exchange of India Limited** and The Calcutta Stock Exchange Limited (till the securities were listed on the Exchange) till 30th November 2015 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 from the date of their enforcement i.e. 01.12.2015 .

During the period under review the Company has also complied with the Secretarial Standard issued by the Institute of Company Secretaries of India and the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company **is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.** The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Agreement.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent in advance to the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views are captured, as and when required and are recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, as also represented by the management.

We further report that during the audit period the Company got itself delisted **from The Calcutta Stock Exchange Limited.**

Place : Kolkata
Date : 11.05.2016

For K. Arun & Co
Company Secretaries
Arun Kr. Khandelia
Partner
C.P. No.: 2270

ANNEXURE IV

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts)

1. Sl. No.	:	1
2. Name of the subsidiary	:	Champdany Constructions Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	Not Applicable
4. Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not Applicable
5. Share Capital	:	Rs.810.20 lacs
6. Reserves & Surplus	:	Rs.27.70 "
7. Total Assets	:	Rs.845.97 "
8. Total Liabilities	:	Rs.845.97 "
9. Investments	:	Rs.1.95 "
10. Turnover	:	Rs.18.05 "
11. Profit before taxation	:	(Rs.4.80) "
12. Provision for taxation	:	-
13. Profit after taxation	:	(Rs.4.80) "
14. Proposed Dividend	:	NIL
15. % of shareholding	:	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : NIL
2. Names of subsidiaries which have been liquidated or sold during the year. : NIL

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of AI Champdany Industries Limited

We have examined the compliance of conditions of Corporate Governance by AI Champdany Industries Limited for the year ended 31 March 2016, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of the Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D. P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No: 58711

Kolkata
Date: 14 June 2016

AI CHAMPDANY INDUSTRIES LIMITED

Corporate Governance Report for the year ended 31 March 2016

The detailed report on Corporate Governance and process including compliance by the Company in terms of Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") is set out below:

Company's Philosophy on Code of Governance

The Board of Directors and Management are committed to maximizing shareholder value on a sustained basis. The Company considers good Corporate Governance to be a pre-requisite for meeting the objective of shareholders' wealth maximization. Good Governance practices in the Company include adoption of best Board practices, respect and protection of minority views and interests of shareholders and institutionalization of a fair and transparent reporting system.

Board of Directors

The Board of Directors comprises of nine Directors, out of which two are promoter non-executive Directors, one Managing Director and Six Non-executive Independent Directors (including one woman Director).

The Directors bring to the board a wide range of experience and skills. Brief profiles of the Directors, are set out elsewhere in the annual report. The composition of the board is in conformity with Regulation 26(1) of the Listing Regulations. As per the Listing Regulations, no Director can be a member in more than 10 committees or act as chairman of more than 5 committees across all public companies in which he is a Director. All the Independent Directors qualify the conditions for being Independent Director as prescribed under regulations. No Director is related to any Director. Further, the Board periodically reviews compliance reports of all laws applicable to the company and necessary steps are being taken to ensure the compliance in law and spirit. The brief resume/details relating to Director seeking appointment / re-appointment is furnished in the Annexure to the Notice of the ensuing Annual General Meeting.

The composition of the Board of Directors, the attendance of each Director at the Board meetings and at the last Annual General Meeting (AGM) and also the number of other Directorships or Committee of which he is a Member/Chairman are as under:

Name of the Director	DIN	Category	Attendance		No. of Directorships and committee Memberships/ Chairmanships in other companies		
			Board Meetings	Last AGM	Other Directorships**	Committee Memberships	Committee Chairmanships
Mr. D. J. Wadhwa	00046180	Promoter Non-Executive Chairman	4	Yes	3	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	2	Yes	5	1	1
Mr. Harbhajan Singh	00237556	Independent Non-Executive	4	Yes	9	1	-
Dr. B. Sen	00056861	Independent Non-Executive	4	No	3	2	1
Dr. G. Goswami	00024209	Independent Non-Executive	4	Yes	4	3	-
Mr. N. Das	00080612	Independent Non-Executive	3	Yes	3	2	2
Mr. N. Pujara	00047803	Executive Director	4	Yes	12	-	4
Mr. B. Wadhwa	00407790	Promoter Non-Executive	3	Yes	9	-	-
Ms. Ramya Hariharan	06928511	Independent Non-Executive	4	No	6	3	-

**Includes Directorship in both Private limited companies and Public limited companies.

Responsibilities

The Board of Directors represents the interest of the Company's shareholders, in optimizing long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

Independent Directors

The Company has complied with the definition of Independence as per Regulation 16 (b) of the Listing Regulations and according to the Provisions of section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

Role of Independent Directors

Independent Directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing, accountancy, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee and the Stakeholders Relationship Committee have a majority of Independent Directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, the Listing Regulations and as approved by the board, from time to time.

Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as Directors of the Company.

Training of Independent Directors

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organisation structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at ***www.jute-world.com***.

Performance Evaluation of Non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, finance, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 13th February, 2016, without the attendance of Non-Independent Directors and members of Management. The following issues were discussed in detail:

i) Reviewed the performance of non-independent Directors and the Board as a whole;

ii) Reviewed the performance of the Chairman of the Company, taking into account the views of Directors;

iii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Meetings of the Board

During the financial year ended 31st March 2016, Board meetings were held on 29th / 30th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

Audit Committee

The Board of Directors has set up an Audit Committee under the provisions of Section 177 of the Companies Act, 2013 and the provision of Regulation 18 of the Listing Regulations. The present terms of reference of the Audit Committee includes the powers as laid out in Regulation 18 (2) of Listing Regulations and role of the

Audit Committee as stipulated in Clause A of Part C of Schedule II of Listing Regulations.

The Audit Committee also reviews information as per requirement of Clause B of Part C of Schedule II of the Listing Regulations.

The Audit Committee also complies with the relevant provisions of the Companies Act, 2013.

The terms of reference of the Audit Committee are determined by the Board from time to time. The scope of activities of Audit Committee includes the areas laid out in section 177 of the Act and Part C of Schedule II of the Listing Regulations.

The Audit Committee also reviews such matters as considered appropriate by it or referred to it by the board.

Composition, Meetings and Attendance:

The Audit Committee of the Company comprises four Directors- three of whom are Independent, Non-Executive and one is promoter, Non-Executive. All of them are expert in Corporate Finance, accounts and corporate laws. The chairman of the committee is an Independent, Non-Executive Director, nominated by the Board.

The Company Secretary acts as the secretary to the committee. The Managing Director, CFO, the Statutory Auditor and the Internal Auditor of the company are permanent invitees at the meetings of the committee. The composition of the Audit Committee meets the requirement of Listing Regulations and the provisions of the Companies Act, 2013.

During the financial year ended 31 March 2016, Four Audit Committee meetings were held on 28th May 2015, 13th August 2015, 14th November 2015 and 13th February 2016.

Name of Member	Designation	No. of meetings Attended
Mr. Harbhajan Singh	Independent Non-Executive Director	4
Mr. N. Das	Independent Non-Executive Director	3
Dr. G. Goswami	Independent Non-Executive Director	4
Mr. D. J. Wadhwa	Promoter Non-Executive Director	4

Nomination and Remuneration Committee

Composition: The Committee of the Board comprises of three Independent Directors, namely Mr. Harbhajan Singh, Dr. G. Goswami and Mr. N. Das.

Terms of Reference: The Committee has been constituted to review/recommend/approve remuneration of the Managing Director/Chief Financial Officer, Company Secretary and other senior employees based on their performance.

The role of the Nomination and Remuneration Committee inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board of the remuneration policy; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Meetings: During the financial year ended 31st March 2016, there was only one meeting of the Committee held on 2nd May 2015. For the meeting held on 2nd May 2015 all members were present except Mr. Harbhajan Singh.

DETAILS OF REMUNERATION PAID TO ALL THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2015.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total

amount of sitting fees paid during the financial year 2015-16 is as under:

(Amount in Rs.)

Name of the Director	Meeting Fees			Total	No. of shares held	
	Audit Committee	Board	Other * Committees		Equity	2% Preference
Mr. S M Palia	-	50,000	-	50,000	266	500
Mr. Harbhajan Singh	1,00,000	1,00,000	-	2,00,000	-	-
Dr. G Goswami	1,00,000	1,00,000	15,000	2,15,000	-	-
Mr. D J Wadhwa	1,00,000	1,00,000	-	2,00,000	2,645,642	2,645,642
Mr. N Das	75,000	75,000	15,000	1,65,000	2,666	-
Dr. B Sen	-	1,00,000	-	1,00,000		
Mr. B Wadhwa	-	75,000	-	75,000	1,732	1,532
Ms. Ramya Hariharan	-	1,00,000	-	1,00,000		
Total	3,75,000	7,00,000	30,000	11,05,000		

* for attending Nomination and Remuneration Committee Meeting.

B. Remuneration to Managing Director

The appointment of Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholder of the Company, which cover the terms of such appointment and remuneration, read with the service rules of the company. Payment of remuneration to Managing Director is governed by the Agreement executed between them and the Company. The remuneration package of Managing Director comprises of salary, perquisites and allowances and contributions to Provident and other Retirement Benefit Funds as approved by the shareholder at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Managing Director.

Name of the Managing Director	Salary (Rs)	Benefits (Rs)	Remarks
Mr. Nirmal Pujara	42,00,000	12,51,923	Elevated as Managing Director w.e.f 12th May 2014 for a period till 31st December, 2017. The contract is terminable by either party by giving 3 months notice.

Stakeholders' Relationship Committee

The Board has set up a Stakeholders' Relationship Committee consisting of one independent non-executive Director and one promoter non-executive Director as under:

i) Dr. G. Goswami – Chairman (Independent non-executive Director)

ii) Mr. B. Wadhwa – Member (Promoter non-executive Director)

During the financial year ended 31st March 2016, No Committee Meeting was held.

The detailed positions of the shareholders' complaints are as under:

a) Number of complaints received from Stock Exchange/SEBI – NIL

b) Number of complaints non-resolved/non-action taken – NIL

c) Number of pending share transfer as on 31st March 2016 – NIL

Investors' grievances are resolved expeditiously.

Compliance Officer:

Mr. Swaroop Saha, Company Secretary was designated as Compliance Officer till 30.05.2015.

Mr. Sandeep Mandhana, Company Secretary was designated as Compliance Officer from 01.06.2015 to 31.01.2016.

Mr. Binod Kumar Chowdhury, Sr General Manager (Accounts) and Company Secretary has been designated as Compliance Officer w.e.f. 1st April 2016.

General Body Meeting

Location and time where the last three Annual General Meeting were held.

Financial Year	Location of Meeting	Date	Time
2012-2013	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	14 August 2013	10:30 A.M.
2013-2014	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	12 August 2014	10:30 A.M.
2014-2015	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	14 August 2015	10:30 A.M.

Following one Special Resolution was passed in the last Annual General Meeting held on 14 August 2015:

The draft regulations contained in the Article of Association of the Company as per Table 'F' of the Companies Act, 2013 have been approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Article of Association of the Company as per erstwhile Companies Act, 1956.

Subsidiary

The Company has one non-listed Indian Subsidiary Company i.e. Champdany Constructions Ltd. It is not a material subsidiary.

a) Financial Statement in particular the investments made by the Subsidiary Company are reviewed quarterly by the Audit Committee of the Company.
b) All minutes of the meetings of the Subsidiary Company are placed before the Company's Board Meeting regularly.
c) A statement containing all significant transactions and arrangements entered with Subsidiary Companies are placed before the Company's Board.

Disclosures

Related party transactions

There were no transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business and at arm's length price are included in the notes forming part of the financial statements. There were no financial or commercial transactions by the senior management with the Company where they have personal interests that may have a potential conflict with the interests of the Company at large.

The material financial and commercial transactions where persons in management have personal interest, exclusively relate to transactions involving Key Management Personnel forming part of the disclosure on related parties referred to in Note No. 37 to Annual Accounts, which were reported to Board of Directors. The Register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for approval.

Capital Markets

The Company has complied with all the legal requirements related to Capital Markets and there were no strictures passed/penalties levied by Stock Exchange/SEBI or any other regulatory body.

Whistle Blower policy

The Company has in place an Employee concern (Whistle Blower) which is also available on the Company's website i.e. www.jute-world.com . No personnel have been denied access to the Audit Committee to lodge their grievances.

Issue of Shares

There have been no public issues, right issues or other public offerings during the year. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

No presentations were made to Institutional Investors and analysts during the year.

Means of Communication

The unaudited quarterly and audited annual financial results along with the notes are normally published in one National English Newspaper (Financial Express) and one Bengali Newspaper (Arthik Lipi) circulating in Kolkata, within 48 hours of approval by the Board and are faxed/intimated to Stock Exchanges. The quarterly results of the Company are put on the web site of the Company after these are submitted to the Stock Exchanges. Our web site address is ***www.jute-world.com***

General Shareholders' information:

a) AGM date, time and venue

Annual General Meeting is to be held on Friday, 12 August 2015 at 4:00 P.M. at the auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th floor, Kolkata 700017.

b) Financial Calendar 2016-17 (Tentative)

Financial year: 1 April to 31 March.

Unaudited 1st quarter results (quarter ending on 30 June 2016)	:	Second Week of August 2016
Unaudited 2nd quarter results (quarter ending on 30 September 2016)	:	Second week of November 2016
Unaudited 3rd quarter results (quarter ending on 31 December 2016)	:	Second Week of February 2017
Audited Annual Results (i.e. year ending on 31 March 2017)	:	Last week of May 2017

c) Book Closure period: From 5 August 2016 to 12 August 2016 (both days inclusive).

d) Listing on Stock Exchange

The Company's Equity shares are listed on The Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. Annual Listing fees as prescribed have been paid to the Stock Exchanges for the year 2016-2017.

e) Scrip Code

Bombay Stock Exchange	National Stock Exchange
532806	AICHAMP

f) Stock price data

	BSE		NSE	
Month	**High**	**Low**	**High**	**Low**
April, 2015	18.35	15.45	17.90	17.45
May, 2015	17.95	14.75	18.55	16.50
June, 2015	18.90	13.65	17.60	16.75
July, 2015	17.05	13.32	17.50	15.20
August, 2015	22.75	15.50	16.70	15.40
September, 2015	20.55	16.15	15.50	14.20
October, 2015	20.50	16.25	15.60	13.55
November, 2015	27.35	16.50	20.15	15.10
December, 2015	38.95	24.00	40.75	21.15
January, 2016	40.85	29.85	38.85	35.00
February, 2016	32.00	18.60	33.50	24.90
March, 2016	25.25	18.65	25.60	22.70

g) Registrar and Share Transfer Agents

The Company has appointed M/s.MCS Share Transfer Agent Limited having its office at 12/1/5, Monoharpukur Road, Kolkata – 700 026 as Registrar for both demat and physical segment.

h) Share Transfer System

Shares in demat and physical form are being processed by the registrar on regular basis. Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

i) Distribution of Shareholding as on 31 March 2016

Equity

Group of Shares	No. of Share-holders	% of share-holders	No. of Shares held	% of Total Shares
1 to 500	3019	89.61	212864	0.78
501 to 1000	162	4.81	114551	0.42
1001 to 2000	92	2.73	128612	0.47
2001 to 3000	24	0.71	59472	0.22
3001 to 4000	16	0.47	55853	0.20
4001 to 5000	4	0.12	17898	0.06
5001 to 10000	6	0.18	40241	0.15
10001 to 50000	8	0.24	156241	0.57
50001 to 100000	7	0.21	534805	1.95
100001 and above	31	0.92	26100294	95.18
GRAND TOTAL	**3369**	**100.00**	**27,420,831**	**100.00**

2% Preference Share

Group of Shares	No. of Share-holders	% of share holders	No. of Shares held	% of Total Shares
1 to 500	66	60.55	11,010	0.09
501 to 1000	7	6.42	6,532	0.05
1001 to 2000	5	4.59	7,163	0.06
2001 to 3000	2	1.83	4,800	0.04
3001 to 4000	4	3.67	13,600	0.11
4001 to 5000	1	0.92	5,000	0.04
5001 to 10000	1	0.92	10,000	0.08
10001 to 50000	2	1.84	44,932	0.36
50001 to 100000	2	1.83	141,674	1.14
100001 and above	19	17.43	12,169,642	98.03
GRAND TOTAL	**109**	**100.00**	**12,414,353**	**100.00**

j) Categories of Shareholders as on 31 March 2016

Particulars	Equity			2% Preference		
	No. of Holders	Holding/ Shares held	% to Capital	No. of Holders	Holding/ Shares held	% to Capital
Promoters Group	30	14779654	53.90	22	9773156	78.72
Indian Financial Institutions/Banks	29	2731516	9.96	4	2558332	20.61
Central / State Government	3	764	0.00	-	-	-
Foreign Institutional Investors	2	1332	0.01	-	-	-
Bodies Corporate	107	521228	1.90	8	6790	0.05
Trust & Foundations	1	10	0.00	-	-	-
NRI	35	3437	0.01	-	-	-
Foreign Bodies Corporate	2	8533332	31.12	-	-	-
Individual & others	3160	849558	3.10	75	76075	0.62
Total	**3369**	**27420831**	**100.00**	**109**	**12414353**	**100.00**

k) Dematerialization of shares

As on 31 March 2016, 57.41% of total holding of Equity Shares and 79.38 % of total holding of 2% Preference Shares have been dematerialised.

l) ISIN allotted by NSDL/CDSL to Shares of the Company:

INE 768E01024 for Equity Share and INE768E04010 for 2% Preference Share

m) Plant Location :

As appearing on the first page of Annual Report

n) Investors' Correspondence :

For assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividends and any other queries relating to shares, investors may write to: Share Department, Al Champdany Industries Limited, 25, Princep Street, Kolkata-700 072; Telephone (033) 2237 7880 to 85; Fax: (033) 2225 0221, 2236 3754 or Company's Registrar and Share Transfer Agent M/s MCS Share Transfer Agent Ltd., 12/1/5, Monoharpukur Road, Kolkata - 700026, Telephone: (033) 4072-4051 to 53, Fax (033) 4072-4054.

Shareholders, holding shares in electronic mode, should address all their correspondences to their respective Depository Participant.

o) The Investors Education and Protection Fund

The shareholders and other stakeholders are hereby informed that pursuant to provisions of Section 124(5) of the Companies Act, 2013, all dividend remaining unpaid/unclaimed for a period of 7 years from the date they became due for payment will have to be transferred to the Investors Education and Protection Fund (IEPF) set up by the Central Government. The company has already transferred to the IEPF unpaid/ unclaimed dividend for the financial year ended 31 March 2008 which remained unpaid / unclaimed for a period of 7 years from the date they became due.

p) Appointment/Re-appointment of Directors

The individual details of Director seeking appointment /re-appointment at the ensuing Annual General Meeting of the Company are provided in the Annexure accompanying the notice of the Annual General Meeting.

q) Auditors' certificate on Corporate Governance

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations and same is annexed to this report.

r) CEO/CFO Certification

The Managing Director and Vice President (F & A) & Chief Financial Officer of the Company give Annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of listing Regulations for CEO/CFO Certification.

Code of Conduct :

a) Code of Conduct for Board of Directors and Senior Management

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors and Senior Management of the Company.

b) Company's Code of Conduct for prevention of Insider Trading

The Company has adopted a Model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company pursuant to the provisions of Insider Trading Regulations formulated by Securities and Exchange Board of India (SEBI). The Code, inter-alia, prohibits purchase/sale of shares of the Company by Directors, officers and designated employees while in possession of unpublished price sensitive information in relation to the Company. Mr. Sandeep Mandhana, Company secretary was the Compliance Officer for the purpose of these regulations.

Mandatory and non-mandatory requirements

(a) Status of Compliance of the mandatory requirements

The Company has adopted/complied with all mandatory requirements on Corporate Governance.

(b) Status of Compliance of the Non-mandatory requirements

The Company is maintaining Chairman's Office for a non-executive Chairman. The Company has not adopted non-mandatory suggestions relating to sending six-monthly information to each household of shareholders.

Declaration by the Managing Director on the Code of Conduct:

Pursuant to Regulation 26 of the Listing Regulations, I, Nirmal Pujara, Managing Director of AI Champdany Industries Ltd., declare that all the Board Members & Senior Executives of the company have affirmed their compliance with the Code of Conduct during the year ended 31 March 2016.

Place: Kolkata — N. Pujara
Dated: 14 June 2016 — Managing Director

Certification by CEO and CFO

We, N. Pujara, Managing Director and Prakash Nagar, Vice President (F&A) & Chief Financial Officer of **AI Champdany Industries Ltd.**, certify that:

a. We have reviewed financial statements and cash flow statement for the year ended 31 March 2016 and to the best of our knowledge and belief :
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2016 which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee that:
   i) there have been no significant changes in internal control over financial reporting during the year under reference;
   ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii) We are not aware of any instances during the year of significant fraud and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata — Prakash Nagar — N. Pujara
Date: 14 June 2016 — Vice President (F & A) & Chief Financial Officer — Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of AI Champdany Industries Limited

Report on the Financial Statements for the Year ended 31 March 2016

We have audited the accompanying standalone financial statements of AI Champdany Industries Limited ("the Company") which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under Section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Qualified Opinion

We report that the year's loss, and consequently, the net asset position at the end of the years might have been affected by the following, the net impact of which cannot at the stage be ascertained:

Non-provision/ ascertainment of liabilities for gratuity on actuarial basis from the year commencing from 1.04.1997 to 31.03.2007 in respect of one unit of the company as referred to in note 44 to the accounts.

*However, the said unit has been sold with effect from 1 May 2016 along with all its gratuity liability both past and future.**

*Relates to erstwhile Anglo India Jute Mills Company Limited.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. 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 Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- they refer Note 25 to the financial statements ;
      ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN: 301054E)

S. K. Nayak
(Partner)
Membership No: 58711

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report even date)

Report on the Internal Financial Controls over Financial Reporting 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 Al Champdany Industries Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company'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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)
S. K. Nayak
(Partner)
Membership No: 58711

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed Assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the tittle deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of self-constructed buildings on lease hold land which are disclosed as fixed assets in the financial statements, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) The company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and Audit) Rules, 2014, as amended prescribed by the central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory due, including Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues in arrear as at 31st March, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Excise duty and Value Added Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below.

Name of the Statute	**Nature of dues**	**Forum where dispute is pending**	**Amount Involved (Rs in lacs)**
Bhatpara Municipality	Municipal Tax & Land Revenue	Review Board	188.55
ESI Act	ESI dues	ESI Court	328.01
Central Sales Tax Act, 1956 & West Bengal Sales Tax Act, 1994	Sales Tax	ACCT WBCTA & RB SJCCT	2.10 272.15 18.37
Income Tax Act, 1961	Income Tax	CIT (Appeal)	1562.88
Service Tax	Service Tax	CESTAT	202.13

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term Loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the company by its officers or employees has been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of The Companies Act, 2013, were applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv) During the year Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

xv) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of Companies Act, 2013 are not applicable.

xvi) The company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)
S. K. Nayak
(Partner)
Membership No: 58711

AI CHAMPDANY INDUSTRIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2016

Rs. in lacs

	Notes	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	**1,991.76**	1,991.76
Reserves and Surplus	3	**7,735.53**	8,311.92
Non - Current Liabilities			
Long Term Borrowings	4	**1,995.00**	980.00
Other Long Term Liabilities	5	**1,613.34**	2,436.46
Current Liabilities			
Short Term Borrowings	6	**8,059.04**	9,722.53
Trade Payables	7	**3,928.87**	5,463.45
Other Current Liabilities	8	**2,776.15**	2,367.51
Short Term Provisions	9	**526.41**	444.73
TOTAL		**28,626.10**	31,718.36
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10	**7,853.44**	8,073.97
Capital work in progress		**1,310.12**	1,312.25
Non Current Investments	11	**843.72**	843.72
Deferred Tax Asset (Net)		**600.82**	151.30
Current Assets			
Inventories	12	**13,530.66**	14,597.78
Trade Recievables	13	**2,135.90**	3,918.16
Cash and Cash Equivalents	14	**458.10**	508.28
Short Term Loans and Advances	15	**1,893.34**	2,312.90
TOTAL		**28,626.10**	31,718.36
Significant Accounting Policies	1		

Accompanying notes form integral part of the financial statements.
In terms of our report of even date attached.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

Rs in lacs

	Notes	2015-16	2014-15
INCOME			
Revenue from Operations	16	**21,616.47**	30,177.64
Other Income	17	**310.85**	403.57
		21,927.32	30,581.21
EXPENSES			
Cost of Materials Consumed	18	**10,879.50**	15,119.82
Changes in Inventories of Finished Goods, Work-in Progress and Stock in Trade	19	**202.82**	241.76
Employee Benefits Expense	20	**6,180.60**	8,398.03
Finance Cost	21	**1,273.40**	1,234.66
Depreciation and Amortization Expenses	10	**546.81**	600.93
Less:Depreciation on Amount Added On Revaluation		**(21.39)**	(27.34)
Less:Recoupment from Capital Reserves		**(12.25)**	(12.25)
Other Expenses	22	**3,870.02**	5,674.28
		22,919.51	31,229.89
Profit / (Loss) Before Exceptional Items		**(992.19)**	(648.68)
Exceptional Items		**-**	-
Profit / (Loss) Before Tax		**(992.19)**	(648.68)
Tax Expenses			
Current Tax/ MAT		**-**	2.40
Tax for prior years		**-**	(7.32)
Deferred Tax (Asset)		**(449.52)**	(230.47)
Profit / (Loss) After Tax		**(542.67)**	(413.29)
Earnings per share (face value of Rs 5 each)			
Basic and Diluted (Rs)		**(1.98)**	(1.51)
Significant Accounting Policies	1		

Accompanying notes form integral part of the financial statements.

