

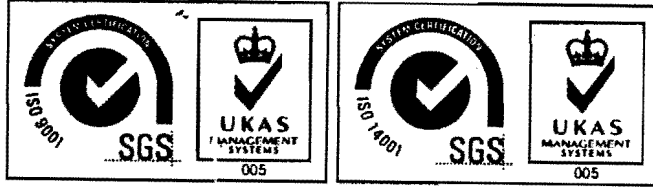
AI CHAMPDANY INDUSTRIES LIMITED

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

REGD. OFFICE :
25, PRINCEP STREET,
KOLKATA - 700 072, INDIA
Phone : 91 (33) 2237-7880-85
Fax : 91 (33) 2225 0221 /
2236 3754

CIN : L51909WB1917PLC002767

G.P.O. Box No. 543
Kolkata - 700001
E-mail : cil@ho.champdany.co.in
Web : www.jute-world.com



| | |
|--|---|
| The Listing Department National Stock Exchange of India Limited Exchange Plaza, C -1, Block -G Bandra - Kurla Complex, Bandra (E) Mumbai 400 051 | The Listing Department Bombay Stock Exchange Limited Phoroze Jejeebhoy Towers, Dalal Street, Mumbai 400 001 |
|--|---|

Dated:- 27th May 2017

Sub:- Audited Financial Results for the year ended 31st March 2017

Dear Sir(s),

As required under SEBI (LODR) Regulation 2015, we submit herewith Audited Financial Results for the year ended 31st March 2017, along with segment Revenue & Results for the year ended 31st March 2017 and Capital employed as on that date with Statement of Assets & Liabilities as on that date with the Notes thereto as approved by the Board of Directors of the Company at its meeting held on 27th May 2017 for your kind perusal and records with Independent Auditors Report (Standalone) & Auditors report on Consolidated Accounts are enclosed herewith for your kind perusal and records.

Thanking you,

Yours faithfully,

For AI Champdany Industries Ltd.


P. Nagar
Chief Finance Officer

AI CHAMPDANY INDUSTRIES LIMITED

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

REGD. OFFICE :

25, PRINCEP STREET,
KOLKATA - 700 072, INDIA
Phone : 91 (33) 2237-7880-85
Fax : 91 (33) 2225 0221 /
2236 3754

G.P.O. Box No. 543, Kolkata-700001
E-mail : cil@ho.champdany.co.in
Web : www.jute-world.com

CIN : L51909WB1917PLC002767



| | |
|--|---|
| The Listing Department National Stock Exchange of India Limited Exchange Plaza, C -1, Block -G Bandra - Kurla Complex, Bandra (E) Mumbai 400 051 | The Listing Department Bombay Stock Exchange Limited Phoroze Jejeebhoy Towers, Dalal Street, Mumbai 400 001 |
|--|---|

Dated:- 27th May 2017

Dear Sir(s),

This is to certify that Independent Auditors Report does not contain any qualified report for the year ended 31st March 2017.

Thanking you,

Yours faithfully,

For AI Champdany Industries Ltd.

P. Nagar

Chief Financial Officer.

AI CHAMPDANY INDUSTRIES LIMITED

CIN:L51909WB1917PLC002767. Regd. office: 25 Princep Street , Kolkata-700 072

Phone:2237 7880 , Fax:033-2236 3754, E-mail:cil@ho.champdany.co.in Website:www.jute-world.com

