

**A N N U A L
R E P O R T
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AI CHAMPDANY INDUSTRIES LIMITED

AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767

CHAIRMAN EMERITUS

Mr. G. J. Wadhwa (w.e.f. 30 May 2014)

BOARD OF DIRECTORS

Mr. D. J. Wadhwa, Chairman (w.e.f. 12 August 2014)

Mr. Harbhajan Singh

Mr. S. M. Palia

Dr. G. Goswami

Mr. N. Das

Dr. B. Sen

Mr. B. Wadhwa

Ms. Ramya Hariharan (Additional Director)

(w.e.f. 12 August 2014)

Mr. N. Pujara (Managing Director w.e.f. 12 May 2014)

VICE PRESIDENT (F&A) & CHIEF FINANCIAL OFFICER

Mr. Prakash Nagar

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Swaroop Saha (till 30 May 2015)

Mr. Sandeep Mandhana (w.e.f. 01 June 2015)

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

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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	Weaving Unit 39, Shalimar Road	Yarn Unit Choudwar	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	
Cuttack Odhis Pin: 754 025	Howrah (South) West Bengal Pin: 711 103	Cuttack Odhis Pin: 754 025			

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 2015.

FINANCIAL RESULTS

(Rs. in lacs)

	Year ended 31st March, 2015	Year ended 31st March, 2014
Profit before Finance Cost, Depreciation and Tax	1147.32	1713.12
Finance Cost	1234.66	946.06
Depreciation and Amortisation	561.34	679.56
Profit / (Loss) Before Tax	(648.68)	87.50
Provision for Tax:		
- Current Tax / MAT	2.40	19.44
- MAT Credit entitlement	-	(17.04)
- Tax for prior years	(7.32)	-
- Deferred Tax (Asset)	(230.47)	(33.15)
Profit / (Loss) After Tax	(413.29)	118.25
Profit Brought Forward from Previous Years	6.20	2.95
Amount available for Appropriation	(407.09)	121.20
Transfer to Capital Redemption Reserve	-	115.00
Surplus / (Loss) Carried over	(407.09)	6.20

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.301.78 crores compared to Rs.335.20 crores in the previous year and it was lower mainly due to lower off take of 'B Twill' Jute bags by the Central Government Procurement Agencies thereby adversely affecting the entire industry. However, export sales were marginally better at Rs.60.80 crores compared to Rs.57.94 crores in the previous year. Overall operating performance was 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

The Company declared the suspension of work at Weaving Unit, Rishra and Anglo-India Jute Mill (Middle Mill), Jagatdal with effect from 23rd May, 2015 and 26th May, 2015 respectively.

RISK MANAGEMENT FRAMEWORK

As required pursuant to Section 134(3) and clause 49 of the SEBI Listing Agreement, 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 exceeding the limit under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CHANGES IN KEY MANAGERIAL PERSONNEL

On resignation of Mr. Surajit Sen with effect from 24 May 2014, Mr. Swaroop Saha was appointed as the Company Secretary and Compliance Officer with effect from 26 May 2014.

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 Bhushan Wadhwa, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Shri G J Wadhwa stepped down from the Chairmanship and Directorship of the Company with effect from 30 May 2014 on attaining the age of 89 years and the Board, while accepting his resignation, wished him good health and placed on record its deep appreciation for his visionary leadership and valuable guidance made available to the Company during his long association of more than 4 decades. In recognition of such dedicated service to the Company and considering his stature in the Jute Industry, the Board of Directors were pleased to confer upon Shri Wadhwa "Chairman Emeritus" status of the Company from the date of his stepping down as Chairman of the Company.

With effect from 12 May 2014, the Board was pleased to elevate Mr. N Pujara as Managing Director from Executive Director and the same was approved by the shareholders at the last Annual General Meeting of the Company held on 12 August, 2014.

Ms. Ramiya Hariharan was appointed as an Additional Director of the Company with effect from 12 August 2014 and she shall hold office upto the date of the ensuing Annual General Meeting of the Company and being eligible, offers herself for reappointment as Independent Director.

On 31 March 2015 shareholders by way of a postal ballot approved the appointment of Shri Harbhajan Singh, Shri Narottam Das and Dr. Basudeb Sen upto the conclusion of the 99th Annual General Meeting of the Company in the calendar year 2017 as Independent Directors who are not eligible to retire by rotation.

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 clause 49 of the Listing Agreement with Stock Exchanges.

BOARD EVALUATION

Pursuant to the provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance. The Directors expressed their satisfaction with the evaluation process.

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 96th Annual General Meeting held on 12 August 2014, 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 ensuing 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 Annual General Meeting for next year 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 conclusion of 97th Annual General Meeting till conclusion of 98th Annual General Meeting, subject to the approval of the shareholders.