In terms of our report of even date attached.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E

S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Rs in lacs

	2015-16		2014-15
A. Cash flow from Operating activities :			
Profit/(Loss) before Taxation		**(992.19)**	(648.68)
Add:- Adjustments for :			
Depreciation and Amortisation	**513.17**		561.34
Dividend from Investments	**(0.58)**		(1.36)
Profit on sale of Investment	**-**		(39.53)
Interest and Finance Charges	**1,273.40**		1,234.66
Surplus (Net) on disposal of Fixed Assets	**(30.00)**		-
		1,755.99	1,755.11
Operating Profit/(Loss) before Working Capital Changes		**763.80**	1,106.43
Add/(Less):- Adjustments for :			
(Increase)/Decrease in Inventories	**1,067.12**		(140.18)
(Increase)/Decrease in Trade and Other Receivables	**2,229.46**		(1,224.61)
(Decrease)/Increase in Trade Payables and other Liabilities	**(2,094.56)**		841.27
		1,202.02	(523.52)
Cash Generated from Operations :		**1,965.82**	582.91
Direct Taxes paid	**(29.82)**		(61.69)
Interest Paid	**(1,259.06)**		(1,222.51)
		(1,288.88)	(1,284.20)
Net Cash from / (used in) Operating Activities		**676.94**	(701.29)
B. Cash flow from Investing Activities :			
Purchase of Fixed Assets	**(368.97)**		(457.43)
Sale /Adjustment of Fixed Assets	**74.76**		56.95
Sale/Adjustment of Investment	**-**		80.55
Dividend Received	**0.58**		1.36
Cash Subsidy Received	**-**		1.23
Net Cash from / (used in) Investing Activities		**(293.63)**	(317.34)
C. Cash flow from Financing Activities :			
Proceeds from Loans	**1,450.00**		1,400.00
Repayments of Loans	**(220.00)**		(140.00)
Increase / (Decrease) in Bank Borrowings	**(1,663.49)**		242.52
Net Cash from / (used in) Financing Activities		**(433.49)**	1,502.52
Net increase / (decrease) in Cash and Cash Equivalents (A-B-C)		**(50.18)**	483.89
Cash and Cash Equivalents as at 1 April 2015		**508.28**	24.39
Cash and Cash Equivalents as at 31 March 2016		**458.10**	508.28

In terms of our report of even date attached.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED
NOTES ON ACCOUNT

1. Significant Accounting Policies:
The significant accounting policies followed by the company are summarized below: -

1.1. Accounting Convention:
The Financial statements have been prepared in accordance with accrual method of accounting following the historical cost convention as modified by revaluation of certain Fixed Assets.

1.2. Fixed Assets:
Fixed Assets are stated at cost of acquisition, which are, inclusive of subsequent improvements thereto except for certain Fixed Assets, which were revalued. For Assets acquired at a composite price at cost as allocated to each assets by independent Valuers. Assets retired from active use are stated at values estimated by independent valuers.
Cost includes incidental expenses of acquisition/installation and financial cost relating to borrowed funds attributable to construction/ acquisition of fixed assets for the period upto commencement of commercial production / installation.
In respect of revalued assets, the difference between the written down value of the assets as on the date of revaluation and the then replacement value is transferred to Revaluation Reserve.

1.3. Depreciation:
(A) Depreciation of Fixed Assets is provided to the extent of depreciable amount on the straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act 2013.
(B) Premium paid for leasehold land is amortised over the period of the lease
(C) Freehold land and assets retired from active use are not depreciated.

1.4. Investments:
Long-term investments are stated at cost less provision for permanent diminution if any, in the value of such investment. Dividend Income is accounted for on receipt.

1.5. Inventories:
Inventories are valued on the following basis: (i) Raw Material at lower of cost and net realisable value, (ii) Finished Goods at lower of cost and contract value and net realisable value, (iii) Stores & Spares and work-in-process at cost or under.
In the case of Raw Materials and Stores & Spares, cost is generally ascertained on weighted average basis. Work-in-process and Finished Goods are valued on full cost absorption basis. Necessary provision is made for obsolete, slow-moving, non-moving and defective items of inventories.

1.6. Capital Subsidy:
Subsidies relating to Fixed Assets are initially credited to Capital Reserve and the amount is adjusted against the depreciation charged over the useful life of the asset.

1.7. Miscellaneous expenses:
Share issue expenses are amortized over a period of ten years.

1.8. Foreign Currency transactions:
i) Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are translated at closing spot rates on the last day of the year.
ii) The difference in translation in monetary assets and liabilities and realised gains and losses in foreign exchange transactions other than those relating to fixed assets are recognized in the Statement of Profit and Loss.
iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

1.9. Sales:
Sales comprise sale of goods and services and include freight and other charges recovered from customers.

1.10. Related Income:
Export incentives / Related Income are accounted to the extent considered certain of realisation by the Management.

1.11. Retiral benefits:
Contributions to the Provident and Superannuation Funds, which are in accordance with the respective

schemes, are charged to revenue on accrual basis.
Retirement benefits including gratuity are provided for in the Books of Accounts on the basis of actuarial valuation except one unit of the company, which has been treated on cash basis from 1997-98 to 2006-07. Such liability has been provided on the basis of valuation made by the Actuary in line with the parameters & requirement of AS 15 (Revised 2005) issued by the Institute of Chartered Accountants of India.

1.12. Borrowing Costs:
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.13. Revenue expenditure on Research & Development is charged to Statement of Profit and Loss of the year in which it is incurred.

1.14. Capital expenditure on Research & Development is shown as addition to Fixed Assets.

1.15. Insurance claims are recognised on receipt/assessment of related claim from Insurance Authorities.

1.16. Intangible Assets:
Intangible Assets are stated at cost of acquisition less accumulated amortisation. Computer Software is amortised over a period of 5 years on Straight Line basis.

2 SHARE CAPITAL

Rs in lacs

		Par Value	31.03.2016	31.03.2015
		Rs		
2.1	Authorised			
	40,000,000 Equity Shares	5	2,000.00	2,000.00
	3,000,000 Preference Shares	10	300.00	300.00
	24,000,000 Preference Shares	5	1,200.00	1,200.00
			3,500.00	3,500.00
	Issued,Subscribed and fully paid			
	27,420,831 Equity Shares	5	1,371.04	1,371.04
	12,414,353 2% Preference Shares	5	620.72	620.72
			1,991.76	1,991.76

2.2 2,683,045 equity shares has been alloted on 15.05.2013 and 2,204,786 equity shares has been alloted on 25.09.2012 to promoter group companies on preferencial basis under SEBI (ICDR) Regulation 2009 with a locking period of 3 years. Equity Shares carry voting rights at the General Meeting of the Company and are entitled to dividend and to participate in surplus, if any, in the event of winding up. The Company has alloted 22,00,000 7% Cumulative Preference Shares of Rs 10 each on 25.09.2004. which are redeemeble at par on or before the expiring of 20 years from the date of allotement has been redeemed during the year 2012-13. The company has alloted 12,414,353 non-convertible 2% Cumulative Preference Shares of Rs 5 each on 30.03.2010 which are redeemable at par on or before fifteen years from the date of allotement with a locking period of 3 years. Preference shareholders are entitled to get fixed rate of dividend in preference to the equity share but are not entitled to vote at General Meeting of the Company unless dividend has been in arrears for the prescribed minimum period.

2.3 Reconciliation of number of shares

	Equity shares of Rs 5 each	Rs in lacs	2% Cumulative Preference shares of Rs 5 each	Rs in lacs
Outstanding as at April1, 2014	27,420,831	1,371.04	12,414,353	620.72
Issued and Alloted during the Previous Year	-	-	-	-
Outstanding as at March31/April1, 2015	27,420,831	1,371.04	12,414,353	620.72
Issued and Alloted during the year	-	-	-	-
Outstanding as at March 31, 2016	27,420,831	1,371.04	12,414,353	620.72

2.4 Share holders holding more than 5% shares in the Company

	31.03.2016		31.03.2015	
	No of Shares	% Holding	No of Shares	% Holding
I. Equity Shares of Rs 5 each				
Aldgate International S A	4,266,666	15.56	4,266,666	15.56
Blancatex A G	4,266,666	15.56	4,266,666	15.56
Rishra Investments Ltd	3,837,832	14.00	3,837,952	14.00
Shibir India Ltd	2,951,595	10.76	2,951,595	10.76
Damodardas Jerambhai Wadhwa	2,645,642	9.65	2,645,642	9.65
Amar Investments Ltd	2,545,619	9.28	2,545,599	9.28
Canara Bank	1,949,332	7.11	1,949,332	7.11
II. 2% Cumulative Preference Shares of Rs 5 each				
G Jerambhai Exports Ltd	3,061,905	24.66	3,061,905	24.66
Damodardas Jerambhai Wadhwa	2,645,642	21.31	2,645,642	21.31
Canara Bank	1,949,332	15.70	1,949,332	15.70
V B Seva Trust	1,865,700	15.03	1,865,700	15.03
Gordhandas Jerambhai Wadhwa	1,189,300	9.58	1,189,300	9.58

Rs in lacs

3 Reserves and Surplus	01.04.2014	Adjustment during the previous year	31.03.2015	Adjustment during the year	31.03.2016
Security Premium Reserve	3,221.61	-	3,221.61	-	3,221.61
Capital Reserve	24.51	(11.02)	13.49	(12.26)	1.23
Capital Redemption Reserve	250.00	-	250.00	-	250.00
Revaluation Reserve	2,655.48	(255.57)	2,399.91	(21.46)	2,378.45
General Reserve	2,887.66	(62.19)	2,825.47	-	2,825.47
Deferred Tax Reserve	8.53	-	8.53	-	8.53
Surplus	6.20	(413.29)	(407.09)	(542.67)	(949.76)
	9,053.99	(742.07)	8,311.92	(576.39)	7,735.53

Rs in lacs

4 Long Term Borrowing-Secured *	31.03.2016	31.03.2015
Term loan from Banks	1,995.00	980.00
	1,995.00	980.00

*Loan from Bank of Baroda is secured by first paripassu charge on the entire fixed assets of the company,present and future and second paripassu charge on the entire current assets of the company,present and future and lien on fixed deposit of Rs 10 lacs. Loan is repayable in 20 quarterly instalments by September 2019. Loan from Export Import Bank of India (Exim Bank) is secured by first paripassu charge on the entire fixed assets of the company,present and future excluding Anglo India Jute Mill (Middle Mill) and second paripassu charge on the entire current assets of the company,including receivable,present and future. Loan is repayable in 24 quarterly instalments by July 2022.

			Rs in lacs
5	Other Long Term Liabilities	31.03.2016	31.03.2015
	Unsecured Loans		
	From Bodies Corporate	290.00	290.00
	Interest accrued and due	29.01	29.01
		319.01	319.01
	Other Payable	1,294.33	2,117.45
		1,613.34	2,436.46

			Rs in lacs
6	Short Term Borrowing-From Banks-Secured*	31.03.2016	31.03.2015
	- Loan repayable on demand	8,059.04	6,622.53
	- Cash Credit/PackingCredit Accounts	-	3,100.00
	- Working Capital Demand/Term Loan	8,059.04	9,722.53

* Secured by hypothecation on stocks of raw material, stock -in-process, stores, manufactured goods, book debts, bill, moveable plant & machinery and other current assets and also mortgage on second charge basis by deposit of title deeds by constructive delivery with Exim Bank, Exim Bank acting as agent of the consortium of banks, all documents of title evidences, deeds and writings in order to create a security on the Company's immovable properties together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, and also by way of second charge on 100% shareholding of Champdany Constructions Ltd a wholly owned subsidiary of the company.

			Rs in lacs
7	Trade Payables	31.03.2016	31.03.2015
	Acceptances	2,261.78	3,492.23
	Others	1,667.09	1,971.22
		3,928.87	5,463.45

There are no dues to Micro and Small Enterprises, determined to the extent such parties have been identified on the basis of information available with the Company, as at March requires disclosures under the Micro, Small and Medium Enterprises Development Act, 2006.

			Rs in lacs
8	Other Current Liabilities	31.03.2016	31.03.2015
	Current maturities of long term loan	495.00	280.00
	Interest accrued but not due on borrowings	38.72	24.37
	Advance from Customers	345.94	261.07
	Employees benefit liabilities	571.82	543.99
	Unpaid Dividend	-	1.41
	Fractional Share amount	0.12	0.12
	Redemption of Preference Shares	0.56	0.56
	Security Deposits	37.70	25.11
	Others	1,286.29	1,230.88
		2,776.15	2,367.51

			Rs in lacs
9	Short Term Provisions	31.03.2016	31.03.2015
	Short term employees benefits	526.41	442.55
	Provision for taxation (net)	-	2.18
		526.41	444.73

10 FIXED ASSETS

Rs in lacs

	GROSS BLOCK AT COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1 April 2015	Additions during the year	(Sales) / Adjustments during the year	As at 31 March 2016	As at 1 April 2015	For the year	On assets (sold)/ adjusted during the year	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Tangible Assets										
Freehold Land	2,585.43	-	-	2,585.43	-	-	-	-	2,585.43	2,585.43
Leasehold Land	33.01	-	-	33.01	5.84	0.56	-	6.40	26.61	27.17
Buildings	4,824.91	3.18	-	4,828.09	3,713.38	59.59	-	3,772.97	1,055.12	1,111.53
Plant & Equipment	23,756.34	366.16	(1,320.07)	22,802.43	19,426.40	483.73	(1,275.25)	18,634.88	4,167.55	4,329.94
Vehicles	75.94	0.67	-	76.61	68.73	1.06	-	69.79	6.82	7.21
Furniture and Fixtures	89.65	0.21	-	89.86	83.32	1.26	-	84.58	5.28	6.33
Office Equipments	200.88	0.88	-	201.76	194.52	0.61	-	195.13	6.63	6.36
Total	31,566.16	371.10	(1,320.07)	30,617.19	23,492.19	546.81	(1,275.25)	22,763.75	7,853.44	8,073.97
As at 31 March 2015	31,572.10	414.75	(420.69)	31,566.16	22,936.77	600.93	(45.51)	23,492.19	8,073.97	

Lease hold land relates to 21.60 acres of land at Choudwar taken on lease for a period of 59 years in the year of 2004

		Rs in lacs
	31.03.2016	31.03.2015
11 Non Current Investment (held at cost unless stated otherwise)		
Trade Investment		
Investment in Equity Instruments		
Fully paid		
Woolcombers of India Limited (in liquidation) (held other than cost)	-	-
1,63,592 Equity Shares of Rs 10 each in, Re.1 (previous year Re.1)		
Other Investment		
Investment in Equity Instruments fully paid		
Quoted		
UCO Bank		
15,000 Equity Shares of Rs. 10 each	4.49	4.49
Oil Country Tubular Limited,		
40,000 Equity Shares of Rs. 10 each	8.78	8.78
Shree Rama Newsprint Limited.		
10,000 Equity shares of Rs.10 each	5.88	5.88
Aptech Limited,		
10,300 Equity Shares of Rs. 10 each	3.67	3.67
Unquoted		
Champdany Constructions Limited.(Subsidiary)		
81,01,959 Equity Shares of Rs.10 each	812.20	812.20
West Bengal Multifiber Jute Park Limited		
9,000 Equity Shares of Rs.10 each	0.90	0.90
Landale & Clark Limited		
3,140 Equity Shares of Rs. 100 each	6.79	6.79
A I C Properties Limited		
5000 Equity Shares of Rs.10 each	0.50	0.50
Naffar Chandra Jute Mills Limited.		
50,000 Equity Shares of Rs.10 each	0.10	0.10
Woodlands Multispeciality Hospital Limited		
3,600 Equity Shares of Rs.10 each	0.36	0.36
Wellington Jute Mills Employees' Consumers		
Co-operative Stores Limited.		
250 "B" class shares of Rs.10 each	0.03	0.03
Anglo India Employees		
Co-operative Stores Limited.		
250 "B" class shares of Rs.10 each	0.02	0.02
	843.72	843.72
1) Aggregate amount of quoted investment	22.82	22.82
2) Aggregate market value of quoted investment	24.05	29.50
3) Aggregate amount of unquoted investment	820.90	820.90

		Rs in lacs
12 Inventory	31.03.2016	31.03.2015
(Please refer Note 1.5 for accounting policy for valuation)		
Raw Materials	1,204.68	1,973.53
Work-in-Process	1,210.28	1,512.19
Finished Goods	10,303.33	10,201.73
Stock- in-Trade	-	2.51
Stores and Spares	778.64	874.09
Others	33.73	33.73
	13,530.66	14,597.78
Finished goods includes material in transit	-	116.15

		Rs in lacs
	31.03.2016	31.03.2015
13 Trade Receivables(Unsecured, considered good)		
Outstanding for a period of above 6 months	175.02	101.99
Others	1,960.88	3,816.17
	2,135.90	3,918.16

		Rs in lacs
	31.03.2016	31.03.2015
14 Cash and Cash Equivalents		
Balance with banks	457.23	482.86
Cash in hand	0.87	25.42
	458.10	508.28
Balance with bank includes		
-in unpaid dividend account	-	1.41
in preference share redemption account	0.56	0.56
-in fractional share account	0.12	0.12
in fixed deposit account	447.30	410.69

		Rs in lacs
15 Short Term Loans and Advances (Unsecured, considered good)	31.03.2016	31.03.2015
Deposit	183.34	75.35
Claim receivables	1,336.70	1,957.81
Prepaid expenses	72.80	56.79
Loan to employees	6.81	6.69
Advance payment of Taxes (net of provision)	27.64	-
Other Loans and Advances	266.05	216.26
	1,893.34	2,312.90

Maximum outstanding balance of interest free loans to employees during the year Rs. 9.97 lacs (Previous year Rs. 15.09 lacs)

		Rs in lacs
	2015-16	2014-15
16 Revenue from operations		
Sale of Products, Services and Related Income	21,777.26	30,390.44
Less-Excise duty and Cess	160.79	212.80
	21,616.47	30,177.64

		Rs in lacs
17 Other Income	2015-16	2014-15
Profit on sale of fixed assets	30.00	-
Insurance Claims	48.22	49.62
Dividend Income	0.58	1.36
Profit on sale of Investment	-	39.53
Rent Received	229.95	293.45
Miscellaneous Income	2.09	3.82
Liabilities no longer required written back	0.01	15.79
	310.85	403.57

		Rs in lacs
18 Cost of Material Consumed	2015-16	2014-15
Jute , Flax Fibres and Other Materials	10,879.50	15,119.82

			Rs in lacs
19 Changes in Inventories			
Opening stock		2015-16	2014-15
Finished Goods		10,201.73	10,400.88
Work-in-Process		1,512.19	1,524.66
Stock- in-Trade		2.51	32.65
	(A)	11,716.43	11,958.19
Closing Stock			
Finished Goods		10,303.33	10,201.73
Work-in-Process		1,210.28	1,512.19
Stock- in-Trade		-	2.51
	(B)	11,513.61	11,716.43
	(A-B)	202.82	241.76

		Rs in lacs
20 Employees Benefits Expenses	2015-16	2014-15
Salaries, Wages and Bonus	5,369.71	7,337.78
Contribution to Provident and other Funds	751.27	997.96
Employees welfare expenses	59.62	62.29
	6,180.60	8,398.03

		Rs in lacs
21 Finance Cost		
Interest expenses	2015-16	2014-15
Fixed loans	399.98	433.40
Others	873.42	801.26
	1,273.40	1,234.66

		Rs in lacs
22 Other Expenses	2015-16	2014-15
Stores and spares consumed	570.43	980.70
Other Consumption	44.76	55.11
Power and fuel	1,418.60	1,890.05
Processing expenses	118.92	159.51
Repairs to building	13.55	24.43
Repairs to machinery	4.27	4.38
Repairs (others)	2.34	3.44
Insurance	84.40	96.82
Rates and Taxes	62.06	59.06
Export Freight	161.74	292.29
Transport and handling	748.17	921.33
Brokerage ,commission and export expenses	60.75	582.48
Bank charges	93.08	78.69
Discounting charges on export bills	39.78	50.93
Rent	18.21	20.32
Auditors Remuneration	3.75	3.75
Director's Fees	11.05	14.10
Miscellaneous expenses	414.16	436.89
	3,870.02	5,674.28

23. During the year 2015-16 Fixed Assets of Rs. 44.76 lacs have been transferred to Stock-in-Trade in respect of certain Machineries belongs to Yarn Unit at Rishra and Konnagar Unit of the Company.

		Rs. in lacs
	Year ended 31.03.16	Year ended 31.03.15
24. Estimated amount of contract remaining to be executed on capital account not provided for	-	94.79
25. (i) Contingent liabilities in respect of:		
a) Bank Guarantees	410.84	740.47
b) Bank Guarantees issued on pledge of shares by other companies	432.54	432.54
c) Claims for Commercial Taxes and Income Tax not acknowledged as debt and under appeal	1855.51	2057.63
d) Other claims not acknowledged as debt	718.68	733.44
e) Bills drawn on customers and discounted with banks and advances against collection	599.01	318.36

(ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs.89.73 lacs (previous year Rs. 74.56 lacs) including Dividend Distribution Tax Rs. 15.18 lacs (previous year Rs. 12.42 lacs).

26. Revenue from operations comprises of Sale of Jute / Jute diversified Products & Services Rs.19,280.82 lacs (2014-15 - Rs. 24,468.76 lacs), Sale of Flax Products Rs.1,500.90 lacs (2014-15 - Rs. 2,215.64 lacs), Sale of Raw Jute Rs. 62.08 lacs (2014-15 –Rs. 2,867.75 lacs), Sale of Flax Fibre Rs. 178.05 lacs (2014-15 Rs. 173.48 lacs) and Sales Related Income Rs.755.41 lacs (2014-15- Rs.664.81 lacs).

27. Jute Carpets / Jute diversified Products & Services have been treated as belonging to the same class as Jute / Jute Diversified Products & Services.

28. Inventory comprises of Stock of Finished goods and in trade of Jute / jute diversified Products & Services (Packed/ unpacked) Opening Stock Rs.9,477.60 lacs (2014-15 - Rs. 9,822.77 lacs) Closing Stock Rs.9,102.07 lacs (2014-15 - Rs. 9,477.60 lacs).

Stock of Finished goods and in trade of Flax Products (Packed/ unpacked) Opening Stock Rs.726.64 lacs (2014-15 - Rs. 610.76 lacs) Closing Stock Rs. 1,201.26 lacs (2014-15 – Rs. 726.64 lacs).

Rs. in lacs

	Jute/ Jute diversified Products & Services		Flax Products	
	Year ended 31.03.16	Year ended 31.03.15	Year ended 31.03.16	Year ended 31.03.15
29. C.I.F. Value of imports during the year				
a) Raw Material	552.85	1686.63	613.35	1300.17
b) Component of Stores & Spares parts	-	-	5.45	46.35
c) Capital Goods	-	53.77	82.18	-

Rs. in lacs

	Year ended 31.03.16	Year ended 31.03.15
30. Expenditure in Foreign Currency – other matter	7.79	550.30

31. Earnings in Foreign Exchange (Export on FOB basis)

Rs. In lacs

	Year ended 31.03.16	Year ended 31.03.15
(a) Jute/Jute diversified Products & Services	4,797.12	5,732.01
(b) Flax Products	33.26	63.34
	4,830.38	5,795.35

32. Value of Raw materials (Jute/Jute yarn) and Stores & Spares consumed:

	2015-16		2014-15	
	% to total consumption	Rs.in lacs	% to total consumption	Rs. In lacs
Imported	8.37	835.69	13.45	1,495.14
Indigenous	91.63	9,145.55	86.55	9,622.79
	100.00	9,981.24	100.00	11,117.93

Value of Raw materials (Flax Fibre) and Stores & Spares consumed

	2015-16		2014-15	
	% to total consumption	Rs.in lacs	% to total consumption	Rs. In lacs
Imported	65.28	791.25	74.72	1,105.67
Indigenous	34.72	420.91	25.28	374.12
	100.00	1,212.16	100.00	1,479.79

33. Raw material consumed - i) Jute/Jute yarn Rs.9,523.61 lacs (2014-15 - Rs. 10,258.71 lacs)
ii) Flax fibre, Rs.1,099.36 lacs (2014-15 - Rs. 1,358.31 lacs).