Regd. office: 25 Princep Street , Kolkata-700 072

Audited Financial Results for the year ended March 31,2017

Rs in lacs

| Particulars | Three months ended | | Standalone Year ended | | Consolidated Year ended | |
|---|--------------------|------------|-----------------------|------------|-------------------------|------------|
| | 31.03.2017 | 31.12.2016 | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | Unaudited | Unaudited | Audited | Audited | Audited | Audited |
| I Revenue from Operations | 4,461.20 | 2,754.40 | 11,149.34 | 21,924.65 | 11,168.19 | 21,924.64 |
| II Other Income | 0.30 | 0.68 | 2.12 | 2.67 | 6.70 | 20.67 |
| III Total Revenue | 4,461.50 | 2,755.08 | 11,151.46 | 21,927.32 | 11,174.89 | 21,945.31 |
| IV Expenses | | | | | | |
| Cost of materials consumed | 1,348.72 | 1,482.31 | 4,492.54 | 10,622.97 | 4,492.54 | 10,622.97 |
| Purchase of stock in trade | 183.38 | 96.70 | 446.14 | 256.53 | 446.14 | 256.53 |
| Changes in Inventories of Finished goods, Work in Progress and Stock in Trade | 202.68 | (556.00) | (182.09) | 202.82 | (182.09) | 202.82 |
| Employee Benefits Expense | 1,371.20 | 893.95 | 3,570.39 | 6,180.60 | 3,570.39 | 6,180.60 |
| Finance Cost | 300.16 | 265.34 | 1,152.45 | 1,273.40 | 1,152.45 | 1,273.35 |
| Depreciation and amortisation expense | 98.79 | 98.84 | 406.05 | 513.17 | 411.49 | 518.61 |
| Other expenditure | 878.35 | 591.39 | 2,186.41 | 3,870.02 | 2,204.07 | 3,887.39 |
| Total Expenses | 4,383.28 | 2,872.53 | 12,071.89 | 22,919.51 | 12,094.99 | 22,942.27 |
| V Profit/(Loss) before Exceptional and Extraordinary Item & Tax (III - IV) | 78.22 | (117.45) | (920.43) | (992.19) | (920.10) | (996.96) |
| VI Exceptional items | - | - | - | - | - | - |
| VII Profit/(Loss) before Extraordinary Item and Tax (V - VI) | 78.22 | (117.45) | (920.43) | (992.19) | (920.10) | (996.96) |
| VIII Extraordinary Item | | | | | | |
| IX Profit/(Loss) before tax (7-8) (VII - VIII) | 78.22 | (117.45) | (920.43) | (992.19) | (920.10) | (996.96) |
| X Tax expense | | | | | | |
| a. Current Tax | 16.33 | (44.67) | (343.79) | (449.52) | (343.78) | (449.52) |
| b. Deferred Tax | | | | | | |
| XI Profit (Loss) for the period from continuing operations (IX - X) | 61.89 | (72.78) | (576.64) | (542.67) | (576.32) | (547.44) |
| XII Profit (Loss) from discontinuing operations | - | - | - | - | - | - |
| XIII Tax Expenses of discontinuing operations | - | - | - | - | - | - |
| XIV Profit (Loss) from discontinuing operations after Tax (XII - XIII) | - | - | - | - | - | - |
| XV Profit (Loss) for the period (XII + XIII) | 61.89 | (72.78) | (576.64) | (542.67) | (576.32) | (547.44) |
| XVI Earning Per Share of Rs 5 each (not annualized) | | | | | | |
| Basic (Rs.) | 0.23 | (0.27) | (2.10) | (1.98) | (2.10) | (2.00) |
| Diluted (Rs.) | 0.23 | (0.27) | (2.10) | (1.98) | (2.10) | (2.00) |

AI CHAMPDANY INDUSTRIES LTD.