COST AUDITORS

M/s N Radhakrishnan & Co., Cost Accountants, were appointed as Cost Auditor for auditing the Cost Accounts of the Company for the year ended 31 March 2015 by the Board of Directors. The remuneration proposed to be paid for the FY 2015-16 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, have given their consent to act as Cost Auditor of the Company for the Financial Year 2015-16 confirming that their appointment is within the limits of Section 139 and certified that they are 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 2013-14 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 31 March 2015, 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 31 March 2015, 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.
- 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 THEIR REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN THEIR SECRETARIAL AUDIT REPORT

Qualified opinion by the Statutory Auditors in their Report have been adequately dealt with in the Notes to 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. Anglo-India Jute Mill (Middle Mill), 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 Full Accounts and Note No.11 to the Abridged Accounts.

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

MEETINGS OF THE BOARD

5 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

Landale & Clark Ltd. and AIC Properties Ltd. ceased to be subsidiary of the company with effect from 19 May 2014 on disinvestment of part shareholding.

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 Equity shares are listed on the Bombay Stock Exchange and National Stock Exchange and annual listing fees for financial year 2015-16 has been paid to the BSE and NSE.

The shares of the Company were delisted from the Calcutta Stock Exchange with effect from 20 April 2015 so as to reduce the compliance cost including listing fees as no services were being made available by the Calcutta Stock Exchange to the shareholders of the Company and no trading in the shares also took place at the Calcutta Stock Exchange during the last 20 years.

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 31 March 2015.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has in place Internal Financial Control Systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational and compliance of various internal controls and other regulatory and statutory compliances. The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal Financial Control Systems in the Company. Based on the report of Internal Auditor, respective departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

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

All transactions entered into with related parties as defined under of the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

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 Clause 49 of the Listing Agreement with the Stock Exchanges 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

G. Goswami

N. Pujara

Directors

Place: Kolkata

Dated: 30 May 2015

AI CHAMPDANY INDUSTRIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE AND DEVELOPMENT:

During the year under review, operating environment was difficult for the Jute Industry due to lower off take of B Twill Jute Bags by the Government Procurement Agencies, forcing the Industry to curtail production by reducing number of days and / or number of shifts. Though the Government orders increased in last quarter of the financial year, overall the total buying was less. Again the Government buying is less from May 2015 leading to closure of 18 Mills in the State.

Besides, the Raw Jute Crop was also short and the carryover from earlier season less. The situation in Bangladesh was similar and supplies could not be supplemented from Bangladesh. Consequently, the Raw Jute prices ruled high in spite of reduced production and / or closure of Mills.

B. OPPORTUNITIES/THREATS, RISKS & CONCERNS:

■ OPPORTUNITIES

Jute being biodegradable & environmental friendly fibre, opportunities lies mainly in making more and more Value added diversified products as a substitute of other man-made fibre products and also rationalizing manpower. Recently Government of West Bengal after long persuasion by the Industry has announced to make it mandatory for Rice Millers in the State to compulsorily pack 70% of their produce in Jute Bags which indeed is a helpful constructive move by the State Government but its benefit to the Jute Industry in terms of alternate source of demand will only accrue if the decision is effectively implemented by the State Government from next jute season. A committee has been set up under the chairmanship of Jute Commissioner to work out the modalities.

Your Company having Value added diversified product range including high value linen Unit also in its fold, is taking further steps to increase production of such items for which actions have already started having put up some new generation equipments in the Flax and Fine Yarn Units and more such up gradation / expansion is being planned.

■ THREATS / RISKS AND CONCERNS

Jute Industry is currently facing erratic and low demand from Government Procurement Agencies. Productivity in the Industry is also low and while wage cost continues to increase being linked to DA whereas efficiency continues deteriorating resulting in double whammy for the Industry. Shortage of trained workers is also a major issue before the Industry. Continuation of Jute Packaging (compulsory use for packaging commodities) Act 1987 which is extended every year by the Central Government is very important for survival of the Industry. With almost negligible carry over stock of raw jute, bumper next jute crop is extremely important.

C. OUTLOOK:

Sowing and the weather conditions so far has been good for the coming new crop which is expected to arrive in the market by July/August. Demand scenario as of now is weak because the Government buying of B Twill Jute bags has again reduced but as per Food Ministry's projections, there will be substantial requirements for jute bags from July onwards which coinciding with arrival of new Raw Jute Crop in July/August should improve operating cycle for jute Industry barring unforeseen circumstances. Your Company has also initiated the process of monetizing its idle assets having divested some such assets and is also evaluating further possibilities in this direction. Sale of Anglo India Jute (Middle Mill) which was approved by the shareholders in previous financial year could not be completed because of the difficult operating conditions in the Jute Industry, however discussions are continuing with the buyer so as to conclude the transaction as early as possible.

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:

During the year under review, Income from operations was Rs. 301.78 Crores compared to Rs. 335.20 Crores in the previous year and it was lower mainly due to low offtake of B Twill Jute Bags by the Central Government Procurement Agencies adversely affecting the entire industry. However Export Sales was marginally better at Rs. 60.80 Crores compared to Rs. 57.94 Crores in the previous year. Overall operating performance was adversely affected for the reasons explained hereinabove.

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 & sluggish demand both domestically & internationally, temporary suspension of work had to be declared at Weaving Unit Rishra w.e.f 23 May 2015 and at Anglo India Jute – Middle Mill w.e.f 26 May 2015.