34. Cost of materials consumed includes purchase of (i) Finished goods for Trading Rs.16.32 lacs (2014-15- Rs. 465.66 lacs) and (ii) Raw materials for Trading Rs. 240.21 lacs (2014-15 - Rs. 3,037.14 lacs).

35. Segment Information:
The Company has considered two Business Segments viz; Jute/jute diversified Products & Services and Flax Products.

A. Primary Segment Disclosure

Rs. in lacs

Particulars	Jute/Jute diversified products & Services		Flax Products		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Segment Revenue						
External Turnover	19,874.04	27,689.97	1,742.43	2,487.67	21,616.47	30,177.64
Other Income	295.65	362.64	14.62	0.04	310.27	362.68
Segment Result	100.61	231.72	180.02	313.37	280.63	545.09
Unallocated					0.58	40.89
Operating Profit					281.21	585.98
Finance Cost					1,273.40	1234.66
Interest Income					-	--
Income Taxes					(449.52)	(235.39)
Net Profit / (Loss)					(542.67)	(413.29)
Other Information						
Segment Assets	23,892.59	27,527.35	3,261.33	3,195.99	27,153.92	30,723.34
Unallocated					1,472.18	995.02
Total Assets					28,626.10	31,718.36
Segment Liabilities	17,661.23	20,148.16	1,237.58	1,264.34	18,898.81	21,412.50
Unallocated					-	2.18
Total Liabilities					18,898.81	21,414.68
Capital Expenditure	205.71	400.46	163.26	56.97	368.97	457.43
Depreciation	366.72	410.12	158.70	163.47	525.42	573.59
Amortization	-	-	12.25	12.25	12.25	12.25

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets

Rs. in lacs

Particulars	Revenue		Sundry Debtors	
	31.03.16	31.03.15	31.03.16	31.03.15
India	16,953.56	24,501.06	2,011.84	3,642.78
Outside India	4,973.76	6,080.15	124.06	275.38
Total	21,927.32	30,581.21	2,135.90	3,918.16

b) The Company has common fixed assets for producing goods for Domestic Market and Overseas Market. Hence separate figures for fixed assets / additions to fixed assets cannot be segregated.

Rs. in lacs

		Year ended 31.03.16	Year ended 31.03.15
36.	Deferred Tax:		
(i)	Liability / (Assets) at the beginning of the year	(151.30)	106.98
(ii)	Assets for transitional provision for ascertainment of life of assets	-	(27.81)
(iii)	Difference between book & tax depreciation	(25.78)	(0.27)
(iv)	On carried forward losses as per Income Tax calculations	(423.74)	(230.20)
(v)	Deferred tax Liability / (Assets) at the end of the year	(600.82)	(151.30)

37. Related Party Disclosures: As per Accounting Standard 18, the disclosures of the transactions with related parties are given below:-

(a) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Parties	Relationship
Champdany Constructions Limited	Subsidiary-100%
AIC Properties Ltd.	Others
Landale & Clark Ltd.	"
G Jerambhai Exports Ltd.	"
Gunny Dealers Ltd.	"
Libra Exporters Ltd.	"
Libra Transport Ltd.	"
McGregor & Balfour India Ltd.	"
Jessore Industries (India) Ltd.	"
Naffar Chandra Jute Mills Ltd.	"
Eastern Services Ltd.	"
Baidyabati Industries Ltd.	"
West Bengal Multifibre Jute Park Ltd.	"
Jerambhai Seva Trust	"
V B Seva Trust	"
Mr. Nirmal Pujara	Key Managerial Personnel

(b) Transaction during the year with related parties

Rs. in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Subsidiary	Key Managerial Personnel	Others	Total
1	Revenue from Operations	-	-	1710.41	1710.41
		-	-	*5270.74*	*5270.74*
2	Other Income	-	-	1.20	1.20
		-	-	*1.20*	*1.20*
3	Purchases /Material Consumed	-	-	1299.00	1299.00
		5.71	-	*2834.03*	*2839.74*
4	Transport & Handling	-	-	78.85	78.85
		-	-	*81.89*	*81.89*
5	Payment to Key Managerial Personnel	-	54.52	-	54.52
		-	*44.15*	-	*44.15*

Rs. in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Subsidiary	Key Managerial Personnel	Others	Total
6	Rent	-	-	8.40	8.40
		-	-	*8.38*	*8.38*
7	Professional Fees	-	-	1.20	1.20
		-	-	*1.20*	*1.20*
8	Processing charges	-	-	-	-
		-	-	*0.66*	*0.66*
9	Finance Costs	-	-	0.23	0.23
		-	-	*0.20*	*0.20*
	Balances as on 31 March 2016				
1	Investments	812.20	-	8.29	820.49
		812.20	-	*8.29*	*820.49*
2	Trade Receivables	-	-	146.89	146.89
		-	-	*1308.87*	*1308.87*
3	Loans and Advances	-	-	-	-
		-	-	*3.22*	*3.22*
4	Trade Payables	-		320.35	320.35
		26.69	-	*101.15*	*127.84*
5	Other Payable	-	-	1763.36	1763.36
		-	-	*1920.00*	*1920.00*
6	Other Liabilities	-	-	157.25	157.25
		-	-	*268.61*	*268.61*

38. Auditors' Remuneration

	Rs. in lacs	
	Year ended 31.03.16	Year ended 31.03.15
As Audit Fees	2.00	2.00
Tax Audit	0.45	0.45
Corporate Governance	0.15	0.15
Consolidated Financial Statement	0.15	0.15
Limited Review	1.00	1.00
	3.75	3.75

39. Earning Per Share (EPS) has been computed as under:

	Rs. In lacs	
	Year ended 31.03.16	Year ended 31.03.15
a) Profit (Loss) after Tax (Rs. in lacs).	(542.67)	(413.29)
b) No. of Equity shares (Basic & Weighted Average)	27,420,831	27,420,831
c) Earning per share (Face Value Rs.5) {(a) / (b)} Basic & Diluted (Rs.)	(1.98)	(1.51)

40. Shalimar Units have been closed with due process of law. Operations at Konnagar and Choudwar units continued to be under suspension. The working at Weaving Unit at Rishra is under suspension of work since 23 May 2015. The working at Anglo-India Jute Mill (Middle Mill) at Jagatdal has been temporarily suspended from 26 May 2015 to 13 September 2015. The working at Yarn unit, Rishra has been temporarily suspended from 20 June 2015 to 28 August 2015, 26 September 2015 to 27 October 2015, 12 November 2015 to 19 November 2015, 22 December 2015 to 5 January 2016 and also from 21 March 2016 which is still continuing.

The working at Wellington Jute Mill, Rishra has been temporarily suspended from 26 March 2016 which is still continuing. Management is of the view that the sale proceeds of the Fixed Assets relating to the Choudwar, Konnagar and Shalimar Units would not be lower than the amount at they are carried in the books. The carrying values of assets of the cash generating units at Balance Sheet date are reviewed for impairment and management is of the view that there is no impairment exists. This has been relied upon by the Auditors'.

41. The Company's application to the Competent Authority for exemption from the provisions of the Urban Land (Ceiling and Regulation) Act, 1976 is pending approval.

42. The Company has maintained separate books of account for Wellington Jute Mills, Weaving and Yarn Units at Rishra, Middle Mill, Fine Yarn and Flax Units at Jagatdal and Weaving Unit at Konnagar, Beldanga, Shalimar and Kankinara Units at West Bengal and Libra Carpet Unit at Choudwar, Odisha.

43. As approved by way of special Resolution passed by shareholders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo-India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f. 01.05.2016 to M/s P & A Distilleries Private Limited (subsequently name changed to Anglo-India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

44. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

45. By an Order passed by the Hon'ble Division Bench of the High Court at Calcutta, six winding-up matters were relegated to Civil Suits for a claim of Rs.319 lacs of the erstwhile promoters of Anglo-India Jute Mills Co Ltd (now AI Champdany Industries Ltd), being the unsecured loan disputed by the Company. As per direction of the High Court, Calcutta, the Company has provided required securities to the satisfaction of the Registrar, Original Side, Calcutta High Court till the disposal of the suits.

    Six suits were filed by the erstwhile promoters by their six respective companies. In the said suits a composite decree to the tune of Rs.2.77 crores is passed. Challenging the said decree six appeals are preferred by AI Champdany Industries Limited which are allowed and the cross appeal filed by respondents are dismissed, and the entire claim of the six unsecured creditors have been placed for trial. Written statements in six suits have been filed by the company as per order of the Hon'ble Division Bench of Calcutta High Court. Special Leave Petition (SLP) filed before the Hon'ble Supreme Court by six companies of erstwhile promoters of AIJM against the order passed by the Division Bench of the Hon'ble High Court at Calcutta. Hon'ble Supreme Court dismissed the SLP filed by six companies of erstwhile promoters of AIJM. After trial, the above suits (six in numbers) have been decreed in terms of the claims in the plaints depicted Rs.13 crores approximately. The said decrees are challenged in the Hon'ble Court of Appeal. In terms of the order passed by the Hon'ble Court of Appeal, the decrees passed in the said six suits have been stayed upon furnishing security, needless to say, the requisite securities have been furnished. The appeals are pending adjudication.

46. The Company has obtained possession of its flat at Woodland Syndicate as per the Order of the Court and the said flat has also been sold to a third party. The Company has filed an Application for final decree for mesne profits for wrongful occupation of the flat, before the Learned Civil Judge, Senior Division, 1st Court at Alipore, 24 Parganas (South), which is directed to attach with the suit proceeding. The decree passed in favour of the Company was challenged in the Hon'ble High Court and the same was dismissed on merits. Proceeding for realization of the mesne profit is pending before the Ld Civil Judge (Sr. Division) 1st Court at Alipore.

47. Previous year's figures have been rearranged / reclassified / regrouped wherever necessary and to make it in conformatory with the amended Schedule III to the Companies Act, 2013.

For and on behalf of

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

Independent Auditor's Report on Consolidated Financial Statements

TO THE MEMBERS OF AI CHAMPDANY INDUSTRIES LIMITED

Report on the Consolidated Financial Statements for the year ended 31 March 2016

A. We have audited the attached Consolidated Balance Sheet of AI Champdany Industries Limited, and its subsidiary, ("the group") as at 31 March 2016, the Statement of Consolidated Profit and Loss of the group for the year then ended on that date and the Consolidated Cash Flow Statement of the group for the year then ended on that date, both annexed thereto and a summary of significant Accounting Policies and other explanatory information.

Management's Responsibility:

B. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated Cash Flows of the group in accordance with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

C. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

D. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

E. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion:

F. In our opinion and to the best of our information and according to the explanations given to us, and on consideration of separate audit reports on individual audited financial statements of AI Champdany Industries Limited and its subsidiary, the aforesaid Consolidated Financial Statements together with the notes to the Accounts regarding the matter set out in para H below, give a true and fair view in conformity with the accounting principles generally accepted in India:

   a) in the case of the Consolidated Balance Sheet, of the Consolidated State of Affairs of the group as at 31 March 2016 and

b) in the case of Statement of Consolidated Profit and Loss of the Consolidated Results of operation of the group for the year then ended and

c) in the case of the Consolidated Cash Flow Statement of the consolidated cash flow of the group for the year then ended.

Other Matters:

G. We did not audit the financial statement of the subsidiary, whose financial statements reflect total assets (net) of Rs.837.89 lacs as at 31 March 2016 and total loss (net) of Rs.4.80 lacs for the year then ended. These financial statements have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.

H. *non-provision / ascertainment of liability for gratuity on actuarial basis from the year commencing from 1.4.1997 to 31.03.2007 in respect of one unit of the company as referred to in note 36 to the Consolidated Accounts*. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.*

**relates to erstwhile Anglo-India Jute Mills Company Limited.*

I. Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements.

d. In our opinion, the aforesaid consolidated 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 written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director 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 Holding Company, its subsidiary company, and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.

g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31 2016 on the consolidated financial position of the Group, they refer Note 27 to the consolidated financial statements.

ii. The Holding Company and its subsidiary did not have any long term contracts including derivative

contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, during the year ended March 31 2016.

For D. P. Sen & Co
Chartered Accountants
FRN 301054 E
S. K. NAYAK
Partner
Mem.bership No.58711

Kolkata,
Dated: 14 June 2016.

Annexure A" to the Consolidated Auditor's Report

(Referred to in paragraph I(f) under 'Report on Other Legal and Regulatory Requirements' of our report even date)

Report on the Internal Financial Controls over Financial Reporting 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 AI Champdany Industries Limited ("the Holding Company") as of 31st March, 2016 and its Subsidiary Company in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company'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, to the best of our information and according to the explanations given to us, the Holding Company and its Subsidiary Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one Subsidiary Company, which is incorporated in India, is based on the corresponding report of the Auditors of such Company. Our opinion is not qualified in respect of this matter.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)

S. K. Nayak
(Partner)
Membership No: 58711

AI CHAMPDANY INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

Rs in lacs

	Notes	As at 31 March 2016	As at 31 March 2015
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	**1,991.76**	1,991.76
Reserves and Surplus	3	**7,764.37**	8,345.53
Non - Current Liabilities			
Long Term Borrowings	4	**1,995.00**	980.00
Other Long Term Liabilities	5	**1,613.34**	2,436.46
Current Liabilities			
Short Term Borrowings	6	**8,059.04**	9,722.53
Trade Payables	7	**3,930.27**	5,458.85
Other Current Liabilities	8	**2,782.83**	2,371.61
Short Term Provisions	9	**526.41**	442.66
TOTAL		**28,663.02**	31,749.40
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10(a)	**8,682.03**	8,906.95
Intangible Assets	10(b)	**6.31**	7.36
Capital work in progress		**1,310.12**	1,312.25
Non Current Investments	11	**33.47**	33.47
Deferred Tax Asset (Net)		**600.82**	151.30
Current Assets			
Inventories	12	**13,530.66**	14,597.78
Trade Recievables	13	**2,144.64**	3,918.16
Cash and Cash Equivalents	14	**458.36**	508.35
Short Term Loans and Advances	15	**1,896.61**	2,313.78
TOTAL		**28,663.02**	31,749.40
Significant Accounting Policies	1		

Accompanying notes on consolidated accounts form integral part of the consolidated financial statements.

In terms of our report of even date attached.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2016

Rs in lacs

	Notes	2015-16	2014-15
INCOME			
Revenue from Operations	16	**21,616.47**	30,177.64
Other Income	17	**328.90**	410.35
		21,945.37	30,587.99
EXPENSES			
Cost of Materials Consumed	18	**10,879.50**	15,119.62
Changes in Inventories of Finished Goods,			
Work-in Progress and Stock in Trade	19	**202.82**	241.76
Employee Benefits Expenses	20	**6,180.60**	8,398.23
Finance Cost	21	**1,273.40**	1,234.66
Depreciation and Amortization Expenses	10	**552.25**	606.37
Less:Depreciation on Amount Added On Revaluation		**(21.39)**	(27.34)
Less:Recoupment from Capital Reserves		**(12.25)**	(12.25)
Other Expenses	22	**3,887.40**	5,694.54
		22,942.33	31,255.59
Profit/ (Loss) Before Exceptional Items		**(996.96)**	(667.60)
Exceptional Items		**-**	-
Profit/ (Loss) Before Tax		**(996.96)**	(667.60)
Tax Expenses			
Current Tax/ MAT		**-**	2.40
Tax for prior years		**-**	(7.65)
Deferred Tax(Asset)		**449.52**	(230.47)
Profit/ (Loss) After Tax		**(547.44)**	(431.88)
Earnings per share(face value of Rs 5 each)			
Basic and Diluted(Rs)		**(2.00)**	(1.58)
Significant Accounting Policies	1		

Accompanying notes on consolidated accounts form integral part of the consolidated financial statements.
In terms of our report of even date attached.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Rs in lacs

	2015-16		2014-15
A. Cash flow from Operating activities :			
Profit/(Loss) before Taxation		**(996.96)**	(667.60)
Add:- Adjustments for :			
Depreciation and Amortisation	**518.61**		566.78
Dividend from Investments	**(0.58)**		(1.36)
Profit on sale of Investment	**-**		(39.53)
Interest and Finance Charges	**1,273.40**		1,234.66
Interest Income	**(0.05)**		(0.72)
Surplus (Net) on disposal of Fixed Assets	**(30.00)**		-
		1,761.38	1,759.83
Operating Profit/(Loss) before Working Capital Changes		**764.42**	1,092.23
Add/(Less):- Adjustments for :			
(Increase)/Decrease in Inventories	**1,067.12**		(140.18)
(Increase)/Decrease in Trade and Other Receivables	**2,220.77**		(991.26)
(Decrease)/Increase in Trade Payables and other Liabilities	**(2,085.99)**		622.87
		1,201.90	(508.57)
Cash Generated from Operations :		**1,966.32**	583.66
Direct Taxes paid	**(30.18)**		(63.45)
Interest Paid	**(1,259.06)**		(1,222.51)
		(1,289.24)	(1,285.96)
Net Cash from / (used in) Operating Activities		**677.08**	(702.30)
B. Cash flow from Investing Activities :			
Purchase of Fixed Assets	**(368.97)**		(457.43)
Sale /Adjustment of Fixed Assets	**74.76**		56.95
Sale/Adjustment of Investment	**-**		80.55
Interest Received	**0.05**		0.72
Dividend Received	**0.58**		1.36
Cash Subsidy Received	**-**		1.23
Net Cash from / (used in) Investing Activities		**(293.58)**	(316.62)
C. Cash flow from Financing Activities :			
Proceeds from Loans	**1,450.00**		1,400.00
Repayments of Loans	**(220.00)**		(140.00)
Increase / (Decrease) in Bank Borrowings	**(1,663.49)**		242.52
Net Cash from / (used in) Financing Activities		**(433.49)**	1,502.52
Net increase / (decrease) in Cash and Cash Equivalents (A-B-C)		**(49.99)**	483.60
Cash and Cash Equivalents as at 1 April 2015		**508.35**	25.74
Adjustment on Consolidation		**-**	(0.99)
Adjusted Cash and Cash Equivalents as at 1 April 2015		**508.35**	24.75
Cash and Cash Equivalents as at 1 Aprilh 2016		**458.36**	508.35

In terms of our report of even date attached

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED
NOTES ON CONSOLIDATED ACCOUNTS

1. Significant Accounting Policies:

The significant accounting policies followed by the company are summarized below: -

1.1. Accounting Convention:

The Financial statements have been prepared in accordance with accrual method of accounting following the historical cost convention as modified by revaluation of certain Fixed Assets.

1.2. Fixed Assets:

Fixed Assets are stated at cost of acquisition, which are, inclusive of subsequent improvements thereto except for certain Fixed Assets, which were revalued. For Assets acquired at a composite price at cost as allocated to each assets by independent Valuers. Assets retired from active use are stated at values estimated by independent valuers.

Cost includes incidental expenses of acquisition/installation and financial cost relating to borrowed funds attributable to construction/ acquisition of fixed assets for the period upto commencement of commercial production / installation.

In respect of revalued assets, the difference between the written down values of the assets as on the date of revaluation and the then replacement value is transferred to Revaluation Reserve.

1.3. Depreciation:

(A) Depreciation of Fixed Assets is provided to the extent of depreciable amount on the straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act 2013.

(B) Premium paid for leasehold land is amortised over the period of the lease.

(C) Freehold land and assets retired from active use are not depreciated.

1.4. Investments:

Long-term investments are stated at cost less provision for permanent diminution if any, in the value of such investment. Dividend Income is accounted for on receipt.

1.5. Inventories:

Inventories are valued on the following basis: (i) Raw Material at lower of cost and net realizable value, (ii) Finished Goods at lower of cost and contract value and net realizable value, (iii) Stores & Spares and work-in-process at cost or under.

In the case of Raw Materials and Stores & Spares, cost is generally ascertained on weighted average basis. Work-in-process and Finished Goods are valued on full cost absorption basis. Necessary provision is made for obsolete, slow-moving, non-moving and defective items of inventories.

1.6. Capital Subsidy:

Subsidies relating to Fixed Assets are initially credited to Capital Reserve and the amount is adjusted against the depreciation charged over the useful life of the asset.

1.7. Miscellaneous expenses:

Share issue expenses are amortized over a period of ten years.

1.8. Foreign Currency transactions:

i) Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are translated at closing spot rates on the last day of the year.

ii) The difference in translation in monetary assets and liabilities and realised gains and losses in foreign exchange transactions other than those relating to fixed assets are recognised in the Statement of Consolidated Profit and Loss.

iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

1.9 Sales:

Sales comprise sale of goods and services and include freight and other charges recovered from customers.

1.10. Related Income:

Export incentives / Related Income are accounted to the extent considered certain of realisation by the Management.

1.11. Retiral benefits:

Contributions to the Provident and Superannuation Funds, which are in accordance with the respective

schemes, are charged to revenue on accrual basis.
Retirement benefits including gratuity are provided for in the Books of Accounts on the basis of actuarial valuation except one unit of the company, which is treated on cash basis with effect from 1997-98 to 2006-07. Such liability has been provided on the basis of valuation made by the Actuary in line with the parameters & requirement of AS 15 (Revised 2005) issued by the Institute of Chartered Accountants of India.

1.12. Borrowing Costs:
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.13. Revenue expenditure on Research & Development is charged to Statement of Consolidated Profit and Loss of the year in which it is incurred.

1.14. Capital expenditure on Research & Development is shown as addition to Fixed Assets.

1.15. Insurance claims are recognised on receipt/assessment of related claim from Insurance Authorities.

1.16. Intangible Assets:
Intangible Assets are stated at cost of acquisition less accumulated amortization. Computer Software is amortized over a period of 5 years on Straight Line basis.

2 SHARE CAPITAL

Rs in lacs

		Par Value Rs	31.03.2016	31.03.2015
2.1	Authorised			
40000000	Equity Shares	5	2,000.00	2,000.00
3000000	Preference Shares	10	300.00	300.00
24000000	Preference Shares	5	1,200.00	1,200.00
			3,500.00	3,500.00
	Issued,Subscribed and fully paid			
27420831	Equity Shares	5	1371.04	1371.04
12414353	2% Preference Shares	5	620.72	620.72
			1,991.76	1,991.76

2.2 2,683,045 equity shares has been alloted on 15.05.2013 and 2,204,786 equity shares has been alloted on 25.09.2012 to promoter group companies on preferencial basis under SEBI(ICDR) Regulation 2009 with a locking period of 3 years. Equity Shares carry voting rights at the General Meeting of the Company and are entitled to dividend and to participate in surplus, if any, in the event of winding up. The Company has alloted 22,00,000 7% Cumulative Preference Shares of Rs 10 each on 25.09.2004. which are redeemeble at par on or before the expiring of 20 years from the date of allotement has been redeemed during the year 2012-13. The company has alloted 12,414,353 non-convertible 2% Cumulative Preference Shares of Rs 5 each on 30.03.2010 which are redeemable at par on or before fifteen years from the date of allotement with a locking period of 3 years. Preference shareholders are entitled to get fixed rate of dividend in preference to the equity share but are not entitled to vote at General Meeting of the Company unless dividend has been in arrears for the prescribed minimum period.