 VICE PRESIDENT (F & A) & C.F.O

AI CHAMPDANY INDUSTRIES LIMITED
SEGMENTWISE REVENUE, RESULT AND CAPITAL EMPLOYED

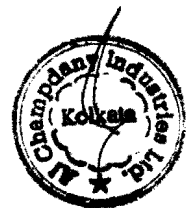
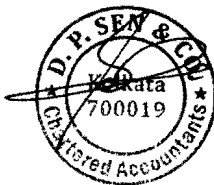
| Particulars | Rs (In lacs) | | | | | | |
|---|--------------------|------------------|------------------|------------------|------------------|---------------------------------|------------------|
| | Three months ended | | | Year ended | | Consolidated For the Year ended | |
| | 31.03.2017 | 31.12.2016 | 31.03.2016 | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | Unaudited | Unaudited | Unaudited | Audited | Audited | Audited | Audited |
| 1 Segment Revenue (Net of Excise Duty) | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 3,987.23 | 2,486.34 | 6,649.15 | 9,741.62 | 20,169.69 | 9,765.05 | 20,187.68 |
| b. Flax Products | 474.27 | 268.74 | 292.96 | 1,409.84 | 1,757.05 | 1,409.84 | 1,757.05 |
| Total | 4,461.50 | 2755.08 | 6,942.11 | 11,151.46 | 21,926.74 | 11,174.89 | 21944.73 |
| Less: Inter Segment Revenue | - | - | - | - | - | - | - |
| Net Sales/ Income from Operations | 4,461.50 | 2,755.08 | 6,942.11 | 11,151.46 | 21,926.74 | 11,174.89 | 21,944.73 |
| 2 Segment Results Profit Before | | | | | | | |
| Tax & Finance Cost | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 300.09 | 117.40 | 12.46 | 35.60 | 100.61 | 35.93 | 95.79 |
| b. Flax products | 78.29 | 30.49 | 24.19 | 196.42 | 180.02 | 196.42 | 180.02 |
| Total | 378.38 | 147.89 | 36.65 | 232.02 | 280.63 | 232.35 | 275.81 |
| Less :i) Interest | 300.16 | 265.34 | 339.23 | 1,152.45 | 1,273.40 | 1,152.45 | 1,273.35 |
| ii)Un-allocable Income | - | - | 0.10 | - | 0.58 | - | 0.58 |
| Profit Before Tax | 78.22 | (117.45) | (302.48) | (920.43) | (992.19) | (920.10) | (996.96) |
| 3 Segment Assets | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 21,025.40 | 22,193.46 | 23,892.59 | 21,025.40 | 23,892.59 | 21,904.50 | 24,737.32 |
| b. Flax products | 3,926.17 | 3,798.44 | 3,261.33 | 3,926.17 | 3,261.33 | 3,926.17 | 3,261.33 |
| c. Unallocated Assets | 1,800.91 | 1,852.28 | 1,472.18 | 1,800.91 | 1,472.18 | 995.05 | 664.37 |
| Total Assets | 26,752.48 | 27,844.18 | 28,626.10 | 26,752.48 | 28,626.10 | 26,825.72 | 28,663.02 |
| 4 Segment Liabilities | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 15,993.61 | 17,209.51 | 17,661.23 | 15,993.61 | 17,661.23 | 16,037.69 | 17,669.31 |
| b. Flax products | 1,782.94 | 1,714.28 | 1,237.58 | 1,782.94 | 1,237.58 | 1,782.94 | 1,237.58 |
| c. Unallocated Liabilities | - | - | - | - | - | - | - |
| Total Liabilities | 17,776.55 | 18,923.79 | 18,898.81 | 17,776.55 | 18,898.81 | 17,820.63 | 18,906.89 |
| 5 Capital Employed | | | | | | | |
| (Segment asset - Segment liability) | | | | | | | |
| a. Jute/Jute Diversified Products & Services | 5,031.79 | 4,983.95 | 6,231.36 | 5,031.79 | 6,231.36 | 5,866.81 | 7,068.01 |
| b. Flax Products | 2,143.23 | 2,084.16 | 2,023.75 | 2,143.23 | 2,023.75 | 2,143.23 | 2,023.75 |
| c. Unallocated | 1,800.91 | 1,852.28 | 1,472.18 | 1,800.91 | 1,472.18 | 995.05 | 664.37 |
| Total | 8,975.93 | 8,920.39 | 9,727.29 | 8,975.93 | 9,727.29 | 9,005.09 | 9,756.13 |