2.3 Reconciliation of number of shares

	Equity shares of Rs 5 each	Rs in lacs	2% Cumulative Preference shares of Rs 5 each	Rs in lacs
Outstanding as at April1, 2014	27,420,831	1371.04	12,414,353	620.72
Issued and Alloted during the Previous Year	-	-	-	-
Outstanding as at March31/April1, 2015	27,420,831	1371.04	12,414,353	620.72
Issued and Alloted during the year	-	-	-	-
Outstanding as at March 31, 2016	27,420,831	1371.04	12,414,353	620.72

2.4 Share holders holding more than 5% shares in the Company

	31.03.2016		31.03.2015	
	No of Shares	% Holding	No of Shares	% Holding
I. Equity Shares of Rs 5 each				
Aldgate International S A	4,266,666	15.56	4,266,666	15.56
Blancatex A G	4,266,666	15.56	4,266,666	15.56
Rishra Investments Ltd	3,837,832	14.00	3,837,952	14.00
Shibir India Ltd	2,951,595	10.76	2,951,595	10.76
Damodardas Jerambhai Wadhwa	2,645,642	9.65	2,645,642	9.65
Amar Investments Ltd	2,545,619	9.28	2,545,599	9.28
Canara Bank	1,949,332	7.11	1,949,332	7.11
II. 2% Cumulative Preference Shares of Rs. 5 each				
G Jerambhai Exports Ltd	3,061,905	24.66	3,061,905	24.66
Damodardas Jerambhai Wadhwa	2,645,642	21.31	2,645,642	21.31
Canara Bank	1,949,332	15.70	1,949,332	15.70
V B Seva Trust	1,865,700	15.03	1,865,700	15.03
Gordhandas Jerambhai Wadhwa	1,189,300	9.58	1,189,300	9.58

Rs in lacs

3 Reserves and Surplus	01.04.2014	Adjustment on consolidation	Adjustment during the previous year	31.03.2015	Adjustment during the year	31.03.2016
Security Premium Reserve	3,221.61	-	-	3,221.61	-	3,221.61
Capital Reserve	34.59	(10.08)	(11.02)	13.49	(12.26)	1.23
Capital Redemption Reserve	255.00	(5.00)	-	250.00	-	250.00
Revaluation Reserve	2,655.48	-	(255.57)	2,399.91	(21.46)	2,378.45
General Reserve	2,887.66	-	(62.19)	2,825.47	-	2,825.47
Deferred Tax Reserve	8.53		-	8.53	-	8.53
Surplus	47.98	10.42	(431.88)	(373.48)	(547.44)	(920.92)
	9,110.85	(4.66)	(760.66)	8,345.53	(581.16)	7,764.37

Rs in lacs

	31.03.2016	31.03.2015
4 Long Term Borrowing-Secured *		
Term loan from Banks	1,995.00	980.00
	1,995.00	980.00

*Loan from Bank of Baroda is secured by first paripassu charge on the entire fixed assets of the company, present and future and second paripassu charge on the entire current assets of the company,present and future and lien on fixed deposit of Rs 10 lacs. Loan is repayable in 20 quaterly instalments by September 2019. Loan from Export Import Bank of India (Exim Bank) is secured by first paripassu charge on the entire fixed assets of the company,present and future excluding Anglo India Jute Mill (Middle Mill) and second paripassu charge on the entire current assets of the company,including receivable,present and future. Loan is repayable in 24 quaterly instalments by July 2022.

Rs in lacs

5 Other Long Term Liabilities	31.03.2016	31.03.2015
Unsecured Loans		
From Bodies Corporate	290.00	290.00
Interest accrued and due	29.01	29.01
	319.01	319.01
Other Payable	1,294.33	2,117.45
	1,613.34	2,436.46

6 Short Term Borrowing-From Banks-Secured*		Rs in lacs
-Loan repayable on demand	31.03.2016	31.03.2015
-Cash Credit/PackingCredit Accounts	8,059.04	6,622.53
-Working Capital Demand/Term Loan	-	3,100.00
	8,059.04	9,722.53

* Secured by hypothecation on stocks of raw material, stock -in-process, stores, manufactured goods, book debts, bill, moveable plant & machinery and other current assets and also mortgage on second charge basis by deposit of title deeds by constructive delivery with Exim Bank, Exim Bank acting as agent of the consortium of banks, all documents of title evidences, deeds and writings in order to create a security on the Company's immovable properties together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, and also by way of second charge on 100% shareholding of Champdany Constructions Ltd a wholly owned subsidiary of the company.

		Rs in lacs
7 Trade Payables	31.03.2016	31.03.2015
Acceptances	2,261.78	3492.23
Others	1,668.49	1966.62
	3,930.27	5458.85

There are no dues to Micro and Small Enterprises, determined to the extent such parties have been identified on the basis of information available with the Company, as at March requires disclosures under the Micro, Small and Medium Enterprises Development Act, 2006.

		Rs in lacs
8 Other Current Liabilities	31.03.2016	31.03.2015
Current maturities of long term loan	495.00	280.00
Interest accrued but not due on borrowings	38.72	24.37
Advance from Customers	345.94	261.07
Employees benefit liabilities	571.82	543.99
Unpaid Dividend	-	1.41
Fractional Share amount	0.12	0.12
Redemption of Preference Shares	0.56	0.56
Security Deposits	37.70	25.11
Others	1,292.97	1,234.98
	2,782.83	2,371.61

		Rs in lacs
9 Short Term Provisions	31.03.2016	31.03.2015
Short term employees benefits	526.40	442.56
Provision for taxation (net)	-	0.10
	526.41	442.66

10 FIXED ASSETS

Rs in lacs

		GROSS BLOCK AT COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 1 April 2015	Additions during the year	Sales / Adjustments during the year	As at 31 March 2016	As at 1 April 2015	For the year	On assets sold/adjusted during the year	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
10(a)	Tangible Assets										
	Freehold Land	3,166.72	-	-	3,166.72	-	-	-	-	3,166.72	3,166.72
	Leasehold Land	33.01	-	-	33.01	5.84	0.56	-	6.40	26.61	27.17
	Buildings	5,102.38	3.18	-	5,105.56	3,739.16	63.98	-	3,803.14	1,302.42	1,363.22
	Plant & Equipment	23,756.34	366.16	(1,320.07)	22,802.43	19,426.40	483.73	(1,275.25)	18,634.88	4,167.55	4,329.94
	Vehicles	75.94	0.67	-	76.61	68.73	1.06	-	69.79	6.82	7.21
	Furniture and Fixtures	89.65	0.21		89.86	83.32	1.26	-	84.58	5.28	6.33
	Office Equipments	200.88	0.88	-	201.76	194.52	0.61	-	195.13	6.63	6.36
	Total	32,424.92	371.10	(1,320.07)	31,475.95	23,517.97	551.20	(1,275.25)	22,793.92	8,682.03	8,906.95
	As at 31 March 2015	32,423.67	414.75	(413.50)	32,424.92	22,950.96	605.32	(38.31)	23,517.97	8,906.95	
10(b)	Intangiable Assets										
	Goodwill	3.16	-	-	3.16	-	-	-	-	3.16	3.16
	Preliminary Expenses	10.50	-	-	10.50	6.30	1.05		7.35	3.15	4.20
	Total	13.66	-	-	13.66	6.30	1.05	-	7.35	6.31	7.36
	As at 31 March 2015	38.80	-	(25.14)	13.66	6.08	1.05	(0.83)	6.30	7.36	

Lease hold land releats to 21.60 acres of land at Choudwar taken on lease for a period of 59 years in the year of 2004

		Rs in lacs	
		31.03.2016	31.03.2015
11	Non Current Investment(held at cost unless stated otherwise)		
	Trade Investment		
	Investment in Equity Instruments		
	Fully paid		
	Woolcombers of India imited (in liquidation) (held other than cost)	-	-
	1,63,592Equity Shares of Rs 10 each in, Re.1 (previous year Re.1)		
	Other Investment		
	Investment in Equity Instruments fully paid		
	Quoted		
	UCO Bank Limited., 15,000 Equity Shares of Rs. 10 each	4.49	4.49
	Oil Country Tubular Limited, 40,000Equity Shares of Rs. 10 each	8.78	8.78
	Shree Rama Newsprint Limited., 10,000 Equity shares of Rs. 10 each	5.88	5.88
	Aptech Limited., 10,300 Equity shares of Rs 10 each	3.67	3.67
	Unquoted		
	West Bengal Multifiber Jute Park Limited	0.90	0.90
	9,000 Equity Shares of Rs.10 each		
	National Electronics Private Limited,250 Equity shares of Rs 100 each	0.25	0.25
	Eastern Services Limited,2,500 Equity Shares of Rs 10 each	0.25	0.25
	Circus Avenue Properties Private Limited,2,500 Shares of Rs 10 each	0.25	0.25
	Libra Transport Ltd,200 Equity Shares of Rs 100 each	0.20	0.20
	Cooper Capital Markets Limited ,1,000 Shares of Rs 100 each	1.00	1.00
	Landale & Clark Limited 3,140 Shares of Rs 100 each	6.79	6.79
	A I C Properties Limited, 5000 Shares of Rs 10each	0.50	0.50
	Naffar Chandra Jute Mills Limited., 50,000 Shares of Rs. 10 each	0.10	0.10
	Woodlands Multispeciality Hospital Ltd.		
	3600 Equity Shares of Rs 10 each	0.36	0.36
	Wellington Jute Mills Employees' Consumers Co-operative Stores Limited 250 "B" class shares of Rs.10 each	0.03	0.03
	Anglo India Employees Co-operative Stores Limited		
	250 "B" class shares of Rs.10 each	0.02	0.02
		33.47	33.47
	1) Aggregate amount of quoted investment	22.82	22.82
	2) Aggregate market value of quoted investment	24.05	29.50
	3) Aggregate amount of unquoted investment	10.65	10.65

		Rs in lacs
12 Inventory	31.03.2016	31.03.2015
(Please refer Note 1.5 for accounting policy for valuation)		
Raw Materials	1,204.68	1,973.53
Work-in-Process	1,210.28	1,512.19
Finished Goods	10,303.33	10,201.73
Stock- in-Trade	-	2.51
Stores and Spares	778.64	874.09
Others	33.73	33.73
	13,530.66	14,597.78
Finished goods includes material in transit	-	116.15

		Rs in lacs
	31.03.2016	31.03.2015
13 Trade Receivables (Unsecured,considered good)		
Outstanding for a period of above 6 months	175.02	101.99
Others	1,969.62	3,816.17
	2,144.64	3,918.16

		Rs in lacs
	31.03.2016	31.03.2015
14 Cash and Cash Equivalents		
Balance with banks	457.48	482.90
Cash in hand	0.88	25.45
	458.36	508.35
Balance with bank includes		
-in unpaid dividend account	-	1.41
-in preference share redemption account	0.56	0.56
-in fractional share account	0.12	0.12
in fixed deposit account	447.30	410.69

		Rs in lacs
15 Short Term Loans and Advances (Unsecured, considered good)	31.03.2016	31.03.2015
Deposit	184.12	76.13
Claim receivables	1,336.70	1,957.81
Prepaid expenses	72.80	56.79
Loan to employees	6.81	6.75
Advance payment of Taxes (net of provision)	30.08	-
Other Loans and Advances	266.10	216.30
	1,896.61	2,313.78

Maximum outstanding balance of interest free loans to employees during the year Rs. 9.97 lacs (Previous year Rs. 15.15 lacs)

		Rs in lacs
	2015-16	2014-15
16 Revenue from operations		
Sale of Products, Services and Related Income	21,777.26	30,390.44
Less-Excise duty and Cess	160.79	212.80
	21,616.47	30,177.64

		Rs in lacs
17 Other Income	2015-16	2014-15
Interest Income	0.05	0.72
Profit on sale of fixed assets	30.00	-
Insurance Claims	48.22	49.62
Dividend Income	0.58	1.36
Profit on sale of Investment	-	39.53
Rent Received	229.95	293.45
Miscellaneous Income	20.09	6.13
Liabilities no longer required written back	0.01	19.54
	328.90	410.35

		Rs in lacs
18 Cost of Material Consumed	2015-16	2014-15
Jute, Flax Fibres and Other Materials	10,879.50	15,119.62

			Rs in lacs
19 Changes in Inventories			
Opening stock		2015-16	2014-15
Finished Goods		10,201.73	10,400.88
Work-in-Process		1,512.19	1,524.66
Stock-in-Trade		2.51	32.65
	(A)	11,716.43	11,958.19
Closing Stock			
Finished Goods		10,303.33	10,201.73
Work-in-Process		1,210.28	1,512.19
Stock-in-Trade		-	2.51
	(B)	11,513.61	11,716.43
	(A-B)	202.82	241.76

		Rs in lacs
20 Employees Benefits Expenses	2015-16	2014-15
Salaries, Wages and Bonus	5,369.71	7,337.78
Contribution to Provident and other Funds	751.27	997.96
Employees welfare expenses	59.62	62.49
	6,180.60	8,398.23

21 Finance Cost		Rs in lacs
Interest expenses	2015-16	2014-15
Fixed loans	399.98	433.40
Others	873.42	801.26
	1,273.40	1,234.66

		Rs in lacs
22 Other Expenses	2015-16	2014-15
Stores and spares consumed	570.43	980.70
Other Consumption	44.76	55.11
Power and fuel	1,423.34	1,894.72
Processing expenses	118.92	159.51
Repairs to building	13.55	24.43
Repairs to machinery	4.27	4.38
Repairs (others)	2.34	4.08
Insurance	84.87	97.32
Rates and Taxes	65.13	62.28
Export Freight	161.74	292.29
Transport and handling	748.17	921.33
Brokerage ,commission and export expenses	60.75	582.48
Bank charges	93.09	78.69
Discounting charges on export bills	39.78	50.93
Rent	18.22	20.33
Auditors Remuneration	3.81	3.81
Director's Fees	11.08	14.13
Miscellaneous expenses	423.15	448.02
	3,887.40	5,694.54

23. The consolidated financial statements have been prepared in accordance with Accounting Standard "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

24. The Consolidated Financial Statements have been prepared on the following basis:

    (i) The financial statements of AI Champdany Industries Limited ("the Company) and its subsidiary Company has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealized profit or losses.

    (ii) The difference between the costs of investment in the subsidiary over the equity of the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

    (iii) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Statement of Consolidated Profit and Loss as the profit or loss on disposal of investment in subsidiary.

    (iv) The financial statement of the subsidiary Champdany Constructions Limited used in the consolidation are drawn upto the same reporting date as that of parent company i.e. 31 March 2016.

25. During the year 2015-16 Fixed Assets of Rs. 44.76 lacs have been transferred to Stock-in-Trade in respect of certain Machineries belongs to Yarn Unit at Rishra and Konnagar Unit of the Company.

Rs. in lacs

		Year ended 31.03.16	Year ended 31.03.15
26.	Estimated amount of contract remaining to be executed on capital account not provided for	-	94.79
27. i)	Contingent liabilities in respect of:		
	a) Bank Guarantees	410.84	740.47
	b) Bank Guarantees issued on pledge of shares by other companies	432.54	432.54
	c) Claims for Income Tax, Commercial Taxes not acknowledged as debt and under appeal	1,855.51	2,057.63
	d) Other claims not acknowledged as debt	718.68	733.44
	e) Bills drawn on customers and discounted with banks and advances against collection	599.01	318.36

ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs.89.73 lacs (previous year Rs. 74.56 lacs) including Dividend Distribution Tax Rs.15.18 lacs (previous year Rs.12.42 lacs).

28. Jute Carpets / Jute diversified Products & Services have been treated as belonging to the same class as Jute / Jute Diversified Products & Services.

29. Segment Information:
The Company has considered two Business Segments viz; Jute/Jute diversified products & Services and Flax Products.

A. Primary Segment Disclosure

Rs. in lacs

Particulars	Jute/Jute diversified Products & Services		Flax Products		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Segment Revenue						
External Turnover	19,874.04	27,689.97	1,742.43	2,487.67	21,616.47	30,177.64
Other Income	313.65	368.70	14.62	0.04	328.27	368.74
Segment Result	95.79	212.08	180.02	313.37	275.81	525.45
Unallocated					0.58	40.89
Operating Profit					276.39	566.34
Finance Cost					1,273.40	1234.66
Interest Income					0.05	0.72
Income Taxes					(449.52)	(235.72)
Net Profit/ (Loss)					(547.44)	(431.88)
Other Information						
Segment Assets	24,737.32	28,368.64	3,261.33	3,195.99	27,998.65	31,564.63
Unallocated					664.37	184.77
Total Assets					28,663.02	31,749.40
Segment Liabilities	17,669.31	20,147.67	1,237.58	1,264.34	18,906.89	21,412.01
Unallocated					-	0.10
Total Liabilities					18,906.89	21,412.11
Capital Expenditure	205.71	400.46	163.26	56.97	368.97	457.43
Depreciation	372.16	415.56	158.70	163.47	530.86	579.03
Amortization	-	-	12.25	12.25	12.25	12.25

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets

Rs. in lacs

	Revenue		Sundry Debtors	
Particulars	31.03.16	31.03.15	31.03.16	31.03.15
India	16,971.61	24,507.84	2,020.58	3,642.78
Outside India	4,973.76	6,080.15	124.06	275.38
Total	21,945.37	30,587.99	2,144.64	3,918.16

b) The Company has common fixed assets for producing goods for Domestic Market and Overseas Market. Hence separate figures for fixed assets / additions to fixed assets cannot be segregated.

30. Deferred Tax:

Rs. in lacs

	Year ended 31.03.16	Year ended 31.03.15
(i) Liability / (Assets) at the beginning of the year	(151.30)	106.98
(ii) Assets for transitional provision for ascertainment of life of assets	-	(27.81)
(iii) Difference between book & tax depreciation	(25.78)	(0.27)
(iv) On carried forward losses as per Income Tax calculations	(423.74)	(230.20)
(v) Deferred tax Liability / (Assets) at the end of the year	(600.82)	(151.30)

31. Related Party Disclosures: As per Accounting Standard 18, the disclosures of the transactions with related parties are given below:-

(a) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Parties	Relationship
G Jerambhai Exports Ltd.	Others
Gunny Dealers Ltd.	"
Libra Exporters Ltd.	"
Libra Transport Ltd.	"
McGregor & Balfour India Ltd.	"
Jessore Industries (India) Ltd.	"
Naffar Chandra Jute Mills Ltd.	"
Eastern Services Ltd.	"
Baidyabati Industries Ltd.	"
West Bengal Multifibre Jute Park Ltd.	"
Jerambhai Seva Trust	"
V B Seva Trust	"
AIC Properties Ltd.	"
Landale & Clark Ltd.	"
Mr. Nirmal Pujara	Key Managerial Personnel

(b) Transaction during the year with related parties

Rs.in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Key Managerial Personnel	Others	Total
1	Revenue from Operations	-	1710.41	1710.41
		-	*5270.74*	*5270.74*
2	Other Income	-	1.20	1.20
		-	*1.20*	*1.20*
3	Purchases /Material Consumed	-	1299.00	1299.00
		-	*2834.03*	*2834.03*
4	Transport & Handling	-	78.85	78.85
		-	*81.89*	*81.89*
5	Payment to Key Managerial Personnel	54.52	-	54.52
		44.15	-	*44.15*
6	Rent	-	8.40	8.40
		-	*8.38*	*8.38*
7	Professional Fees	-	1.20	1.20
		-	*1.20*	*1.20*
8	Processing charges	-	-	-
		-	*0.66*	*0.66*
9	Finance Costs	-	0.23	0.23
		-	*0.20*	*0.20*
	Balances as on 31 March 2016			
1	Investments	-	8.29	8.29
		-	*8.29*	*8.29*
2	Trade Receivables	-	146.89	146.89
		-	*1308.87*	*1308.87*
3	Loans and Advances	-	-	-
		-	*3.22*	*3.22*
4	Trade Payables	-	320.35	320.35
		-	*101.15*	*101.15*
5	Other Payable	-	1763.36	1763.36
		-	*1920.00*	*1920.00*
6	Other Liabilities	-	157.25	157.25
		-	*268.61*	*268.61*

Note: Figures in italic represents previous year's amount.

Rs. in lacs

		Year ended 31.03.16	Year ended 31.03.15
32.	Auditors' Remuneration		
	As Audit Fees	2.06	2.06
	Tax Audit	0.45	0.45
	Corporate Governance	0.15	0.15
	Consolidated Financial Statement	0.15	0.15
	Limited Review	1.00	1.00
		3.81	3.81

33. The Company has maintained separate books of account for Wellington Jute Mills, Weaving and Yarn Units at Rishra, Middle Mill, Fine Yarn and Flax Units at Jagatdal and Weaving Unit at Konnagar, Beldanga, Shalimar and Kankinara Units at West Bengal and Libra Carpet Unit at Choudwar, Odisha.

34. Shalimar Units have been closed with due process of law. Operations at Konnagar and Choudwar units continued to be under suspension. The working at Weaving Unit at Rishra is under suspension of work since 23 May 2015.

The working at Anglo-India Jute Mill (Middle Mill) at Jagatdal has been temporarily suspended from 26 May 2015 to 13 September 2015. The working at Yarn unit, Rishra has been temporarily suspended from 20 June 2015 to 28 August 2015, 26 September 2015 to 27 October 2015, 12 November 2015 to 19 November 2015, 22 December 2015 to 5 January 2016 and also from 21 March 2016 which is still continuing. The working at Wellington Jute Mill, Rishra has been temporarily suspended from 26 March 2016 which is still continuing. Management is of the view that the sale proceeds of the Fixed Assets relating to the Choudwar, Konnagar and Shalimar Units would not be lower than the amount at they are carried in the books. The carrying values of assets of the cash generating units at Balance Sheet date are reviewed for impairment and management is of the view that there is no impairment exists. This has been relied upon by the Auditors'.

35. The Company's application to the Competent Authority for exemption from the provisions of the Urban Land (Ceiling and Regulation) Act, 1976 is pending approval.

36. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

37. By an Order passed by the Hon'ble Division Bench of the High Court at Calcutta, six winding-up matters were relegated to Civil Suits for a claim of Rs. 319 lacs of the erstwhile promoters of Anglo-India Jute Mills Co Ltd. (now Al Champdany Industries Ltd), being the unsecured loan disputed by the Company. As per direction of the High Court, Calcutta, the Company has provided required securities to the satisfaction of the Registrar, Original Side, Calcutta High Court till the disposal of the suits.

    Six suits were filed by the erstwhile promoters by their six respective companies. In the said suits a composite decree to the tune of Rs. 2.77 crores is passed. Challenging the said decree six appeals are preferred by Al Champdany Industries Limited which are allowed and the cross appeal filed by respondents are dismissed, and the entire claim of the six unsecured creditors have been placed for trial. Written statements in six suits have been filed by the company as per order of the Hon'ble Division Bench of Calcutta High Court. Special Leave Petition (SLP) filed before the Hon'ble Supreme Court by six companies of erstwhile promoters of AIJM. After trial, the above suits (six in numbers) have been decreed in terms of the claims in the plaints depicted Rs.13 crores approximately. The said decrees are challenged in the Hon'ble Court of Appeal. In terms of the order passed by the Hon'ble Court of Appeal, the decrees passed in the said six suits have been stayed upon furnishing security, needless to say, the requisite securities have been furnished. The appeals are pending adjudication.

38. The Company has obtained possession of its flat at Woodland Syndicate as per the Order of the Court and the said flat has also been sold to a third party. The Company has filed an Application for final decree for mesne profits for wrongful occupation of the flat, before the Learned Civil Judge, Senior Division, 1st Court at Alipore, 24 Parganas (South), which is directed to attach with the suit proceeding. The decree passed in favour of the Company was challenged in the Hon'ble High Court and the same was dismissed on merits. Proceeding for realization of the mesne profit is pending before the Ld Civil Judge (Sr. Division) 1st Court at Alipore.

39. As approved by way of special Resolution passed by shareholders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo-India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f. 01.05.2016 to M/s P & A Distilleries Private Limited (subsequently name changed to Anglo-India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

40. Previous year's figures have been rearranged / reclassified / regrouped wherever necessary and to make it in conformatory with the amended Schedule III to the Companies Act, 2013.

For and on behalf of

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

ANNUAL REPORT 2015–2016

(ABRIDGED)

AI CHAMPDANY INDUSTRIES LIMITED

AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767

CHAIRMAN EMERITUS
Mr. G. J. Wadhwa

BOARD OF DIRECTORS
Mr. D. J. Wadhwa, Chairman
Mr. Harbhajan Singh
Mr. S. M.Palia
Dr. G. Goswami
Mr. N. Das
Dr. B. Sen
Mr. B. Wadhwa
Ms. Ramya Hariharan
Mr. N. Pujara, Managing Director

VICE PRESIDENT (F&A) & CHIEF FINANCIAL OFFICER
Mr. Prakash Nagar

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. B. K. Chowdhury (w.e.f. 01 April 2016)

AUDITORS
D. P. Sen & Co.
Chartered Accountants
FRN 301054 E

BANKERS
Bank of Baroda
Allahabad Bank
Export-Import Bank of India
Kotak Mahindra Bank Ltd.
Bank of Maharashtra
IDBI Bank Ltd.

REGISTERED OFFICE
25, Princep Street
Kolkata-700 072

SHARE DEPARTMENT
25, Princep Street
Kolkata-700 072
Phone: 2237 7880/85
Fax: 033-2236 3754/033-2225 0221
E-mail: cil@ho.champdany.co.in
Website: www.jute-world.com

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WORKS

Wellington Jute Mill 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Anglo India Jute Mill 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Fine Yarn Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Flax Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Weaving Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Yarn Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248
Libra Carpet Choudwar Cuttack Odhisa Pin: 754 025	Weaving Unit 39, Shalimar Road Howrah (South) West Bengal Pin: 711 103	Yarn Unit Choudwar Cuttack Odhisa Pin: 754 025	Weaving Unit Naity Road Konnagar Hooghly West Bengal Pin: 712 246	Kankinara Unit Bhutnath Kolay Road Kankinara 24, Parganas (N) West Bengal Pin: 743 126	

AI CHAMPDANY INDUSTRIES LIMITED
(CIN: L51909WB1917PLC002767)
Registered Office : 25, Princep Street, Kolkata – 700 072
Email :cil@ho.champdany.co.in, Website : www.jute-world.com
Phone : (033) 2237 7880 to 85 / 2225 1050 / 7924 / 8150 Fax: (91) (33) 22250221 / 22363754

NOTICE

Notice is hereby given that the Ninety Eighth Annual General Meeting of the Members of the Company will be held on Friday, August 12, 2016 at 4:00 PM at the Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th floor, Kolkata 700017 to transact the following businesses:

Ordinary Business:

(1) To consider and adopt:
   (a) the audited financial Statement of the Company for the financial year ended March 31, 2016, the report of the Board of Directors and Auditors thereon; and
   (b) the audited consolidated financial Statement of the Company for the financial year ended March 31, 2016.

(2) To appoint a Director in place of Mr. D J Wadhwa (DIN: 00046180), who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

(3) To appoint auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, the appointment of M/s. D. P. Sen & Co., Chartered Accountants(Registration No. 301054E), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 99thAnnual General Meeting of the Company be and is hereby approved and their appointment be at a remuneration to be decided by the Board of directors of the Company."

Special Business :

(4) **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the approval of the Shareholders in the ensuing general meeting, M/s. N. Radhakrishnan & Co., Cost Accountants, being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2017, be paid the remuneration as set out in the Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
B. K. Chowdhury
Sr. GM (Accounts) &
Company Secretary

Registered Office
25, Princep Street
Kolkata – 700072
Dated: 14 June 2016

Important Notes:

a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person

as proxy and such person shall not act as a proxy for any other person or shareholder.

b) The relative Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business under item No. 4 is annexed hereto.

c) Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative not less than 48 hours before the commencement of the meeting, to attend and vote on their behalf at the meeting.

d) Members / Proxies are requested to bring their Attendance Slip enclosed herewith along with their copy of Annual Report to the meeting.

e) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

f) Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the meeting.

g) As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") and Secretarial Standard 2 issued by The Institute of Company Secretaries of India brief resume of the Directors seeking appointment / re – appointment at the AGM are included in the statement pursuant to Section 102 (1) of the Companies Act, 2013 set out in the Notice convening this meeting. The Directors have furnished the requisite consent / declarations for their appointment / re – appointment.

h) The Notice of the 98th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form and Copies of Annual Report for the financial year 2015-2016 are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

i) The register of Members and the Share Transfer Book of the Company will remain closed from August 5, 2016 to August 12, 2016 (both days inclusive).

j) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

k) The Company has entered into necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to dematerialize their shareholdings in the Company for which they may contact the Depository Participants of either of the Depositories.

l) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar and Share Transfer Agent of the Company of any change in their address or demise of any member as soon as possible at the following address :

M/s MCS Share Transfer Agent Ltd.
12/1/5, Manoharpukur Road
Kolkata – 700 026
Phone : 40724051-53
Fax: 40724054
Email: mcssta@rediffmail.com

Members are requested to address all correspondence, including dividend matters if any, to the aforesaid Share Transfer Agent of the Company. Members are advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

m) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent.

n) As approved by the Shareholders, the company has sub divided the Equity Shares of Rs. 10/- each into 2 equity shares of Rs. 5/- each with effect from September 19, 2008. Shareholders who have not yet surrendered old share certificates of face value of Rs. 10/- each, are requested to surrender the same to the Registrar and Share Transfer Agent to enable the Company to dispatch the new share certificates in lieu of old certificates.

o) Members may also note that the Notice of the 98th AGM and the Annual Report for the financial year 2015-2016 will be available on the Company's website, www.jute-world.com . The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at : aicilinvestors@gmail.com

p) Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to Registrar & Share Transfer Agent (i.e. MCS Share Transfer Agent Ltd.), for consolidation into a single folio.

q) Non-Resident Indian Members are requested to inform M/s MCS Share Transfer Agent Ltd, immediately of:

(a) Change in their residential status on return to India for permanent settlement.

(b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

r) **Members who have not registered their Email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars, etc from the company electronically.**

Please provide your e-mail address mentioning the Company's name and Folio Number to our Registrar, M/s MCS Share Transfer Agent Ltd. , by post at their postal address 12/1/5, Manohar Pukur Road, Kolkata-700026 or by email at mcskol@rediffmail.com in case shares held in physical form.

s) Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The nomination form can be downloaded from the company's website **www.jute-world.com**

t) Voting through electronic means:

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and other applicable provisions of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules,2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 98th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited.
2. The facility for voting through Ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
3. Members who have already cast their vote by remote e-voting prior to the 98th Annual general Meeting may also attend the Annual general Meeting but shall not be entitled to cast their vote again.
4. The e-voting period commences on August 9, 2016 (9:00 AM) and ends on August 11, 2016 (5:00 PM). During this period shareholders of the Company holding shares either in physical form or in dematerialised form as on cut off date of August 5, 2016, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
5. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is providing electronic e-voting facility to exercise votes on the items of business given in this

Notice at the 98th Annual General Meeting (AGM) through electronic voting system, to members whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as on August 5, 2016 being the Cut-Off date (Cut-Off date for the purpose of Rule 20(2)(ii) of the Companies management Rules) fixed for determining Voting Rights of Members, entitles to participate in the remote e-voting process, through the remote e-voting platform provided by NSDL.

6. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 5, 2016. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 5, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or mcssta@rediffmail.com or aicilinvestors@gmail.com

7. The process and manner for remote e-voting are as under:

   (i) Open the attached PDF file "AI Champdany e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting

   (ii) Launch internet browser by typing the URL https://www.evoting.nsdl.com/

   (iii) Click on "Shareholder - Login".

   (iv) Put User ID and password as initial password noted in step (i) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the toll free no.1800-222-990.

   (v) Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.

   (vi) Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.

   (vii) Select "EVEN" of AI Champdany Industries Ltd. Members can cast their vote online from August 9, 2016 (9:00 AM) till August 11, 2016 (5:00 PM).

   Note: e-Voting shall not be allowed beyond said time.

   (viii) Now you are ready for "e-Voting" as "Cast Vote" page opens.

   (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.

   (x) Upon confirmation the message, "Vote Cast Successfully" will be displayed.

   (xi) Once you have voted on the resolution, you will not be allowed to modify your Vote.

   (xii) Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to roymoulik.co@gmail.com or cil@ho.champdany.co.in with a copy marked to evoting@nsdl.co.in.

   Please note that:

   - A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
   - A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
   - The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
   - The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence

of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other Information:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-voting website of NSDL through their website viz.; www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-voting system of NSDL by using your existing user ID and password for the e-voting system of NSDL.

I. **In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:**

   (i) Initial password is provided in a separate sheet: EVEN (E Voting Event Number) USER ID PASSWORD / PIN

   (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (x) above, to cast vote.

II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e- voting user manual for Shareholders available at the Downloads section of **www.evoting.nsdl.com** or contact NSDL at the toll-free number 1800-222-990

III. If you are already registered with **NSDL** for e-voting then you can use your existing user ID and Password/PIN for casting your vote.

IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

V. Mr Harisadhan Ghosh, Chartered Accountant in whole-time practice (Membership No.5886) has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make, not later than three days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in the favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

VII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.jute-world.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the BSE/NSE.

VIII. Relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

IX. This Notice of the 98th Annual General Meeting along with the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 will be published in one Bengali Newspaper in circulation in Kolkata and in one English Newspaper having country-wide circulation.

INFORMATION AS REQUIRED IN PURSUANCE OF REGULATION 36(3) OF LISTING REGULATIONS IN RESPECT OF DIRECTORS BEING RE-APPOINTED/APPOINTED

Item No.2

Re-Appointment of Mr. Damodardas Jerambhai Wadhwa

Brief Resume of Mr. Damodardas Jerambhai Wadhwa seeking re-appointment pursuant to Regulation 36(3) of the Listing Regulations:

DIN 00046180

Date of Birth: 6th September, 1937

Date of Appointment: 31st May, 2006

Expertise in specific functional areas: Industrialist with vast experience in Jute Industry & Export Market

Disclosure of relationship between directors inter se : NIL

Directorship in other Listed Companies: NIL

Membership/Chairmanship in other Board Committees: NIL

Shareholding in the Company as on 31.03.2016: Equity: 2645642 shares

2% Preference: 2645642 shares

By Order of the Board

Registered Office
25, Princep Street
Kolkata – 700072
Dated: 14 June 2016

B. K. Chowdhury
Sr. GM (Accounts) &
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013.

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s N. Radhakrishnan& Co., Cost Accountants (Firm Reg. No. 000056) as the Cost Auditors to conduct the audit of the Cost records of the company for the financial year ending March 31, 2017 at a remuneration of Rs. 30000/- (i.e. Cost Audit Fees) plus applicable taxes and reimbursement of out of pocket expenses not exceeding Rs. 1000/- p.a.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors / Key Managerial Personnel (KMP) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice convening this meeting.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

By Order of the Board

Registered Office
25, Princep Street
Kolkata – 700 072
Dated: 14 June 2016

B. K. Chowdhury
Sr. GM (Accounts) &
Company Secretary

AI CHAMPDANY INDUSTRIES LIMITED

DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors are pleased to present the Annual Report of your Company and the Company's Audited Financial Statements for the financial year ended 31 March 2016.

FINANCIAL RESULTS

(Rs. in lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Profit before Finance Cost, Depreciation, and Tax	794.38	1147.32
Finance Cost	1273.40	1234.66
Depreciation and Amortisation	513.17	561.34
Loss Before Tax	**(992.19)**	**(648.68)**
Provision for Tax:		
- Current Tax / MAT	-	2.40
- Tax for prior years	-	(7.32)
- Deferred Tax (Asset)	(449.52)	(230.47)
Loss After Tax	(542.67)	(413.29)
Profit/(Loss)Brought Forward from Previous Years	(407.09)	6.20
Loss Carried over	**(949.76)**	**(407.09)**

DIVIDEND

In view of loss, your Directors do not recommend any dividend on 2% Preference Shares and on Equity Shares.

OPERATIONS

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and the decline was mainly because of curtailment of production due to acute shortage of raw Jute leading to abnormally high raw jute prices. Production & sales also suffered because of temporary suspension of work at Anglo India Jute Mill (Middle Mill) from 26.05.15 to 13.09.15, Yarn Unit Rishra since 20.06.15 till date, Wellington Jute Mill since 26.03.16 till date and Weaving Unit Rishra since 23.05.15 till date. Export sales were at Rs. 49.74 Crores as against Rs. 60.80 Crores in previous year. Incidentally due to shortage and high raw jute prices, working was affected mostly in all mills. Mills adopted different methods of adjusting their production i.e. working 4 or 5 days / week running 2 shifts / day etc. Overall operating performance was adversely affected for the reasons mentioned in the Management Discussion and Analysis Report annexed hereto.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There have been no change in the nature of business of the Company

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As approved by way of special Resolution passed by share holders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 to M/S. P & A Distilleries Private Limited. (subsequently name changed to Anglo India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

RISK MANAGEMENT FRAMEWORK

Your company has a Risk Management Framework approved by the Board of Directors. The Risk Management Framework provides the mechanism for risk assessment and its mitigation .The Risk Management framework is being periodically reviewed by the Audit Committee and the Board of Directors.

DISCLOSURE ON SEXUAL HARRASSMENT OF WOMEN IN WORKPLACE

The Company has received no complaints from any women employee during the year regarding Sexual Harassment of Women in Workplace (Prevention Prohibition & Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES

There was no employee in receipt of remuneration of Rs. 60 lacs or more per annum during the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CHANGES IN KEY MANAGERIAL PERSONNEL

COMPANY SECRETARY

During the year, on resignation of Mr. Swaroop Saha from 30th May, 2015, Mr. Sandip Mandhana was appointed as the Company Secretary and Compliance Officer from 01st June, 2015. Subsequently on resignation of Mr. Sandip Mandhana from 31st January, 2016, Mr. Binod Kumar Chowdhury Sr. General Manager (Accounts) of the Company was appointed as the Company Secretary and Compliance Officer from 01st April, 2016.

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

Under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are set out in a separate statement attached to this report and forms part of it.

DIRECTORS

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company, Shri D. J. Wadhwa, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

The company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act 2013 and Regulation 16 (b) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”)

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of Managerial Remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure I of this Report.

STATUTORY AUDITORS

At the 97th Annual General Meeting held on 14th August, 2015, the members had appointed M/s D. P. Sen & Co., Chartered Accountants, having registration number 301054E as the Statutory Auditors of the Company till the conclusion of the next Annual General Meeting.

The Company has received a consent letter from M/s D. P. Sen & Co., Chartered Accountants, to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and the rules made thereunder. The Board proposes to appoint M/s D. P. Sen & Co., Chartered Accountants as the Statutory Auditors of the Company from the conclusion of ensuing 98th AGM till conclusion of 99th AGM.

COST AUDITORS

M/s N Radhakrishnan & Co, Cost Accountants has been appointed as Cost Auditor for auditing the cost accounts of the Company for the year ended 31 March 2017 by the Board of Directors. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost auditor is being sought at the ensuing Annual General Meeting.

M/s N. Radhakrishnan & Co., Cost Accountants, has given his consent to act as Cost Auditor of the Company confirming that his appointment is within the limits of Section 139 and certified that he is free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The Cost Audit Report for the year 2014-15 has been filed with the Ministry of Corporate Affairs within the due date of filing.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanation received from the day to day operating management, your Directors make the following statements pursuant to Sub-Section (5) of Section 134 of the Companies Act, 2013:

a) that in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) that the Directors 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 Company at the end of the financial year and of the loss of the Company for that period;

c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2016, on a going concern basis;

e) that the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;

f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as Annexure II.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by M/s K. Arun & Co., Company Secretaries, is enclosed as part of this report as Annexure III.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION,RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITOR IN HIS REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

Qualified opinion by the Statutory Auditors in their Report have been adequately dealt with in the Note 44 of the Accounts, which is explained hereunder.

"The Company is providing Gratuity Liability on accrual basis for all its units and only in respect of one unit i.e. Jagatdal it was accounted for on cash basis for the intervening period of 1996-97 to 2006-07 as explained in Note No.44 to the Accounts. However this qualification will not appear from Annual Accounts of current FY 2016-17 onwards as the Unit for which this qualification was appearing has been hived off to the new buyer w.e.f. 01.05.2016 with all its Gratuity Liability both past & future."

The Secretarial Auditor have not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

The Cost Auditor has not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

MEETINGS OF THE BOARD

Four Meetings of the Board of Directors were held during the year. For further details please refer to report on Corporate Governance annexed in this Annual Report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 and the Accounting Standard (AS21), the Consolidated Financial Statement is provided in the Annual Report.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary i.e. Champdany Construction Ltd is presented in a separate section in Form AOC 1 as Annexure IV.

LISTING WITH THE STOCK EXCHANGES

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange and annual listing fees for financial year 2016-17 has been paid to the BSE and NSE.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant & Material Orders relating to settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc. were passed by the Regulators for or against the Company during the financial year ended 31st March 2016.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The internal Auditors continuously monitor the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's risk management with regard to the Internal financial Control system.

The Audit Committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company. In order to strengthen further our existing internal financial control system, the Company has engaged Ernst & Young to study and suggest improvements in our system.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

During the year, the Company has not given any loans, provided any guarantees or made any investments as covered under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS, ARRANGEMENTS ENTERED INTO WITH RELATED PARTIES

During the financial year, the Company had not entered into any contract / arrangement / transactions with related parties which are materially significant.

All contracts/transactions/arrangements entered by the Company with Related parties during the financial year were in the ordinary course of business and on arm's length basis and the provisions of Section 188 are not attracted. Thus, disclosure in Form AOC-2 is not required.

PREVENTION OF INSIDER'S TRADING

In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and its subsequent Amendments in 2008 and 2015, the Company has adopted a model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company. The Code, inter alia, prohibits purchase, sale of the shares of the Company by the Directors, Officers and Designated Employees while in possession of the unpublished price sensitive information in relation to the Company. The Company secretary is the Compliance Officer for the purpose of these Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of this Annual Report

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as prescribed by SEBI. The Corporate Governance Report and a Certificate from the Auditors of the Company certifying compliance with the conditions of Corporate Governance are attached hereto and form part of the Directors' Report.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

INDUSTRIAL RELATIONS

Industrial Relations in all units and branches of the Company remained generally cordial and peaceful throughout the year, except Units under suspension of work, etc. as mentioned in Management Discussion & Analysis Report annexed herewith.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation of the continuous support, encouragement and co-operation received from the Company's bankers, the Government of West Bengal, customers, employees, shareholders and other business associates.

On Behalf of the Board

Place: Kolkata
Dated: 14th June'2016

B. Wadhwa
N. Pujara } Directors

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Development:

During the year under review, Industry suffered due to severe shortage of raw jute due to Crop being lower by almost 24% than earlier year. This resulted in abnormal rise in raw Jute prices putting further pressure on the operations. The production therefore in the Industry is estimated to be approx 20% less than earlier year.

B. Opportunities/Threats, Risks & Concerns:

- **Opportunities**

As per initial projections given by the Government Procurement agencies it is likely that there will be good demand for B Twill Jute Bags from July'16 onwards which coupled with expected bumper Jute crop to arrive in the market from July / Aug'16 may ease both availability and price of raw jute, and should augur well for the Industry going forward, barring unforeseen situation. Opportunity also lies in diversification of products range by installing new generation equipments and innovation of value added products by way of different blends of man made / natural fibres. Your Company having hived off its labour intensive and conventional Unit, namely Anglo India Jute (Middle Mill) will now focus more on enhancing production of diversified items while also giving thrust on improving the productivity.

- **Threats / Risks and Concerns**

Discussion is going on in the Ministry of Textile, Government of India, for dilution of Jute Packaging (compulsory use for packaging commodities) Act 1987 which is due for annual extension as is being done every year. However, efforts are being made by the Industry body to persuade the Government not to dilute the mandatory packaging order in the larger interest of farmers, workers, environment and until the Industry is ready to face this challenge by way of concerted efforts by the Industry to modernise & develop diversified products and create new demands. Besides, both Central and State Government

should also extend their support by devising an Incentive based effective policy to encourage the Industry for modernisation, research & development and innovation of value added range of products. Productivity in the Industry is also quite low compared to wage structure which keeps going up being linked to inflation, hence workers Unions also need to Co-operate with the Industry and link wages to productivity for long term survival of the Industry.

C. Outlook:

There is an expectation of Bumper raw jute crop which will arrive in the market from July/Aug onwards because the farmers have gone for higher acreage of jute cultivation this year due to record high prices realised by them for the previous crop & with expected above normal monsoon, Government procurement Agencies have also projected higher B Twill bags requirements. Considering the above factors it is hoped that performance of Jute Industry including your Company may be better this year, barring unforeseen situation.

Your Company after having sold its Anglo India Jute (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 is now planning to focus more and more on value added products and also ramping up production at its other Units. Since AIJM – Middle Mill was highly labour intensive having very low productivity, manufacturing mostly conventional products, its hiving off should result in overall improvement in the operating performance of the Company. Sales turnover may be lower initially but may gradually increase with the Company's efforts in enhancing production at other Units in a phased manner.

Efforts are continuing to resume operations at Wellington Jute Mill and other Units located at Rishra, Dist-Hooghly, West Bengal which are currently under temporary suspension of work due to acute shortage of raw jute and low productivity. Resumption of operations at these Units also depends upon the outcome of negotiations underway with the Workers Unions to benchmark productivity levels at these Units to Industry standards which at present is very poor when compared with Industry norms.

D. Internal Control System & Adequacy:

The Company has a proper internal control system in place across all its operations. Internal audit work has been assigned to a professional firm of Chartered Accountants who have expressed satisfaction about the adequacy of internal control systems and procedures followed by the Company. The Audit Committee reviews the observations of the internal auditors and implementation aspects on a regular basis.

E. Financial & Operating Performance:

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and it declined mainly due to lower production which had to be curtailed because of acute shortage of raw Jute and suspension of work in some units. Export Sales was at Rs. 49.74 Crores compared to Rs. 60.80 Crores in the previous year. Overall operating performance was adversely effected for the reasons explained in this report.

F. Material Development in Human Resources/Industrial Relations Front:

The Company continues to rationalize its workforce and put emphasis on providing quality training under the Company's programme.

Yarn Unit and Libra Carpet Unit located at Choudwar, District Cuttack, Odisha, Yarn and Weaving Unit at Konnagar continued to be under suspension of work.

Due to very low productivity, temporary suspension of work had to be declared at Weaving Unit Rishra w.e.f 23rd May 2015 continuing till date, Anglo India Jute Mill (Middle Mill) from 26th May 2015 to 13th September 2015, Yarn Unit Rishra from 20th June 2015 continuing till date with intermittent small operations in between. Due to severe Raw Jute shortage & low productivity Wellington Jute Mill also had to temporarily suspend operations from 26th March 2016 which is continuing till date, however negotiations are underway with Workers Unions for increasing productivity & adhering manning norms in line with Industry Standards.

G. Cautionary Statements:

Certain statements in this report may be construed as forward looking statements which have been made as required by laws and regulations, as applicable. There are several factors, which would be beyond the control of management and as such, may affect the actual results, which could be different from that envisaged.

AI CHAMPDANY INDUSTRIES LIMITED

Annexure to the Directors' Report

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

A. CONSERVATION OF ENERGY

The Company continues its efforts to conserve energy and has taken the following steps on ongoing basis:

a. Replacement of conventional Fluorescent lamps with Light Emeidie Diode (LED) type lamp fittings.
b. Replacing in phased manner High Power Sodium Vapour lamps by Metal Halide Lamp.
c. Mounting of spinning motors outside machine frame.
d. Putting variable frequency with driving looms.
e. Taking care for maximum utilization of energy and to reduce the energy consumption, capacitors have been installed in every department to improve power factor and always try to maintain it to 99% to reduce losses. All motors, electrical & electronic equipments and machine parts are regularly checked and maintained to reduce losses.
f. Regular checking and maintenance of Steam pipe lines, valves, steam traps to reduce the loss of steam and finally consumption of fuel in the Boiler.
   Continuous monitoring of system voltage and power factor to minimize losses, follow rigid routine preventive / proactive maintenance schedule of machine, use of energy efficient motors, elimination of idle / under loading of machines.
   Constant efforts are being made to identify new technologies to improve the working of the plants for reduction in consumption of energy and cost of production.

"FORM A"

			Current year	Previous year
a)	**POWER AND FUEL CONSUMPTION**		**Current year**	**Previous year**
i)	**ELECTRICITY**			
	a)	Purchased Units (KWH)	16066615	21839046
		Total Amount (Rs. in lacs)	1399.59	1816.12
		Rate / Unit (Rs.)	8.71	8.32
	b)	Own Generation through Diesel Generator (Units)	7214	10203
		Units per litre of Oil	3.07	3.10
		Cost / Unit (Rs.)	18.32	23.76
ii)	**COAL**			
	(B grade used for generation of steam in boiler)			
		Quantity (M. Ton.)	1.77	5.92
		Total Cost (Rs. in lacs)	0.16	0.55
		Average Rate (Rs.)	9319	9319
b)	**CONSUMPTION PER UNIT OF PRODUCTION**			
	Electricity (KWH/MT)			
	Jute/Jute diversified Products and Services		753	700
	Flax Products		5557	4707
	Coal per ton of Production (M.Ton)			
	Jute/Jute diversified Products & Services		-	-
	Flax Products		-	-
Production				
Jute & Jute Diversified Products (M. Ton.)			**18526**	**28390**
Flax Product (M. Ton.)			**383**	**422**

"FORM B"

B. TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

R&D Projects are being pursued in house & in conjunction with IJIRA/Jute Board for development of value added items having combinations of jute blended with other natural and manmade fibre and improvement of end products including linen yarn.

BENEFITS DERIVED AS A RESULTS OF THE ABOVE R&D AND FUTURE PLAN OF ACTION:

Technology absorption, adaptation and innovation –

a) By taking out Motor from Machine to outside Energy saving is 20 units per day per frame.
b) Motor will remain cool, comparatively clean, wear & tear of Motor will be decreased and most important fire hazards will be eliminated.
c) Consumption of Bearing will be reduced considerably for spinning section.
d) By using armoured cable on Spinning Machine Main line fire hazard and line losses will be minimized.

Benefits are expected to accrue in terms of value addition, cost optimization, better turnaround improvement of quality and serviceability.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION AND INNOVATION:

Continued assistance being sought for technology transfers and up-gradation from developed countries for perpetual improvement of existing products and developments of newer products. The Company had adopted technology of fine yarn and soil saver; further improvements are anticipated in development of HCF Food Grade jute products.

EXPENDITURE ON R&D:

In accordance with the Company's consistent practice, expenditure on R&D activities remains merged with various heads of account.

DETAILS OF IMPORTED TECHNOLOGY:

No technology has been imported during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans:

The Company has taken several initiatives for development of new products by way of diversification of product folio and cost reduction for export market.