AI CHAMPDANY INDUSTRIES LIMITED
STATEMENT OF ASSETS & LIABILITIES

Rs in lacs

| | As at | As at | Consolidated as at | |
|-------------------------------------|------------------|------------------|--------------------|------------------|
| | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | Audited | Audited | Audited | Audited |
| A EQUITY AND LIABILITIES | | | | |
| 1.Shareholders' Fund | | | | |
| a)Share Capital | 1,991.76 | 1,991.76 | 1,991.76 | 1,991.76 |
| b)Reserves and Surplus | 6,984.17 | 7,735.53 | 7,013.33 | 7,764.37 |
| Sub total -shareholders' fund | 8,975.93 | 9,727.29 | 9,005.09 | 9,756.13 |
| 2.Non - Current Liabilities | | | | |
| a) Long Term Liabilities | 1,196.00 | 1,995.00 | 1,196.00 | 1,995.00 |
| b)Other Long Term Liabilities | 2,502.40 | 1,613.34 | 2,502.40 | 1613.34 |
| Sub total- Non Current Liabilities | 3,698.40 | 3,608.34 | 3,698.40 | 3,608.34 |
| 3.Current Liabilities | | | | |
| a)Short Term Borrowings | 7,970.46 | 8,059.04 | 7,970.46 | 8059.04 |
| b)Trade Payables | 1,953.41 | 3,928.87 | 1,953.41 | 3930.27 |
| c)Other Current Liabilities | 3,556.69 | 2,776.15 | 3,600.77 | 2782.83 |
| d)Short Term Provisions | 597.59 | 526.41 | 597.59 | 526.41 |
| Sub total- Current Liabilities | 14,078.15 | 15,290.47 | 14,122.23 | 15,298.55 |
| TOTAL-EQUITY AND LIABILITIES | 26,752.48 | 28,626.10 | 26,825.72 | 28,663.02 |
| B ASSETS | | | | |
| 1.Non - Current Assets | | | | |
| a)Fixed Assets | | | | |
| i) Tangible Assets | 6,353.94 | 7,853.44 | 7,178.14 | 8,682.03 |
| ii) Intangible Assets | - | - | 5.26 | 6.31 |
| iii) Capital Work In Progress | 1,310.12 | 1,310.12 | 1,310.12 | 1,310.12 |
| a) Non Current Investments | 849.48 | 843.72 | 39.23 | 33.47 |
| b)Deferred Tax Asset (Net) | 944.62 | 600.82 | 944.62 | 600.82 |
| Sub total- Non current assets | 9,458.16 | 10,608.10 | 9,477.37 | 10,632.75 |
| 2.Current Assets | | | | |
| a)Inventories | 12,742.53 | 13,530.66 | 12,742.53 | 13,530.66 |
| b)Trade Recievables | 1,586.42 | 2,135.90 | 1,589.26 | 2,144.64 |
| c)Cash and Cash Equivalents | 485.96 | 458.10 | 531.62 | 458.36 |
| d)Short Term Loans and Advances | 2,479.41 | 1,893.34 | 2,484.94 | 1896.61 |
| Sub total- Current Assets | 17,294.32 | 18,018.00 | 17,348.35 | 18,030.27 |
| TOTAL- ASSETS | 26,752.48 | 28,626.10 | 26,825.72 | 28,663.02 |



AI CHAMPDANY INDUSTRIES LIMITED
SEGMENTWISE REVENUE, RESULT AND CAPITAL EMPLOYED

| Particulars | Rs (In lacs) | | | | | | |
|---|--------------------|------------------|------------------|------------------|------------------|---------------------------------|------------------|
| | Three months ended | | | Year ended | | Consolidated For the Year ended | |
| | 31.03.2017 | 31.12.2016 | 31.03.2016 | 31.03.2017 | 31.03.2016 | 31.03.2017 | 31.03.2016 |
| | Unaudited | Unaudited | Unaudited | Audited | Audited | Audited | Audited |
| 1 Segment Revenue (Net of Excise Duty) | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 3,987.23 | 2,486.34 | 6,649.15 | 9,741.62 | 20,169.69 | 9,765.05 | 20,187.68 |
| b. Flax Products | 474.27 | 268.74 | 292.96 | 1,409.84 | 1,757.05 | 1,409.84 | 1,757.05 |
| Total | 4,461.50 | 2755.08 | 6,942.11 | 11,151.46 | 21,926.74 | 11,174.89 | 21944.73 |
| Less: Inter Segment Revenue | - | - | - | - | - | - | - |
| Net Sales/ Income from Operations | 4,461.50 | 2,755.08 | 6,942.11 | 11,151.46 | 21,926.74 | 11,174.89 | 21,944.73 |
| 2 Segment Results Profit Before | | | | | | | |
| Tax & Finance Cost | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 300.09 | 117.40 | 12.46 | 35.60 | 100.61 | 35.93 | 95.79 |
| b. Flax products | 78.29 | 30.49 | 24.19 | 196.42 | 180.02 | 196.42 | 180.02 |
| Total | 378.38 | 147.89 | 36.65 | 232.02 | 280.63 | 232.35 | 275.81 |
| Less :i) Interest | 300.16 | 265.34 | 339.23 | 1,152.45 | 1,273.40 | 1,152.45 | 1,273.35 |
| ii) Un-allocable Income | - | - | 0.10 | - | 0.58 | - | 0.58 |
| Profit Before Tax | 78.22 | (117.45) | (302.48) | (920.43) | (992.19) | (920.10) | (996.96) |
| 3 Segment Assets | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 21,025.40 | 22,193.46 | 23,892.59 | 21,025.40 | 23,892.59 | 21,904.50 | 24,737.32 |
| b. Flax products | 3,926.17 | 3,798.44 | 3,261.33 | 3,926.17 | 3,261.33 | 3,926.17 | 3,261.33 |
| c. Unallocated Assets | 1,800.91 | 1,852.28 | 1,472.18 | 1,800.91 | 1,472.18 | 995.05 | 664.37 |
| Total Assets | 26,752.48 | 27,844.18 | 28,626.10 | 26,752.48 | 28,626.10 | 26,825.72 | 28,663.02 |
| 4 Segment Liabilities | | | | | | | |
| a. Jute/ Jute Diversified Products & Services | 15,993.61 | 17,209.51 | 17,661.23 | 15,993.61 | 17,661.23 | 16,037.69 | 17,669.31 |
| b. Flax products | 1,782.94 | 1,714.28 | 1,237.58 | 1,782.94 | 1,237.58 | 1,782.94 | 1,237.58 |
| c. Unallocated Liabilities | - | - | - | - | - | - | - |
| Total Liabilities | 17,776.55 | 18,923.79 | 18,898.81 | 17,776.55 | 18,898.81 | 17,820.63 | 18,906.89 |
| 5 Capital Employed | | | | | | | |
| (Segment asset - Segment liability) | | | | | | | |
| a. Jute/Jute Diversified Products & Services | 5,031.79 | 4,983.95 | 6,231.36 | 5,031.79 | 6,231.36 | 5,866.81 | 7,068.01 |
| b. Flax Products | 2,143.23 | 2,084.16 | 2,023.75 | 2,143.23 | 2,023.75 | 2,143.23 | 2,023.75 |
| c. Unallocated | 1,800.91 | 1,852.28 | 1,472.18 | 1,800.91 | 1,472.18 | 995.05 | 664.37 |
| Total | 8,975.93 | 8,920.39 | 9,727.29 | 8,975.93 | 9,727.29 | 9,005.09 | 9,756.13 |