Total foreign exchange used and earned (Rs. in lacs)

		Current Year	Previous Year
Used	:	1261.62	3607.69
Earned	:	4973.76	6080.15

On Behalf of the Board

Place: Kolkata
Dated: 14th June'2016

B. Wadhwa
N. Pujara } Directors

ANNEXURE I

DISCLOSURE ON MANAGERIAL REMUNERATION

Details of Remuneration as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March, 2016:

Name	Designation	Remuneration of Directors' to Median Employees' Remuneration (times)
Mr. D. J. Wadhwa ,Chairman	Non-Executive	1.71
Mr. Bhushan Wadhwa	Non-Executive	0.64
Mr. S. M. Palia	Independent	0.43
Mr. Harbhajan Singh	Independent	1.71
Dr. G. Goswami	Independent	1.84
Mr. N. Das	Independent	1.41
Dr. B. Sen	Independent	0.86
Ms. Ramya Hariharan	Independent	0.86
Mr. N Pujara	Managing Director	46.71

b) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary or Manager in the financial year ended 31st March, 2016 is as follows:

Name	Designation	Percentage Increase in Remuneration
Mr. D. J. Wadhwa, Chairman	Non-Executive	-
Mr. Bhushan Wadhwa	Non-Executive	-
Mr. S. M. Palia	Independent	-
Mr. Harbhajan Singh	Independent	35.59*
Dr. G. Goswami	Independent	-
Mr. N. Das	Independent	-
Dr. B. Sen	Independent	-
Ms. Ramya Hariharan	Independent	33.33**
Mr. N. Pujara	Managing Director & Chief Executive Officer	23.48***
Mr. P. Nagar	Vice President (Finance& Accounts) &Chief Financial Officer	-
Mr. S. Saha	Company Secretary (upto 31.05.15)	-
Mr. S. Mandhana	Company Secretary (from 01.06.15 to 31.01.16)	-

*The increase in sitting fees is due to 4 meetings of Board and Audit Committee attended in 2015-16 as against 3 meetings each in 2014-15

** The increase in sitting fees is due to 4 meetings of Board attended in 2015-16 as against 3 meetings in 2014-15

***Remuneration increased with effect from September 1,2014 was applicable only for 7 months in 2014-15 whereas such increase was for full year in 2015-16.

c) The number of permanent employees on the rolls of the company is 5007.

d) The details of variations in the market capitalization of the Company, Price Earnings Ratio at the closing date

of the current financial year and previous financial year are as follows:

The Market Capitalization of the company increased by 38.55% from Rs. 4908.32 lacs as at March 31, 2015 to Rs. 6800.37 lacs as at March 31, 2016. The Price Earning Ratio as at March 31, 2016 was Nil as compared to the Price Earnings Ratio as at March 31, 2015 was Nil .

In the year 2009-10 the company came out with an issue of fully paid 2% Preference Shares of the face value of Rs. 5 each at par to existing equity shareholders of the Company on Rights Basis in ratio of 1 share for every 1 share held on record date. The total issue at a price of Rs.5 each aggregated to Rs 6, 20, 91,965/-

The equity shares of the Company closed at Rs. 24.80 on National Stock Exchange of India Ltd. and at Rs. 22.45 on BSE Limited on March 31, 2016 representing an increase of 35% since the last financial year.

e) No variable component in any form was availed by the directors during the financial year ended March 31, 2016.

f) No employee has received remuneration higher than the highest paid director during the financial year ended March 31, 2016.

g) It is hereby affirmed that the remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company.

ANNEXURE II

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(i) **CIN:- L51909WB1917PLC002767**

(ii) Registration Date: **02.01.1917**

(iii) Name of the Company: **Al Champdany Industries Limited**

(iv) Category / Sub-Category of the Company: **Public Company/Limited by Shares**

(v) Address of the Registered office and contact details: **25, Princep Street, Kolkata – 700072; Phone: 22377880**

(vi) Whether listed company : **Yes**

(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **MCS Share Transfer Agent, 12/1/5, Manoharpukur Road, Kolkata- 700 026, Phone: 40724051**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	SACKING	63051040	61.78
2	HESSIAN	63051030	19.34

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Champdany Constructions Ltd. 33, C. R. Avenue Kolkata - 700 012	U17232WB1993PLC061248	Subsidiary	100%	2(87)(ii)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1865354	-	1865354	6.803	1865354		1865354	6.803	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Governments	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	10942596	-	10942596	39.906	10942496	-	10942496	39.906	-0.0003
e) Banks/ FI	-	-	-		-	-	-	-	-
f) Trusts	1971804	-	1971804	7.191	1971804	-	1971804	7.191	-
Sub-total (A)(1)	14779754		14779754	53.900	14779654	-	14779654	53.900	-0.0003
(2) Foreign						-	-	-	-
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other…	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)									
Total Share-holding of Promoter (A) = (A)(1)+(A) (2)	14779754	-	14779754	53.900	14779654	-	14779654	53.900	-0.0003
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	165746	2565770	2731516	9.961	165746	2565770	2731516	9.961	-
c) Central Government	60	-	60	0.000	60	-	60	0.000	-
d) State Governments	-	704	704	0.003	-	704	704	0.003	-

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	-	1332	1332	0.005	-	1332	1332	0.005	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	165806	2567806	2733612	9.969	165806	2567806	2733612	9.969	-
2. Non-Institutions									
(a) Bodies Corporates	-	-	-	-	-	-	-	-	-
(i) Indian	119126	405972	525098	1.915	115312	405916	521228	1.900	-0.0141
(ii) Overseas	-	8533332	8533332	31.120	-	8533332	8533332	31.120	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	463274	171751	635025	2.316	463361	171634	634995	2.316	-0.0001
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	214000	-	214000	0.780	218000	-	218000	0.795	+0.0145
c) Trust	10	-	10	.0000	10	-	10	0.000	-
Sub-total (B) (2)	796410	9111055	9907465	36.131	796683	9110882	9907565	36.131	+0.0003
Total Public Shareholding (B) = (B)(1)+(B)(2)	962216	11678861	12641077	46.100	962489	11678688	12641177	46.100	+0.0003
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15741970	11678861	27420831	100.00	15742143	11678688	27420831	100.00	

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
Rishra Investments Ltd	3837952	13.9965	-	3837832	13.9961	-	-0.0004
Shibir India Limited	2951595	10.7641	-	2951595	10.7641	-	-
Amar Investments Ltd.	2545599	9.2834	-	2545619	9.2835	-	+0.0001
Damodardas Jerambhai Wadhwa	2645642	9.6483	-	2645642	9.6483	-	-
Gordhandas Jerambhai Wadhwa	1189300	4.3372	-	1189300	4.3372	-	-
Coopers Wealth Advisors Ltd.	500000	1.8234	-	500000	1.8234	-	-
G Jerambhai Exports Ltd.	550924	2.0091	-	550924	2.0091	-	-
Gunny Dealers Ltd.	203706	0.7429	-	203706	0.7429	-	-
Gojer Brothers Pvt. Ltd.	121332	0.4425	-	121332	0.4425	-	-
Coopers Housing Estates Pvt. Ltd.	106666	0.3890	-	106666	0.3890	-	-
McGregor & Balfour (India) Ltd.	106666	0.3890	-	106666	0.3890	-	-
Libra Transport Ltd.	14932	0.0544	-	14932	0.0544	-	-
National Electronics Pvt. Ltd.	3200	0.0117	-	3200	0.0117	-	-
Bhushan Wadhwa	1732	0.0063	-	1732	0.0063	-	-
Jyoti B Wadhwa	484	0.0018	-	484	0.0018	-	-
Coopers Capital Markets Ltd.	24	0.0001	-	24	0.0001	-	-
Total	**14779754**	**53.8997**	**-**	**14779654**	**53.8994**	**-**	**-0.0003**

(iii) Change in Promotors' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
April 01, 2015	14779754	53.8997	14779754	53.8997
June 30, 2015	-	-	-	-
September 30, 2015	-	-	-	-
December 31, 2015	100	0.0003	100	0.0003
March 31, 2016	-	-	-	-
March 31, 2016	14779654	53.8994	14779654	53.8994

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
Aldgate International SA	4266666	15.559	4266666	15.559
Blancatex AG	4266666	15.559	4266666	15.559
Canara Bank	1949332	7.109	1949332	7.109
Bank of India	483530	1.763	483530	1.763
Bank of Baroda	233568	0.852	233568	0.852
Upkar Distributers Pvt. Ltd.	213332	0.778	213332	0.778
Harsha Hitesh Javeri	100000	0.365	100000	0.365
Apson Sales Promotion Pvt. Ltd.	93332	0.340	93332	0.340
Frank Jute Impex Pvt. Ltd.	93332	0.340	93332	0.340
Hitesh Ramji Javeri	66000	0.241	70000	0.25 5

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Equity Shares	% of total Shares of the company	No. of Equity Shares	% of total Shares of the company
1	Mr. D J Wadhwa	2645642	9.6483	2645642	9.6483
2	Mr. N Pujara	3400	0.0124	3400	0.0124
3	Mr. N Das	2666	0.0097	2666	0.0097
4	Mr. B Wadhwa	1732	0.0063	1732	0.0063
5	Mr. S M Palia	266	0.0010	266	0.0010

V. INDEBTEDNESS

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

In Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1098253285	29000000	-	1127253285
(ii) Interest disputed	-	2901242	-	2901242
(iii) Interest accrued but not due	2436738	-	-	2436738
Total (i+ii+iii)	1100690023	31901242		1132591265

In Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Change in indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	41914248	-	-	41914248
Net Change	41914248	-	-	41914248
Indebtedness at the end of the financial year				
(i) Principal Amount	1054904125	29000000	-	1083904125
(ii) Interest disputed	-	2901242	-	2901242
(iii) Interest accrued but not due	3871650	-	-	3871650
Total (i+ii+iii)	1058775775	31901242	-	1090677017

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration in Rs.	Name of the Managing Director
		Mr. Nirmal Pujara
1	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	42,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	10,50,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	as % of profit	-
	others, specify…	-
5	Contribution to Gratuity Fund	2,01,923
	Total (A)	54,51,923
	Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013

B. Remuneration to other directors:

Particulars of Remuneration	Name of Directors						
Independent Directors	**Mr. S. M. Palia**	**Mr. N. Das**	**Dr. G. Goswami**	**Mr. H. B. Singh**	**Dr. B. Sen**	**Ms. R. Hariharan**	**Total**
• Fee for attending board / committee meeting	50,000	1,65,000	2,15,000	2,00,000	1,00,000	1,00,000	8,30,000
• Commission	-	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-	-
Total (1)	50,000	1,65,000	2,15,000	2,00,000	1,00,000	1,00,000	8,30,000
Other Non-Executive Directors	**Mr. D .J. Wadhwa**	**Mr. B. Wadhwa**					
• Fee for attending board committee meeting	2,00,000	75,000		-			2,75,000
• Commission	-	-		-			-
• Others, please specify	-	-		-			-
Total (2)	2,00,000	75,000		-			2,75,000
Total (B)=(1+2)				-			11,05,000
	Total Managerial Remuneration						11,05,000
Overall Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR/ MANAGER/ WHOLE TIME DIRECTOR

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	2,48,938	12,00,000	1448938
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	46550	-	46550
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify…	-	-	-
5	Others, please specify…	-	-	-
	Total	**295488**	**1200000**	**1495488**

VII. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st Day of March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Al Champdany Industries Limited

CIN: L51909WB1917PLC002767

We have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Al Champdany Industries Limited (hereinafter called "the Company").** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2016 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015.

(c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

V. The company operates in the Jute Industry and compliances are made with the applicable regulatory authorities and the guidelines laid down by them.

We have also examined compliance with the applicable clauses of the following:

The Listing Agreements entered into by the Company with **BSE Limited, National Stock Exchange of India Limited** and The Calcutta Stock Exchange Limited (till the securities were listed on the Exchange) till 30th November 2015 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 from the date of their enforcement i.e. 01.12.2015 .

During the period under review the Company has also complied with the Secretarial Standard issued by the Institute of Company Secretaries of India and the provisions of the Acts, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company **is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.** The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Agreement.

Adequate Notice is given to all Directors to schedule the Board Meetings. Agenda and detailed Notes on Agenda were sent in advance to the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views are captured, as and when required and are recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, as also represented by the management.

We further report that during the audit period the Company got itself delisted **from The Calcutta Stock Exchange Limited.**

Place : Kolkata
Date : 11.05.2016

For K. Arun & Co
Company Secretaries
Arun Kr. Khandelia
Partner
C.P. No.: 2270

ANNEXURE IV

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts)

1. Sl. No.	:	1
2. Name of the subsidiary	:	Champdany Constructions Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	Not Applicable
4. Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not Applicable
5. Share Capital	:	Rs.810.20 lacs
6. Reserves & Surplus	:	Rs.27.70 "
7. Total Assets	:	Rs.845.97 "
8. Total Liabilities	:	Rs.845.97 "
9. Investments	:	Rs.1.95 "
10. Turnover	:	Rs.18.05 "
11. Profit before taxation	:	(Rs.4.80) "
12. Provision for taxation	:	-
13. Profit after taxation	:	(Rs.4.80) "
14. Proposed Dividend	:	NIL
15. % of shareholding	:	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : NIL
2. Names of subsidiaries which have been liquidated or sold during the year. : NIL

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Al Champdany Industries Limited

We have examined the compliance of conditions of Corporate Governance by Al Champdany Industries Limited for the year ended 31 March 2016, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of the Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For D. P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No: 58711

Kolkata
Date: 14 June 2016

AI CHAMPDANY INDUSTRIES LIMITED

Corporate Governance Report for the year ended 31 March 2016

The detailed report on Corporate Governance and process including compliance by the Company in terms of Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") is set out below:

Company's Philosophy on Code of Governance

The Board of Directors and Management are committed to maximizing shareholder value on a sustained basis. The Company considers good Corporate Governance to be a pre-requisite for meeting the objective of shareholders' wealth maximization. Good Governance practices in the Company include adoption of best Board practices, respect and protection of minority views and interests of shareholders and institutionalization of a fair and transparent reporting system.

Board of Directors

The Board of Directors comprises of nine Directors, out of which two are promoter non-executive Directors, one Managing Director and Six Non-executive Independent Directors (including one woman Director).

The Directors bring to the board a wide range of experience and skills. Brief profiles of the Directors, are set out elsewhere in the annual report. The composition of the board is in conformity with Regulation 26(1) of the Listing Regulations. As per the Listing Regulations, no Director can be a member in more than 10 committees or act as chairman of more than 5 committees across all public companies in which he is a Director. All the Independent Directors qualify the conditions for being Independent Director as prescribed under regulations. No Director is related to any Director. Further, the Board periodically reviews compliance reports of all laws applicable to the company and necessary steps are being taken to ensure the compliance in law and spirit. The brief resume/details relating to Director seeking appointment / re-appointment is furnished in the Annexure to the Notice of the ensuing Annual General Meeting.

The composition of the Board of Directors, the attendance of each Director at the Board meetings and at the last Annual General Meeting (AGM) and also the number of other Directorships or Committee of which he is a Member/Chairman are as under:

Name of the Director	DIN	Category	Attendance		No. of Directorships and committee Memberships/ Chairmanships in other companies		
			Board Meetings	Last AGM	Other Directorships**	Committee Memberships	Committee Chairmanships
Mr. D. J. Wadhwa	00046180	Promoter Non-Executive Chairman	4	Yes	3	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	2	Yes	5	1	1
Mr. Harbhajan Singh	00237556	Independent Non-Executive	4	Yes	9	1	-
Dr. B. Sen	00056861	Independent Non-Executive	4	No	3	2	1
Dr. G. Goswami	00024209	Independent Non-Executive	4	Yes	4	3	-
Mr. N. Das	00080612	Independent Non-Executive	3	Yes	3	2	2
Mr. N. Pujara	00047803	Executive Director	4	Yes	12	-	4
Mr. B. Wadhwa	00407790	Promoter Non-Executive	3	Yes	9	-	-
Ms. Ramya Hariharan	06928511	Independent Non-Executive	4	No	6	3	-

**Includes Directorship in both Private limited companies and Public limited companies.

Responsibilities

The Board of Directors represents the interest of the Company's shareholders, in optimizing long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

Independent Directors

The Company has complied with the definition of Independence as per Regulation 16 (b) of the Listing Regulations and according to the Provisions of section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

Role of Independent Directors

Independent Directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing, accountancy, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee and the Stakeholders Relationship Committee have a majority of Independent Directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, the Listing Regulations and as approved by the board, from time to time.

Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as Directors of the Company.

Training of Independent Directors

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organisation structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at ***www.jute-world.com***.

Performance Evaluation of Non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, finance, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 13th February, 2016, without the attendance of Non-Independent Directors and members of Management. The following issues were discussed in detail:

i) Reviewed the performance of non-independent Directors and the Board as a whole;

ii) Reviewed the performance of the Chairman of the Company, taking into account the views of Directors;

iii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Meetings of the Board

During the financial year ended 31st March 2016, Board meetings were held on 29th / 30th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

Audit Committee

The Board of Directors has set up an Audit Committee under the provisions of Section 177 of the Companies Act, 2013 and the provision of Regulation 18 of the Listing Regulations. The present terms of reference of the Audit Committee includes the powers as laid out in Regulation 18 (2) of Listing Regulations and role of the

Audit Committee as stipulated in Clause A of Part C of Schedule II of Listing Regulations.

The Audit Committee also reviews information as per requirement of Clause B of Part C of Schedule II of the Listing Regulations.

The Audit Committee also complies with the relevant provisions of the Companies Act, 2013.

The terms of reference of the Audit Committee are determined by the Board from time to time. The scope of activities of Audit Committee includes the areas laid out in section 177 of the Act and Part C of Schedule II of the Listing Regulations.

The Audit Committee also reviews such matters as considered appropriate by it or referred to it by the board.

Composition, Meetings and Attendance:

The Audit Committee of the Company comprises four Directors- three of whom are Independent, Non-Executive and one is promoter, Non-Executive. All of them are expert in Corporate Finance, accounts and corporate laws. The chairman of the committee is an Independent, Non-Executive Director, nominated by the Board.

The Company Secretary acts as the secretary to the committee. The Managing Director, CFO, the Statutory Auditor and the Internal Auditor of the company are permanent invitees at the meetings of the committee. The composition of the Audit Committee meets the requirement of Listing Regulations and the provisions of the Companies Act, 2013.

During the financial year ended 31 March 2016, Four Audit Committee meetings were held on 28th May 2015, 13th August 2015, 14th November 2015 and 13th February 2016.

Name of Member	Designation	No. of meetings Attended
Mr. Harbhajan Singh	Independent Non-Executive Director	4
Mr. N. Das	Independent Non-Executive Director	3
Dr. G. Goswami	Independent Non-Executive Director	4
Mr. D. J. Wadhwa	Promoter Non-Executive Director	4

Nomination and Remuneration Committee

Composition: The Committee of the Board comprises of three Independent Directors, namely Mr. Harbhajan Singh, Dr. G. Goswami and Mr. N. Das.

Terms of Reference: The Committee has been constituted to review/recommend/approve remuneration of the Managing Director/Chief Financial Officer, Company Secretary and other senior employees based on their performance.

The role of the Nomination and Remuneration Committee inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board of the remuneration policy; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

Meetings: During the financial year ended 31st March 2016, there was only one meeting of the Committee held on 2nd May 2015. For the meeting held on 2nd May 2015 all members were present except Mr. Harbhajan Singh.

DETAILS OF REMUNERATION PAID TO ALL THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2015.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total

amount of sitting fees paid during the financial year 2015-16 is as under:

(Amount in Rs.)

Name of the Director	Meeting Fees			Total	No. of shares held	
	Audit Committee	Board	Other * Committees		Equity	2% Preference
Mr. S M Palia	-	50,000	-	50,000	266	500
Mr. Harbhajan Singh	1,00,000	1,00,000	-	2,00,000	-	-
Dr. G Goswami	1,00,000	1,00,000	15,000	2,15,000	-	-
Mr. D J Wadhwa	1,00,000	1,00,000	-	2,00,000	2,645,642	2,645,642
Mr. N Das	75,000	75,000	15,000	1,65,000	2,666	-
Dr. B Sen	-	1,00,000	-	1,00,000		
Mr. B Wadhwa	-	75,000	-	75,000	1,732	1,532
Ms. Ramya Hariharan	-	1,00,000	-	1,00,000		
Total	3,75,000	7,00,000	30,000	11,05,000		

* for attending Nomination and Remuneration Committee Meeting.

B. Remuneration to Managing Director

The appointment of Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholder of the Company, which cover the terms of such appointment and remuneration, read with the service rules of the company. Payment of remuneration to Managing Director is governed by the Agreement executed between them and the Company. The remuneration package of Managing Director comprises of salary, perquisites and allowances and contributions to Provident and other Retirement Benefit Funds as approved by the shareholder at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Managing Director.

Name of the Managing Director	Salary (Rs)	Benefits (Rs)	Remarks
Mr. Nirmal Pujara	42,00,000	12,51,923	Elevated as Managing Director w.e.f 12th May 2014 for a period till 31st December, 2017. The contract is terminable by either party by giving 3 months notice.

Stakeholders' Relationship Committee

The Board has set up a Stakeholders' Relationship Committee consisting of one independent non-executive Director and one promoter non-executive Director as under:

i) Dr. G. Goswami – Chairman (Independent non-executive Director)

ii) Mr. B. Wadhwa – Member (Promoter non-executive Director)

During the financial year ended 31st March 2016, No Committee Meeting was held.

The detailed positions of the shareholders' complaints are as under:

a) Number of complaints received from Stock Exchange/SEBI – NIL

b) Number of complaints non-resolved/non-action taken – NIL

c) Number of pending share transfer as on 31st March 2016 – NIL

Investors' grievances are resolved expeditiously.

Compliance Officer:

Mr. Swaroop Saha, Company Secretary was designated as Compliance Officer till 30.05.2015.

Mr. Sandeep Mandhana, Company Secretary was designated as Compliance Officer from 01.06.2015 to 31.01.2016.

Mr. Binod Kumar Chowdhury, Sr General Manager (Accounts) and Company Secretary has been designated as Compliance Officer w.e.f. 1st April 2016.

General Body Meeting

Location and time where the last three Annual General Meeting were held.

Financial Year	Location of Meeting	Date	Time
2012-2013	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	14 August 2013	10:30 A.M.
2013-2014	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	12 August 2014	10:30 A.M.
2014-2015	Bengal National Chamber of Commerce & Industry 1st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	14 August 2015	10:30 A.M.

Following one Special Resolution was passed in the last Annual General Meeting held on 14 August 2015:

The draft regulations contained in the Article of Association of the Company as per Table 'F' of the Companies Act, 2013 have been approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Article of Association of the Company as per erstwhile Companies Act, 1956.

Subsidiary

The Company has one non-listed Indian Subsidiary Company i.e. Champdany Constructions Ltd. It is not a material subsidiary.

a) Financial Statement in particular the investments made by the Subsidiary Company are reviewed quarterly by the Audit Committee of the Company.
b) All minutes of the meetings of the Subsidiary Company are placed before the Company's Board Meeting regularly.
c) A statement containing all significant transactions and arrangements entered with Subsidiary Companies are placed before the Company's Board.

Disclosures

Related party transactions

There were no transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business and at arm's length price are included in the notes forming part of the financial statements. There were no financial or commercial transactions by the senior management with the Company where they have personal interests that may have a potential conflict with the interests of the Company at large.

The material financial and commercial transactions where persons in management have personal interest, exclusively relate to transactions involving Key Management Personnel forming part of the disclosure on related parties referred to in Note No. 37 to Annual Accounts, which were reported to Board of Directors. The Register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for approval.

Capital Markets

The Company has complied with all the legal requirements related to Capital Markets and there were no strictures passed/penalties levied by Stock Exchange/SEBI or any other regulatory body.

Whistle Blower policy

The Company has in place an Employee concern (Whistle Blower) which is also available on the Company's website i.e. www.jute-world.com . No personnel have been denied access to the Audit Committee to lodge their grievances.

Issue of Shares

There have been no public issues, right issues or other public offerings during the year. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

No presentations were made to Institutional Investors and analysts during the year.

Means of Communication

The unaudited quarterly and audited annual financial results along with the notes are normally published in one National English Newspaper (Financial Express) and one Bengali Newspaper (Arthik Lipi) circulating in Kolkata, within 48 hours of approval by the Board and are faxed/intimated to Stock Exchanges. The quarterly results of the Company are put on the web site of the Company after these are submitted to the Stock Exchanges. Our web site address is ***www.jute-world.com***

General Shareholders' information:

a) AGM date, time and venue

Annual General Meeting is to be held on Friday, 12 August 2015 at 4:00 P.M. at the auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th floor, Kolkata 700017.

b) Financial Calendar 2016-17 (Tentative)

Financial year: 1 April to 31 March.

Unaudited 1st quarter results (quarter ending on 30 June 2016)	:	Second Week of August 2016
Unaudited 2nd quarter results (quarter ending on 30 September 2016)	:	Second week of November 2016
Unaudited 3rd quarter results (quarter ending on 31 December 2016)	:	Second Week of February 2017
Audited Annual Results (i.e. year ending on 31 March 2017)	:	Last week of May 2017

c) Book Closure period: From 5 August 2016 to 12 August 2016 (both days inclusive).

d) Listing on Stock Exchange

The Company's Equity shares are listed on The Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd. Annual Listing fees as prescribed have been paid to the Stock Exchanges for the year 2016-2017.

e) Scrip Code

Bombay Stock Exchange	National Stock Exchange
532806	AICHAMP

f) Stock price data

	BSE		NSE	
Month	**High**	**Low**	**High**	**Low**
April, 2015	18.35	15.45	17.90	17.45
May, 2015	17.95	14.75	18.55	16.50
June, 2015	18.90	13.65	17.60	16.75
July, 2015	17.05	13.32	17.50	15.20
August, 2015	22.75	15.50	16.70	15.40
September, 2015	20.55	16.15	15.50	14.20
October, 2015	20.50	16.25	15.60	13.55
November, 2015	27.35	16.50	20.15	15.10
December, 2015	38.95	24.00	40.75	21.15
January, 2016	40.85	29.85	38.85	35.00
February, 2016	32.00	18.60	33.50	24.90
March, 2016	25.25	18.65	25.60	22.70

g) Registrar and Share Transfer Agents

The Company has appointed M/s.MCS Share Transfer Agent Limited having its office at 12/1/5, Monoharpukur Road, Kolkata – 700 026 as Registrar for both demat and physical segment.

h) Share Transfer System

Shares in demat and physical form are being processed by the registrar on regular basis. Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

i) Distribution of Shareholding as on 31 March 2016

Equity

Group of Shares	No. of Share-holders	% of share-holders	No. of Shares held	% of Total Shares
1 to 500	3019	89.61	212864	0.78
501 to 1000	162	4.81	114551	0.42
1001 to 2000	92	2.73	128612	0.47
2001 to 3000	24	0.71	59472	0.22
3001 to 4000	16	0.47	55853	0.20
4001 to 5000	4	0.12	17898	0.06
5001 to 10000	6	0.18	40241	0.15
10001 to 50000	8	0.24	156241	0.57
50001 to 100000	7	0.21	534805	1.95
100001 and above	31	0.92	26100294	95.18
GRAND TOTAL	**3369**	**100.00**	**27,420,831**	**100.00**

2% Preference Share

Group of Shares	No. of Share-holders	% of share holders	No. of Shares held	% of Total Shares
1 to 500	66	60.55	11,010	0.09
501 to 1000	7	6.42	6,532	0.05
1001 to 2000	5	4.59	7,163	0.06
2001 to 3000	2	1.83	4,800	0.04
3001 to 4000	4	3.67	13,600	0.11
4001 to 5000	1	0.92	5,000	0.04
5001 to 10000	1	0.92	10,000	0.08
10001 to 50000	2	1.84	44,932	0.36
50001 to 100000	2	1.83	141,674	1.14
100001 and above	19	17.43	12,169,642	98.03
GRAND TOTAL	**109**	**100.00**	**12,414,353**	**100.00**

j) Categories of Shareholders as on 31 March 2016

Particulars	Equity			2% Preference		
	No. of Holders	Holding/ Shares held	% to Capital	No. of Holders	Holding/ Shares held	% to Capital
Promoters Group	30	14779654	53.90	22	9773156	78.72
Indian Financial Institutions/Banks	29	2731516	9.96	4	2558332	20.61
Central / State Government	3	764	0.00	-	-	-
Foreign Institutional Investors	2	1332	0.01	-	-	-
Bodies Corporate	107	521228	1.90	8	6790	0.05
Trust & Foundations	1	10	0.00	-	-	-
NRI	35	3437	0.01	-	-	-
Foreign Bodies Corporate	2	8533332	31.12	-	-	-
Individual & others	3160	849558	3.10	75	76075	0.62
Total	**3369**	**27420831**	**100.00**	**109**	**12414353**	**100.00**

k) Dematerialization of shares

As on 31 March 2016, 57.41% of total holding of Equity Shares and 79.38 % of total holding of 2% Preference Shares have been dematerialised.

l) ISIN allotted by NSDL/CDSL to Shares of the Company:

INE 768E01024 for Equity Share and INE768E04010 for 2% Preference Share

m) Plant Location :

As appearing on the first page of Annual Report

n) Investors' Correspondence :

For assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividends and any other queries relating to shares, investors may write to: Share Department, Al Champdany Industries Limited, 25, Princep Street, Kolkata-700 072; Telephone (033) 2237 7880 to 85; Fax: (033) 2225 0221, 2236 3754 or Company's Registrar and Share Transfer Agent M/s MCS Share Transfer Agent Ltd., 12/1/5, Monoharpukur Road, Kolkata - 700026, Telephone: (033) 4072-4051 to 53, Fax (033) 4072-4054.

Shareholders, holding shares in electronic mode, should address all their correspondences to their respective Depository Participant.

o) The Investors Education and Protection Fund

The shareholders and other stakeholders are hereby informed that pursuant to provisions of Section 124(5) of the Companies Act, 2013, all dividend remaining unpaid/unclaimed for a period of 7 years from the date they became due for payment will have to be transferred to the Investors Education and Protection Fund (IEPF) set up by the Central Government. The company has already transferred to the IEPF unpaid/ unclaimed dividend for the financial year ended 31 March 2008 which remained unpaid / unclaimed for a period of 7 years from the date they became due.

p) Appointment/Re-appointment of Directors

The individual details of Director seeking appointment /re-appointment at the ensuing Annual General Meeting of the Company are provided in the Annexure accompanying the notice of the Annual General Meeting.

q) Auditors' certificate on Corporate Governance

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations and same is annexed to this report.

r) CEO/CFO Certification

The Managing Director and Vice President (F & A) & Chief Financial Officer of the Company give Annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of listing Regulations for CEO/CFO Certification.

Code of Conduct :

a) Code of Conduct for Board of Directors and Senior Management

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors and Senior Management of the Company.

b) Company's Code of Conduct for prevention of Insider Trading

The Company has adopted a Model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company pursuant to the provisions of Insider Trading Regulations formulated by Securities and Exchange Board of India (SEBI). The Code, inter-alia, prohibits purchase/sale of shares of the Company by Directors, officers and designated employees while in possession of unpublished price sensitive information in relation to the Company. Mr. Sandeep Mandhana, Company secretary was the Compliance Officer for the purpose of these regulations.

Mandatory and non-mandatory requirements

(a) Status of Compliance of the mandatory requirements

The Company has adopted/complied with all mandatory requirements on Corporate Governance.

(b) Status of Compliance of the Non-mandatory requirements

The Company is maintaining Chairman's Office for a non-executive Chairman. The Company has not adopted non-mandatory suggestions relating to sending six-monthly information to each household of shareholders.

Declaration by the Managing Director on the Code of Conduct:

Pursuant to Regulation 26 of the Listing Regulations, I, Nirmal Pujara, Managing Director of Al Champdany Industries Ltd., declare that all the Board Members & Senior Executives of the company have affirmed their compliance with the Code of Conduct during the year ended 31 March 2016.

Place: Kolkata
Dated: 14 June 2016

N. Pujara
Managing Director

Certification by CEO and CFO

We, N. Pujara, Managing Director and Prakash Nagar, Vice President (F&A) & Chief Financial Officer of **Al Champdany Industries Ltd.**, certify that:

a. We have reviewed financial statements and cash flow statement for the year ended 31 March 2016 and to the best of our knowledge and belief :
   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2016 which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.

d. We have indicated to the Auditors and the Audit Committee that:
   i) there have been no significant changes in internal control over financial reporting during the year under reference;
   ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii) We are not aware of any instances during the year of significant fraud and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata Date: 14 June 2016	Prakash Nagar Vice President (F & A) & Chief Financial Officer	N. Pujara Managing Director

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AUDITOR'S REPORT ON ABRIDGED ACCOUNTS

To the Members of

Al Champdany Industries Limited

We have examined the abridged Balance Sheet of Al Champdany Industries Limited ('the Company') as at 31 March 2016 and the related abridged Profit and Loss Account for the year ended on that date annexed thereto and abridged Cash Flow Statement for the year ended on that date together with the Significant Accounting Policies and Notes thereon. These abridged Financial Statements have been prepared by the company pursuant to Rule 10 of the Companies (Accounts) Rules 2014 and are based on the Audited Financial Statements of the company for the year ended 31 March 2016 prepared in accordance with provision of Section 129 of the Companies Act, 2013 and covered by our report of even date to the members of the company which is attached hereto.

For D. P. Sen & Co.
Chartered Accountants
FRN 301054 E

Date: 14 June 2016
Place: Kolkata

S. K. Nayak
Partner
Membership No.58711

INDEPENDENT AUDITOR'S REPORT

To the Members of Al Champdany Industries Limited

Report on the Financial Statements for the Year ended 31 March 2016

We have audited the accompanying standalone financial statements of Al Champdany Industries Limited ("the Company") which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under Section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Qualified Opinion

We report that the year's loss, and consequently, the net asset position at the end of the years might have been affected by the following, the net impact of which cannot at the stage be ascertained:

Non-provision/ ascertainment of liabilities for gratuity on actuarial basis from the year commencing from 1.04.1997 to 31.03.2007 in respect of one unit of the company as referred to in note 44 to the accounts.

*However, the said unit has been sold with effect from 1 May 2016 along with all its gratuity liability both past and future.**

*Relates to erstwhile Anglo India Jute Mills Company Limited.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. 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 Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- they refer Note 25 to the financial statements ;
      ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN: 301054E)

S. K. Nayak
(Partner)
Membership No: 58711

"Annexure A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report even date)

Report on the Internal Financial Controls over Financial Reporting 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 Al Champdany Industries Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company'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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)
S. K. Nayak
(Partner)
Membership No: 58711

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal & Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Fixed Assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the tittle deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of self-constructed buildings on lease hold land which are disclosed as fixed assets in the financial statements, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement.

(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(iv) The company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and Audit) Rules, 2014, as amended prescribed by the central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory due, including Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues in arrear as at 31st March, 2016 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-Tax, Sales Tax, Service Tax, Customs Duty, Excise duty and Value Added Tax which have not been deposited as on 31st March, 2016 on account of disputes are given below.

Name of the Statute	**Nature of dues**	**Forum where dispute is pending**	**Amount Involved (Rs in lacs)**
Bhatpara Municipality	Municipal Tax & Land Revenue	Review Board	188.55
ESI Act	ESI dues	ESI Court	328.01
Central Sales Tax Act, 1956 & West Bengal Sales Tax Act, 1994	Sales Tax	ACCT WBCTA & RB SJCCT	2.10 272.15 18.37
Income Tax Act, 1961	Income Tax	CIT (Appeal)	1562.88
Service Tax	Service Tax	CESTAT	202.13

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term Loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the company by its officers or employees has been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable to the Company.

xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with section 188 and 177 of The Companies Act, 2013, were applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

xiv) During the year Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

xv) In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of Companies Act, 2013 are not applicable.

xvi) The company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)
S. K. Nayak
(Partner)
Membership No: 58711

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED BALANCE SHEET AS AT 31 MARCH 2016

(Statement containing salient features of the Balance Sheet as per Section 136 (I) of the Companies Act, 2013)

Rs. in lacs

		As at 31 March 2016	As at 31 March 2015
I	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	a) Paid-up Share Capital		
	i) Equity	**1,371.04**	1,371.04
	ii) Preference	**620.72**	620.72
	b) Reserve & Surplus		
	i) Capital Reserve(including revaluation reserve)	**2,379.68**	2,413.40
	ii) Revenue Reserve	**6,305.61**	6,305.61
	iii) Surplus	**(949.76)**	(407.09)
2	**Non-current Liabilities**		
	a) Long Term Borrowings	**1,995.00**	980.00
	b) Other Long- term Liabilities	**1,613.34**	2,436.46
3	**Current Liabilities**		
	a) Short-term Borrowings	**8,059.04**	9,722.53
	b) Trade Payables	**3,928.87**	5,463.45
	c) Other Current Liabilities	**2,776.15**	2,367.51
	d) Short-term Provisions	**526.41**	444.73
	Total (1 to 3)	**28,626.10**	**31,718.36**
II	**ASSETS**		
4	**Non-current Assets**		
	a) Fixed Assets		
	i) Tangible Assets (original cost less depreciation)	**7,853.44**	8,073.97
	ii) Capital Work- in -Progress	**1,310.12**	1,312.25
	b) Non-current Investments	**843.72**	843.72
	c) Deferred Tax Asset (Net)	**600.82**	151.30
5	**Current Assets**		
	a) Inventories	**13,530.66**	14,597.78
	b) Trade Receivables	**2,135.90**	3,918.16
	c) Cash and cash equivalents	**458.10**	508.28
	d) Short-term Loans and Advances	**1,893.34**	2,312.90
	Total (4 to 5)	**28,626.10**	**31,718.36**

Refer Accounting Policies and Notes forming part of the Abridged Accounts.

Compiled from the Audited Balance Sheet of the Company referred to in our report of even date.

On behalf of the Board

B. Wadhwa
N. Pujara
} Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E

S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

Note:Complete Balance Sheet, Statement of Profit and Loss, Other Statements and Notes thereto prepared as per the requirments of schedule III to the Companies Act, 2013 are available at the Company's Website at www.jute-world.com

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

(Statement containing salient features of the Statement of Profit and Loss as per Section 136 (I) of the Companies Act, 2013)

Rs. in lacs

		2015-16	2014-15
I	**INCOME**		
	Revenue from operations		
	Sale of Products, Services and Related Income	**21,777.26**	30,390.44
	Less: Excise Duty & Cess	**160.79**	212.80
	Net Revenue from operations	**21,616.47**	30,177.64
II	**Other Income**	**310.85**	403.57
III	**Total Income (I+II)**	**21,927.32**	30,581.21
IV	**EXPENDITURE**		
	a) Cost of materials Consumed	**10,879.50**	15,119.82
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**202.82**	241.76
	c) Employee benefits expense	**6,180.60**	8,398.03
	d) Finance costs	**1,273.40**	1,234.66
	e) Depreciation and amortisation expenses	**513.17**	561.34
	f) Other expenses	**3,870.02**	5,674.28
	Total Expenditure (a to f)	**22,919.51**	31,229.89
V	**Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)**	**(992.19)**	(648.68)
VI	**Exceptional items**	**-**	-
VII	**Profit/(Loss) before extraordinary items and tax (V-VI)**	**(992.19)**	(648.68)
VIII	**Extraordinary items**	**-**	-
IX	**Profit/(Loss) Before Tax (VII-VIII)**	**(992.19)**	(648.68)
X	1.Tax expense	**-**	(4.92)
	2.Deferred Tax	**(449.52)**	(230.47)
XI	**Profit/(Loss) after tax (IX-X)**	**(542.67)**	(413.29)
XII	**Earnings per share (face value of Rs. 5 each)**		
	Basic and Diluted(Rs.)	**(1.98)**	(1.51)

Refer Accounting Policies and Notes forming part of the Abridged Accounts.

Compiled from the Audited Statement of Profit and Loss of the Company referred to in our report of even date.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager (Accounts) & Company Secretary

Prakash Nagar
Vice President (F&A) & Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Rs. in lacs

	2015-16	2014-15
1 Cash flow from operating activities	**676.94**	(701.29)
2 Cash flow from investing activities	**(293.63)**	(317.34)
3 Cash flow from financing activities	**(433.49)**	1,502.52
4 Net increase/(decrease) in cash and cash equivalents	**(50.18)**	483.89
5 Cash and cash equivalents at the beginning of period	**508.28**	24.39
6 Cash and cash equivalents at the end of period	**458.10**	508.28

Compiled from the Audited Cash Flow Statement of the Company referred to in our report of even date.

On behalf of the Board

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

B. Wadhwa
N. Pujara
} Directors

Notes to Abridged Balance Sheet and Abridged Profit and Loss Account

1. Significant Accounting Policies:

The significant accounting policies followed by the company are summarized below: -

1.1. Accounting Convention:

The Financial statements have been prepared in accordance with accrual method of accounting following the historical cost convention as modified by revaluation of certain Fixed Assets.

1.2. Fixed Assets:

Fixed Assets are stated at cost of acquisition, which are, inclusive of subsequent improvements thereto except for certain Fixed Assets, which were revalued. For Assets acquired at a composite price at cost as allocated to each assets by independent Valuers. Assets retired from active use are stated at values estimated by independent valuers.

Cost includes incidental expenses of acquisition/installation and financial cost relating to borrowed funds attributable to construction/ acquisition of fixed assets for the period upto commencement of commercial production / installation.

In respect of revalued assets, the difference between the written down value of the assets as on the date of revaluation and the then replacement value is transferred to Revaluation Reserve.

1.3. Depreciation:

(A) Depreciation of Fixed Assets is provided to the extent of depreciable amount on the straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act 2013.

(B) Premium paid for leasehold land is amortised over the period of the lease

(C) Freehold land and assets retired from active use are not depreciated.

1.4. Investments:

Long-term investments are stated at cost less provision for permanent diminution if any, in the value of such investment. Dividend Income is accounted for on receipt.

1.5. Inventories:

Inventories are valued on the following basis: (i) Raw Material at lower of cost and net realisable value, (ii) Finished Goods at lower of cost and contract value and net realisable value, (iii) Stores & Spares and work-in-process at cost or under.

In the case of Raw Materials and Stores & Spares, cost is generally ascertained on weighted average basis. Work-in-process and Finished Goods are valued on full cost absorption basis. Necessary provision is made for obsolete, slow-moving, non-moving and defective items of inventories.

1.6. Capital Subsidy:

Subsidies relating to Fixed Assets are initially credited to Capital Reserve and the amount is adjusted against the depreciation charged over the useful life of the asset.

1.7. Miscellaneous expenses:

Share issue expenses are amortized over a period of ten years.

1.8. Foreign Currency transactions:

i) Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are translated at closing spot rates on the last day of the year.

ii) The difference in translation in monetary assets and liabilities and realised gains and losses in foreign exchange transactions other than those relating to fixed assets are recognized in the Statement of Profit and Loss.

iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

1.9. Sales:

Sales comprise sale of goods and services and include freight and other charges recovered from customers.

1.10. Related Income:

Export incentives / Related Income are accounted to the extent considered certain of realisation by the Management.

1.11. Retiral benefits:

Contributions to the Provident and Superannuation Funds, which are in accordance with the respective schemes, are charged to revenue on accrual basis.

Retirement benefits including gratuity are provided for in the Books of Accounts on the basis of actuarial valuation except one unit of the company, which has been treated on cash basis from 1997-98 to 2006-07. Such liability has been provided on the basis of valuation made by the Actuary in line with the parameters & requirement of AS 15 (Revised 2005) issued by the Institute of Chartered Accountants of India.

1.12. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.13. Revenue expenditure on Research & Development is charged to Statement of Profit and Loss of the year in which it is incurred.

1.14. Capital expenditure on Research & Development is shown as addition to Fixed Assets.

1.15. Insurance claims are recognised on receipt/assessment of related claim from Insurance Authorities.

1.16. Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Computer Software is amortised over a period of 5 years on Straight Line basis.

2. (Note No.23 of Accounts)

During the year 2015-16 Fixed Assets of 44.76 lacs have been transferred to Stock-in-Trade in respect of

certain Machineries belongs to Yarn Unit at Rishra and Konnagar Unit of the Company.

3. (Note No.24 of Accounts)

Estimated amount of contract remaining to be executed on capital account not provided for Rs. Nil (Previous year Rs. 94.79 lacs).

4. (Note No.25 of Accounts)

i) Contingent liabilities Rs. 4,016.58 lacs (Previous year Rs. 4,282.44 lacs).

ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs. 89.73 lacs (previous year Rs. 74.56 lacs) including Dividend Distribution Tax Rs.15.18 lacs (previous year Rs. 12.42 lacs).

5. (Note No.26 of Accounts)

Revenue from operations comprises of Sale of Jute / Jute diversified Products & Services Rs.19,280.82 lacs (2014-15 - Rs. 24,468.76 lacs), Sale of Flax Products Rs.1,500.90 lacs (2014-15 - Rs. 2,215.64 lacs), Sale of Raw Jute Rs..62.08 lacs (2014-15 – Rs. 2,867.75 lacs), Sale of Flax Fibre Rs.178.05 lacs (2014-15 - Rs. 173.48 lacs) and Sales Related Income Rs.755.41 lacs (2014-15- Rs. 664.81 lacs).

6. (Note No.35 of Accounts)

Segment Information:

The Company has considered two Business Segments viz; Jute/jute diversified Products & Services and Flax Products.

A. Primary Segment Disclosure

Rs. in lacs

Particulars	Jute/Jute diversified products & Services		Flax Products		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Segment Revenue						
External Turnover	19,874.04	27,689.97	1,742.43	2,487.67	21,616.47	30,177.64
Other Income	295.65	362.64	14.62	0.04	310.27	362.68
Segment Result	100.61	231.72	180.02	313.37	280.63	545.09
Unallocated					0.58	40.89
Operating Profit					281.21	585.98
Finance Cost					1,273.40	1234.66
Interest Income					-	--
Income Taxes					(449.52)	(235.39)
Net Profit/(Loss)					(542.67)	(413.29)
Other Information						
Segment Assets	23,892.59	27,527.35	3,261.33	3,195.99	27,153.92	30,723.34
Unallocated					1,472.18	995.02
Total Assets					28,626.10	31,718.36
Segment Liabilities	17,661.23	20,148.16	1,237.58	1,264.34	18,898.81	21,412.50
Unallocated					-	2.18
Total Liabilities					18,898.81	21,414.68
Capital Expenditure	205.71	400.46	163.26	56.97	368.97	457.43
Depreciation	366.72	410.12	158.70	163.47	525.42	573.59
Amortization	-	-	12.25	12.25	12.25	12.25

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets

Rs. in lacs

Particulars	Revenue 31.03.16	Revenue 31.03.15	Sundry Debtors 31.03.16	Sundry Debtors 31.03.15
India	16,953.56	24,501.06	2,011.84	3,642.78
Outside India	4,973.76	6,080.15	124.06	275.38
Total	21,927.32	30,581.21	2,135.90	3,918.16

b) The Company has common fixed assets for producing goods for Domestic Market and Overseas Market. Hence separate figures for fixed assets / additions to fixed assets cannot be segregated.

7. (Note No.36 of Accounts)

Rs. in lacs

		Year ended 31.03.16	Year ended 31.03.15
Deferred Tax:			
(i)	Liability/(Assets) at the beginning of the year	(151.30)	106.98
(ii)	Assets for transitional provision for ascertainment of life of assets	-	(27.81)
(iii)	Difference between book & tax depreciation	(25.78)	(0.27)
(iv)	On carried forward losses as per Income Tax calculations	(423.74)	(230.20)
(v)	Deferred tax Liability / (Assets) at the end of the year	(600.82)	(151.30)

8. (Note No.37 of Accounts)

Related Party Disclosures: As per Accounting Standard 18, the disclosures of the transactions with related parties are given below:-

(a) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Parties	Relationship
Champdany Constructions Limited	Subsidiary-100%
AIC Properties Ltd.	Others
Landale & Clark Ltd.	“
G Jerambhai Exports Ltd.	“
Gunny Dealers Ltd.	“
Libra Exporters Ltd.	“
Libra Transport Ltd.	“
McGregor & Balfour India Ltd.	“
Jessore Industries (India) Ltd.	“
Naffar Chandra Jute Mills Ltd.	Others

Parties	Relationship
Eastern Services Ltd.	"
Baidyabati Industries Ltd.	"
West Bengal Multifibre Jute Park Ltd.	"
Jerambhai Seva Trust	"
V B Seva Trust	"
Mr. Nirmal Pujara	Key Managerial Personnel

(b) Transaction during the year with related parties

Rs. in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Subsidiary	Key Managerial Personnel	Others	Total
1	Revenue from Operations	-	-	1710.41	1710.41
		-	-	*5270.74*	*5270.74*
2	Other Income	-	-	1.20	1.20
		-	-	*1.20*	*1.20*
3	Purchases /Material Consumed	-	-	1299.00	1299.00
		5.71	-	*2834.03*	*2839.74*
4	Transport & Handling	-	-	78.85	78.85
		-	-	*81.89*	*81.89*
5	Payment to Key Managerial Personnel	-	54.52	-	54.52
		-	*44.15*	-	*44.15*
6	Rent	-	-	8.40	8.40
		-	-	*8.38*	*8.38*
7	Professional Fees	-	-	1.20	1.20
		-	-	*1.20*	*1.20*
8	Processing charges	-	-	-	-
		-	-	*0.66*	*0.66*
9	Finance Costs	-	-	0.23	0.23
		-	-	*0.20*	*0.20*
	Balances as on 31 March 2016				
1	Investments	812.20	-	8.29	820.49
		812.20	-	*8.29*	*820.49*
2	Trade Receivables	-	-	146.89	146.89
		-	-	*1308.87*	*1308.87*

Rs. in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Subsidiary	Key Managerial Personnel	Others	Total
3	Loans and Advances	-	-	-	-
		-	-	*3.22*	*3.22*
4	Trade Payables	-	-	320.35	320.35
		26.69	-	*101.15*	*127.84*
5	Other Payable	-	-	1763.36	1763.36
		-	-	*1920.00*	*1920.00*
6	Other Liabilities	-	-	157.25	157.25
		-	-	*268.61*	*268.61*

Note: Figures in italic represents previous year's amount.