Notes:

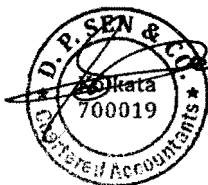
1. Yarn Unit and Libra Carpet Unit located at Choudwar, District Cuttack, Odhisa and Weaving Unit at Konnagar continued to be under suspension of works. Due to very low productivity, temporary suspension of work had to be declared at Weaving Unit, Rishra from 23 May 2015 continuing till date.
2. The Company operates in two business segments viz. Jute/ Jute Diversified Products and Flax Products. Therefore, in terms of Accounting Standard 17 of the ICAI, results for the above two segments have been given as required under Accounting Standard.
3. Figures for the previous periods are re-classified/re-arranged/re-grouped wherever necessary and as per the format revised by SEBI in conformity with the Schedule III to the Companies Act, 2013.
4. The above results have been reviewed by the Audit Committee and approved by the Board at its meeting held on 27 May 2017.
5. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.

On behalf of the Board




N Pujara
Managing Director
DIN00047803

Kolkata
Date: 27 May 2017



INDEPENDENT AUDITOR'S REPORT

**To the Members of AI Champdany Industries Limited
Report on the Financial Statements for the Year ended 31 March 2017**

We have audited the accompanying standalone financial statements of **AI Champdany Industries Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2017, 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.

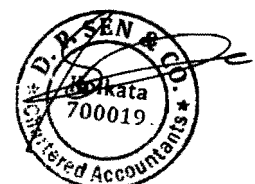
We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 23 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: 27 May 2017



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


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

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 2017

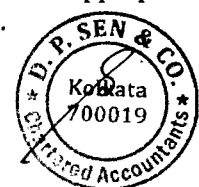
- A. We have audited the attached Consolidated Balance Sheet of AI Champdany Industries Limited, and its subsidiary, ("the group") as at 31 March 2017, the Statement of Consolidated Profit and Loss of the group for the year then ended on that date and the Consolidated Cash Flow Statement of the group 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 2017 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.836.39 lacs as at 31 March 2017 and total loss (net) of Rs.1.45 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. 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, 2017 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, 2017 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".

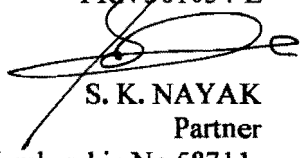


g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31 2017 on the consolidated financial position of the Group, they refer Note 25 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 2017.



Kolkata,
Dated: 27 May 2017.

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

S. K. NAYAK
Partner
Membership No.58711