9. (Note No.39 of Accounts)

Rs. in lacs

Earning Per Share (EPS) has been computed as under:	Year ended 31.03.16	Year ended 31.03.15
a) Profit (Loss) after Tax (Rs. in lacs).	(542.67)	(413.29)
b) No. of Equity shares (Basic & Weighted Average)	27,420,831	27,420,831
c) Earning per share (Face Value Rs.5) (a) / (b)} Basic & Diluted (Rs.)	(1.98)	(1.51)

10. (Note No.43 of Accounts)

As approved by way of special Resolution passed by shareholders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo-India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f. 01.05.2016 to M/s P & A Distilleries Private Limited (subsequently name changed to Anglo-India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

11. (Note No.44 of Accounts)

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

12. Previous year's figures have been rearranged / reclassified / regrouped wherever necessary and to make it in conformatory with the amended Schedule III to the Companies Act, 2013.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager (Accounts) & Company Secretary

Prakash Nagar
Vice President (F&A) & Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

Auditor's Report on Abridged Consolidated Accounts

To the Board of Directors

AI Champdany Industries Limited

We have examined the abridged Consolidated Balance Sheet of AI Champdany Industries Limited ('the Company') its subsidiary as at 31 March 2016 and the related abridged Consolidated Profit and Loss Account for the year ended on that date annexed thereto and abridged Consolidated Cash Flow Statement for the year ended on that date together with the Significant Accounting Policies and Notes thereon. These abridged Consolidated Financial Statements have been prepared by the company pursuant to Rule 10 of the Companies (Accounts) Rules 2014 and are based on the Audited Consolidated Financial Statements of the company for the year ended 31 March 2016 prepared in accordance with requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements" notified under Companies (Accounting Standard) Rules 2015 covered by our report of even date to the members of the Company which is attached hereto.

For D. P. Sen & Co.
Chartered Accountants
FRN 301054 E
S. K. Nayak
Partner
Membership No.58711

Date: 14 June 2016
Place: Kolkata

Independent Auditor's Report on Consolidated Financial Statements

TO THE MEMBERS OF AI CHAMPDANY INDUSTRIES LIMITED

Report on the Consolidated Financial Statements for the year ended 31 March 2016

A. We have audited the attached Consolidated Balance Sheet of AI Champdany Industries Limited, and its subsidiary, ("the group") as at 31 March 2016, the Statement of Consolidated Profit and Loss of the group for the year then ended on that date and the Consolidated Cash Flow Statement of the group for the year then ended on that date, both annexed thereto and a summary of significant Accounting Policies and other explanatory information.

Management's Responsibility:

B. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated Cash Flows of the group in accordance with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

C. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

D. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

E. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion:

F. In our opinion and to the best of our information and according to the explanations given to us, and on consideration of separate audit reports on individual audited financial statements of AI Champdany Industries Limited and its subsidiary, the aforesaid Consolidated Financial Statements together with the notes to the Accounts regarding the matter set out in para H below, give a true and fair view in conformity with the accounting principles generally accepted in India:

a) in the case of the Consolidated Balance Sheet, of the Consolidated State of Affairs of the group as at 31 March 2016 and

b) in the case of Statement of Consolidated Profit and Loss of the Consolidated Results of operation of the group for the year then ended and

c) in the case of the Consolidated Cash Flow Statement of the consolidated cash flow of the group for the year then ended.

Other Matters:

G. We did not audit the financial statement of the subsidiary, whose financial statements reflect total assets (net) of Rs.837.89 lacs as at 31 March 2016 and total loss (net) of Rs.4.80 lacs for the year then ended. These financial statements have been audited by other auditors whose report have been furnished to us, and our opinion, in so far as relates to the amounts included in respect of the subsidiary, is based solely on the report of the other auditors.

H. *non-provision / ascertainment of liability for gratuity on actuarial basis from the year commencing from 1.4.1997 to 31.03.2007 in respect of one unit of the company as referred to in note 36 to the Consolidated Accounts*. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.*

**relates to erstwhile Anglo-India Jute Mills Company Limited.*

I. Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements.

d. In our opinion, the aforesaid consolidated 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 written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the

statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director 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 Holding Company, its subsidiary company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31 2016 on the consolidated financial position of the Group, they refer Note 27 to the consolidated financial statements.

ii. The Holding Company and its subsidiary did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, during the year ended March 31 2016.

For D. P. Sen & Co
Chartered Accountants
FRN 301054 E
S. K. NAYAK
Partner
Mem.bership No.58711

Kolkata,
Dated: 14 June 2016.

Annexure A" to the Consolidated Auditor's Report

(Referred to in paragraph I(f) under 'Report on Other Legal and Regulatory Requirements' of our report even date)

Report on the Internal Financial Controls over Financial Reporting 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 AI Champdany Industries Limited ("the Holding Company") as of 31st March, 2016 and its Subsidiary Company in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company'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, to the best of our information and according to the explanations given to us, the Holding Company and its Subsidiary Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one Subsidiary Company, which is incorporated in India, is based on the corresponding report of the Auditors of such Company. Our opinion is not qualified in respect of this matter.

Kolkata,
Dated: 14 June 2016

For D. P. Sen & Co
Chartered Accountants
(FRN 301054E)

S. K. Nayak
(Partner)
Membership No: 58711

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2016

(Statement containing salient features of the Consolidated Balance Sheet as per Section 136 (I) of the Companies Act,2013)

Rs. in lacs

		As at 31 March 2016	As at 31 March 2015
I	**EQUITY AND LIABILITIES**		
1	**Shareholders' Funds**		
	a) Paid-up Share Capital		
	i) Equity	**1,371.04**	1,371.04
	ii) Preference	**620.72**	620.72
	b) Reserve & Surplus		
	i) Capital Reserve(including revaluation reserve)	**2,379.68**	2,413.40
	ii) Revenue Reserve	**6,305.61**	6,305.61
	iii) Surplus	**(920.92)**	(373.48)
2	**Non-current Liabilities**		
	a) Long Term Borrowings	**1,995.00**	980.00
	b) Other Long- term Liabilities	**1,613.34**	2,436.46
3	**Current Liabilities**		
	a) Short-term Borrowings	**8,059.04**	9,722.53
	b) Trade Payables	**3,930.27**	5,458.85
	c) Other Current Liabilities	**2,782.83**	2,371.61
	d) Short-term Provisions	**526.41**	442.66
	Total (1 to 3)	**28,663.02**	31,749.40
II	**ASSETS**		
4	**Non-current Assets**		
	a) Fixed Assets		
	i) Tangible Assets (original cost less depreciation)	**8,682.03**	8,906.95
	ii) Intangible Assets (original cost less depreciation/amortisation)	**6.31**	7.36
	iii) Capital Work-in-Progress	**1,310.12**	1,312.25
	b) Non-current Investments	**33.47**	33.47
	Deferred Tax Asset (Net)	**600.82**	151.30
5	**Current Assets**		
	a) Inventories	**13,530.66**	14,597.78
	b) Trade Receivables	**2,144.64**	3,918.16
	c) Cash and cash equivalents	**458.36**	508.35
	d) Short-term Loans and Advances	**1,896.61**	2,313.78
	Total (4 to 5)	**28,663.02**	31,749.40

Refer Accounting Policies and Notes forming part of the Abridged Consolidated Accounts.
Compiled from the Audited Consolidated Balance Sheet of the Company referred to in our report of even date.

On behalf of the Board

B. Wadhwa
N. Pujara
} Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E

S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

Note: Complete Consolidated Balance Sheet, Statement of Consolidated Profit and Loss, other Consolidated statements and Consolidated Notes thereto prepared as per the requirments of Schedule III to the Companies Act, 2013 are available at the Company's Website at www.jute-world.com

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

(Statement containing salient features of the Statement of Consolidated Profit and Loss as per Section 136 (I)) of the Companies Act,2013)

Rs. in lacs

		2015-16	2014-15
I	**INCOME**		
	Revenue from operations		
	Sale of Products, Services and Related Income	**21,777.26**	30,390.44
	Less: Excise Duty & Cess	**160.79**	212.80
	Net Revenue from operations	**21,616.47**	30,177.64
II	**Other Income**	**328.90**	410.35
III	**Total Income (I+II)**	**21,945.37**	30,587.99
IV	**EXPENDITURE**		
	a) Cost of materials Consumed	**10,879.50**	15,119.62
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	**202.82**	241.76
	c) Employee benefits expense	**6,180.60**	8,398.23
	d) Finance costs	**1,273.40**	1,234.66
	e) Depreciation and amortisation expenses	**518.61**	566.78
	f) Other expenses	**3,887.40**	5,694.54
	Total Expenditure (a to f)	**22,942.33**	31,255.59
V	**Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)**	**(996.96)**	(667.60)
VI	**Exceptional items**	**-**	-
VII	**Profit/(Loss) before extraordinary items and tax (V-VI)**	**(996.96)**	(667.60)
VIII	**Extraordinary items**	**-**	-
IX	**Profit/(Loss) Before Tax (VII-VIII)**	**(996.96)**	(667.60)
X	1. Tax expense	**-**	(5.25)
	2. Deferred Tax	**(449.52)**	(230.47)
XI	**Profit/(Loss) After Tax (IX-X)**	**(547.44)**	(431.88)
XII	**Earnings per share (face value of Rs. 5 each)** Basic and Diluted (Rs.)	**(2.00)**	(1.58)

Refer Accounting Policies and Notes forming part of the Abridged Consolidated Accounts.

Compiled from the Audited Statement of Consolidated Profit and Loss of the Company referred to in our report of even date.

On behalf of the Board

B. Wadhwa
N. Pujara
} Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager (Accounts) & Company Secretary

Prakash Nagar
Vice President (F&A) & Chief Financial Officer

AI CHAMPDANY INDUSTRIES LIMITED

ABRIDGED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2016

Rs. in lacs

	2015-16	2014-15
1 Cash flow from operating activities	**677.08**	(702.30)
2 Cash flow from investing activities	**(293.58)**	(316.62)
3 Cash flow from financing activities	**(433.49)**	1,502.52
4 Net increase/(decrease) in cash and cash equivalents	**(49.99)**	483.60
5 Cash and cash equivalents at the beginning of period	**508.35**	25.74
6 Adjustment on Consolidation	**0.00**	(0.99)
7 Adjusted Cash and Cash Equivalents at the beginning of period	**508.35**	24.75
8 Cash and cash equivalents at the end of period	**458.36**	508.35

Compiled from the Audited Consolidated Cash Flow Statement of the Company referred to in our report of even date

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager (Accounts) & Company Secretary

Prakash Nagar
Vice President (F&A) & Chief Financial Officer

Notes to Abridged Consolidated Balance Sheet and Abridged Profit and Loss Account

1. Significant Accounting Policies:

The significant accounting policies followed by the company are summarized below: -

1.1. Accounting Convention:

The Financial statements have been prepared in accordance with accrual method of accounting following the historical cost convention as modified by revaluation of certain Fixed Assets.

1.2. Fixed Assets:

Fixed Assets are stated at cost of acquisition, which are, inclusive of subsequent improvements thereto except for certain Fixed Assets, which were revalued. For Assets acquired at a composite price at cost as allocated to each assets by independent Valuers. Assets retired from active use are stated at values estimated by independent valuers.

Cost includes incidental expenses of acquisition/installation and financial cost relating to borrowed funds attributable to construction/ acquisition of fixed assets for the period upto commencement of commercial production / installation.

In respect of revalued assets, the difference between the written down values of the assets as on the date of revaluation and the then replacement value is transferred to Revaluation Reserve.

1.3. Depreciation:

(A) Depreciation of Fixed Assets is provided to the extent of depreciable amount on the straight line method based on useful life of the assets as prescribed in Schedule II to the Companies Act 2013.

(B) Premium paid for leasehold land is amortised over the period of the lease.

(C) Freehold land and assets retired from active use are not depreciated.

1.4. Investments:

Long-term investments are stated at cost less provision for permanent diminution if any, in the value of such investment. Dividend Income is accounted for on receipt.

1.5. Inventories:

Inventories are valued on the following basis: (i) Raw Material at lower of cost and net realizable value, (ii) Finished Goods at lower of cost and contract value and net realizable value, (iii) Stores & Spares and work-in-process at cost or under.

In the case of Raw Materials and Stores & Spares, cost is generally ascertained on weighted average basis. Work-in-process and Finished Goods are valued on full cost absorption basis. Necessary provision is made for obsolete, slow-moving, non-moving and defective items of inventories.

1.6. Capital Subsidy:

Subsidies relating to Fixed Assets are initially credited to Capital Reserve and the amount is adjusted against the depreciation charged over the useful life of the asset.

1.7. Miscellaneous expenses:

Share issue expenses are amortized over a period of ten years.

1.8. Foreign Currency transactions:

i) Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the year-end are translated at closing spot rates on the last day of the year.

ii) The difference in translation in monetary assets and liabilities and realised gains and losses in foreign exchange transactions other than those relating to fixed assets are recognised in the Statement of Consolidated Profit and Loss.

iii) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets.

1.9. Sales:

Sales comprise sale of goods and services and include freight and other charges recovered from customers.

1.10. Related Income:

Export incentives / Related Income are accounted to the extent considered certain of realisation by the Management.

1.11. Retiral benefits:

Contributions to the Provident and Superannuation Funds, which are in accordance with the respective schemes, are charged to revenue on accrual basis.

Retirement benefits including gratuity are provided for in the Books of Accounts on the basis of actuarial valuation except one unit of the company, which is treated on cash basis with effect from 1997-98 to 2006-07. Such liability has been provided on the basis of valuation made by the Actuary in line with the parameters & requirement of AS 15 (Revised 2005) issued by the Institute of Chartered Accountants of India.

1.12. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.13. Revenue expenditure on Research & Development is charged to Statement of Consolidated Profit and Loss of the year in which it is incurred.

1.14. Capital expenditure on Research & Development is shown as addition to Fixed Assets.

1.15. Insurance claims are recognised on receipt/assessment of related claim from Insurance Authorities.

1.16. Intangible Assets:

Intangible Assets are stated at cost of acquisition less accumulated amortization. Computer Software is amortized over a period of 5 years on Straight Line basis.

2. (Note No.23 of Consolidated Accounts)

The consolidated financial statements have been prepared in accordance with Accounting Standard "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

3. (Note No.24 of Consolidated Accounts)

The Consolidated Financial Statements have been prepared on the following basis:

(i) The financial statements of Al Champdany Industries Limited ("the Company) and its subsidiary Company has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions resulting in unrealized profit or losses.

(ii) The difference between the costs of investment in the subsidiary over the equity of the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

(iii) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the Statement of Consolidated Profit and Loss as the profit or loss on disposal of investment in subsidiary.

(iv) The financial statement of the subsidiary i.e. Champdany Constructions Limited used in the consolidation are drawn upto the same reporting date as that of parent company i.e. 31 March 2016.

4. (Note No.25 of Consolidated Accounts)

During the year 2015-16 Fixed Assets of Rs.44.76 lacs have been transferred to Stock-in-Trade in respect of certain machineries belongs to Yarn Unit at Rishra and Konnagar unit of the Company.

5. (Note No.26 of Consolidated Accounts)

Estimated amount of contract remaining to be executed on capital account not provided for Rs. Nil (previous year Rs. 94.79 lacs)

6. (Note No.27 of Consolidated Accounts)

i) Contingent liabilities Rs4,016.58 lacs (Previous year Rs. 4,282.44 lacs).

ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs.89.73 lacs (previous year Rs. 74.56 lacs) including Dividend Distribution Tax Rs.15.18 lacs (previous year Rs. 12.42 lacs).

7. (Note No.29 of Consolidated Accounts)

Segment Information:

The Company has considered two Business Segments viz; Jute/Jute diversified Products & Services and Flax Products.

A. Primary Segment Disclosure

Rs. in lacs

Particulars	Jute/Jute diversified products & Services		Flax Products		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Segment Revenue						
External Turnover	19,874.04	27,689.97	1,742.43	2,487.67	21,616.47	30,177.64
Other Income	313.65	368.70	14.62	0.04	328.27	368.74
Segment Result	95.79	212.08	180.02	313.37	275.81	525.45
Unallocated					0.58	40.89
Operating Profit					276.39	566.34

Rs. in lacs

Particulars	Jute/Jute diversified products & Services		Flax Products		Total	
	31.03.16	31.03.15	31.03.16	31.03.15	31.03.16	31.03.15
Finance Cost					1,273.40	1234.66
Interest Income					0.05	0.72
Income Taxes					(449.52)	(235.72)
Net Profit/ (Loss)					(547.44)	(431.88)
Other Information						
Segment Assets	24,737.32	28,368.64	3,261.33	3,195.99	27,998.65	31,564.63
Unallocated					664.37	184.77
Total Assets					28,663.02	31,749.40
Segment Liabilities	17,669.31	20,147.67	1,237.58	1,264.34	18,906.89	21,412.01
Unallocated					-	0.10
Total Liabilities					18,906.89	21,412.11
Capital Expenditure	205.71	400.46	163.26	56.97	368.97	457.43
Depreciation	372.16	415.56	158.70	163.47	530.86	579.03
Amortization	-	-	12.25	12.25	12.25	12.25

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets

Rs. in lacs

Particulars	Revenue		Sundry Debtors	
	31.03.16	31.03.15	31.03.16	31.03.15
India	16,971.61	24,507.84	2,020.58	3,642.78
Outside India	4,973.76	6,080.15	124.06	275.38
Total	21,945.37	30,587.99	2,144.64	3,918.16

b) The Company has common fixed assets for producing goods for Domestic Market and Overseas Market. Hence separate figures for fixed assets / additions to fixed assets cannot be segregated.

8. (Note No.30 of Consolidated Accounts)

Deferred Tax:

Rs. in lacs

		Year ended 31.03.16	Year ended 31.03.15
(i)	Liability/(Assets) at the beginning of the year	(151.30)	106.98
(ii)	Assets for transitional provision for ascertainment of life of assets	-	(27.81)
(iii)	Difference between book & tax depreciation	(25.78)	(0.27)
(iv)	On carried forward losses as per Income Tax calculations	(423.74)	(230.20)
(v)	Deferred tax Liability / (Assets) at the end of the year	(600.82)	(151.30)

9. (Note No.31 of Consolidated Accounts)

Related Party Disclosures: As per Accounting Standard 18, the disclosures of the transactions with related parties are given below:-

(a) List of Related Parties where control exists and related parties with whom transactions have taken place and relationships:

Parties	Relationship
G Jerambhai Exports Ltd	Others
Gunny Dealers Ltd	"
Libra Exporters Ltd	"
Libra Transport Ltd	"
McGregor & Balfour India Ltd	"
Jessore Industries (India) Ltd	"
Naffar Chandra Jute Mills Ltd	"
Eastern Services Ltd	"
Baidyabati Industries Ltd	"
West Bengal Multifibre Jute Park Ltd	"
Jerambhai Seva Trust	"
V B Seva Trust	"
AIC Properties Ltd	"
Landale & Clark Ltd	"
Mr. Nirmal Pujara	Key Managerial Personnel

(b) Transaction during the year with related parties

Rs. in lacs

Sr No	Nature of Transactions (Excluding Reimbursement)	Key Managerial Personnel	Others	Total
1	Revenue from Operations	-	1710.41	1710.41
		-	*5270.74*	*5270.74*
2	Other Income	-	1.20	1.20
		-	*1.20*	*1.20*
3	Purchases /Material Consumed	-	1299.00	1299.00
		-	*2834.03*	*2834.03*
4	Transport & Handling	-	78.85	78.85
		-	*81.89*	*81.89*
5	Payment to Key Managerial Personnel	54.52		54.52
		44.15	-	*44.15*
6	Rent	-	8.40	8.40
		-	*8.38*	*8.38*
7	Professional Fees	-	1.20	1.20
		-	*1.20*	*1.20*
8	Processing charges	-	-	-
		-	*0.66*	*0.66*
9	Finance Costs	-	0.23	0.23
		-	*0.20*	*0.20*

Rs. in lacs

Sr No	Balances as on 31 March 2016	Key Managerial Personnel	Others	Total
1	Investments	-	8.29	8.29
		-	*8.29*	*8.29*
2	Trade Receivables	-	146.89	146.89
		-	*1308.87*	*1308.87*
3	Loans and Advances	-	-	-
		-	*3.22*	*3.22*
4	Trade Payables	-	320.35	320.35
		-	*101.15*	*101.15*
5	Other Payable	-	1763.36	1763.36
		-	*1920.00*	*1920.00*
6	Other Liabilities	-	157.25	157.25
		-	*268.61*	*268.61*

Note: Figures in italic represents previous year's amount.

10. (Note No.36 of Consolidated Accounts)

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

11. (Note No.39 of Consolidated Accounts)

As approved by way of special Resolution passed by shareholders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo-India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f. 01.05.2016 to M/s P & A Distilleries Private Limited (subsequently name changed to Anglo-India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

12. Previous year's figures have been rearranged / reclassified / regrouped wherever necessary and to make it in conformatory with the amended Schedule III to the Companies Act, 2013.

On behalf of the Board

B. Wadhwa
N. Pujara } Directors

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S.K.Nayak
Partner
Membership No.58711
Kolkata, 14 June 2016

B. K. Chowdhury
Senior General Manager
(Accounts) & Company
Secretary

Prakash Nagar
Vice President (F&A) &
Chief Financial Officer

AI CHAMPDANY INDUSTRIES LTD
(CIN: L51909WB1917PLC002767)
Regd office: 25,Princep Street, Kolkata-700 072
Email: cil@ho.champdany.co.in, Website: www.jute-world.com
Phone: 2237-7880 to 85 / 2225-1050 /7924/8150 FAX: (91) (33) 22250221/22363754

PROXY FORM

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

98th ANNUAL GENERAL MEETING ON 12th AUGUST, 2016

I/We being the member(s) of AI Champdany Industries Ltd. holding …….. shares of the company, hereby appoint

(1) Name: ……...……..
Address: ……
E-mail-id:…… Signature…….....or failing him;

(2) Name: ……
Address……
E-mail-id……..… Signature…….or failing him;

(3) Name……
Address……
E-mail id……
Signature …….……

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 98th Annual General Meeting of the company, scheduled to be held on Friday, the 12th of August, 2016 at 4:00 PM at the Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th floor, Kolkata 700017 and at any adjournment thereof in respect of such resolution as are indicated overleaf:

AI CHAMPDANY INDUSTRIES LTD
(CIN: L51909WB1917PLC002767)
Regd office: 25,PrincepStreet , Kolkata-700 072
Email: cil@ho.champdany.co.in, Website: www.jute-world.com
Phone: 2237-7880 to 85 / 2225-1050 /7924/8150 FAX: (91) (33) 22250221/22363754
(To be handed over at the entrance of Meeting Hall)

98th ANNUAL GENERAL MEETING ON 12thAUGUST, 2016

ATTENDANCE SLIP

I certify that I am a registered shareholder/proxy for the registered shareholder of the company.

I/We hereby accord my/our presence at the 98th Annual General Meeting of the company at the Auditorium of Bharatiya Bhasha Parishad, 36A, Shakespeare Sarani, 4th floor, Kolkata 700017 on Friday, 12th August, 2016 at 4:00 PM.

Registered Folio/DP ID & Client ID No.	
Name and address of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No of Shares	

……..……..……
Member's/proxy's name in Block letters
Member's/proxy's signature

Note: Please complete the Folio/DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

Sr. No.	Resolutions	Optional*	
		For	Against
1	Adoption of the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2016 and the Report of the Board of Directors and Auditors thereon.		
2	Re-appointment of Mr. D. J. Wadhwa as a Director who retires by rotation.		
3	Appointment of For D. P. Sen & Co., Chartered Accountants as Statutory Auditors and fix their Remuneration.		
4	Approval of remuneration to the Cost Auditor for the financial year ending March 31, 2017.		

Signed this……. day of …… 2016.

Folio/ DP ID/ Client ID ……

Signature of shareholder ……..

Signature of Proxy holder(s) ……

Affix
Revenue
Stamp
Re. 1/-

Note: **1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.**

2. For the text of the Resolutions, Explanatory Statement & Notes, please refer to the Notice convening the 98th Annual General Meeting dated 12th August, 2016.

*It is optional to put a "Tick" in the appropriate \ against the Resolutions indicated in the box. If you leave the "For" or "Against" column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.