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.

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 31 March 2015.

A. CONSERVATION OF ENERGY

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

- a) Replacement of HSPV lamp fittings with metal Halide Lamp Fittings and good quality copper ballast.
- b) Have planned for installation of all the spinning frames motors to outside of the machine to reduce the following:
 - i) Power Consumption
 - ii) Ball Bearing & Grease consumption
 - iii) Motor break down rate and Motor burning
 - iv) Breakdown and Fire Hazard.
- c) Power factor already improved from 97% to 98% in the CESC Power Bill to get more rebate.

Continuous Monitoring of system voltage and power factor to minimize losses, follow rigid routine preventive / predictive maintenance schedule of machine, use of energy efficient motors, light fittings and luminaries, 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”

a)	POWER AND FUEL CONSUMPTION	Current year	Previous year
i)	ELECTRICITY		
a)	Purchased Units (KWH)	21839046	27291050
	Total Amount (Rs. in lacs)	1816.12	2026.47
	Rate / Unit (Rs.)	8.32	7.43
b)	Own Generation through Diesel Generator (Units)	10203	67137
	Units per litre of Oil	3.10	2.79
	Cost / Unit (Rs.)	23.76	23.84

	<u>Current year</u>	<u>Previous year</u>
II) COAL		
(B grade used for generation of steam in boiler)		
Quantity (M. Ton.)	5.92	30.73
Total Cost (Rs. in lacs)	0.55	2.29
Average Rate (Rs.)	9319	7450
B) CONSUMPTION PER UNIT OF PRODUCTION		
<u>Electricity (KWH/MT)</u>		
Jute/Jute diversified Products and Services	700	592
Flax Products	4707	4861
<u>Coal per ton of Production (M.Ton)</u>		
Jute/Jute diversified Products & Services	-	-
Flax Products	-	-
<u>Production</u>		
Jute & Jute Diversified Products (M. Ton.)	28390	42222
Flax Product (M. Ton.)	422	489

“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 man made 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	3607.69	3354.36
Earned	6080.15	5793.89

On Behalf of the Board
G. Goswami
N. Pujara
Directors

Place: Kolkata
Dated: 30 May 2015

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 2015:

<u>Name</u>	<u>Designation</u>	<u>Remuneration of Directors' to Median Employees' Remuneration (times)</u>
Mr. D. J. Wadhwa, Chairman	Non-Executive	1.85
Mr. Bhushan Wadhwa	Non-Executive	1.00
Mr. S. M. Palia	Independent	0.90
Mr. Harbhajan Singh	Independent	1.06
Dr. G. Goswami	Independent	2.00
Mr. N. Das	Independent	2.06
Dr. B. Sen	Independent	0.72
Ms. Ramya Hariharan	Independent	0.54
Mr. N. Pujara	Managing Director	31.76

b) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary or Manager in the financial year ended 31st March 2015 is as follows:

<u>Name</u>	<u>Designation</u>	<u>Percentage Increase in Remuneration</u>
Mr. D. J. Wadhwa, Chairman	Non-Executive	281.48*
Mr. Bhushan Wadhwa	Non-Executive	211.11*
Mr. S.M.Palia	Independent	733.33*
Mr. Harbhajan Singh	Independent	118.51*
Dr. G. Goswami	Independent	208.33*
Mr. N.Das	Independent	283.33*
Dr. B.Sen	Independent	122.22*
Ms. Ramya Hariharan**	Independent	-
Mr. N. Pujara	Managing Director	55.30***
Mr. P. Nagar	Vice President (Accounts & Finance) & Chief Financial Officer	-
Mr. S.Saha	Company Secretary	-

* Percentage Increase in remuneration is due to increase in Sitting Fees from Rs. 7500/- per meeting to Rs. 25000/- per meeting w.e.f. May 12, 2014 consequent to higher sitting fees permissible under Companies Act, 2013.

Higher percentage increase for Mr. S.M.Palia is due to his attending only 2 Meetings in Financial Year 2013-14 compared to 5 Meetings in the Current Financial Year 2014-15.

** Ramya Hariharan appointed as Additional Director w.e.f. August 12, 2014

*** Increase is due to Mr. N Pujara elevated from Executive Director to Managing Director w.e.f. 12 May 2014 with higher responsibility. The Appointment and remuneration was approved by the Shareholders of the Company in the last Annual general Meeting held on August 12, 2014

- c) The number of permanent employees on the rolls of the company are 5442.
- 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 26.50% from Rs. 3880.04 lacs as at March 31, 2014 to Rs. 4908.32 lacs as at March 31, 2015. The Price Earning Ratio as at March 31, 2015 was (-)11.26 as compared to the Price–Earnings Ratio as at March 31, 2014 was 39.53
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. 17.90 on National Stock Exchange of India Ltd. and at Rs. 17.00 on Bombay Stock Exchange Limited on March 31, 2015 representing an increase of 24% since the last financial year.
- e) No variable component in any form was availed by the directors during the financial year ended March 31, 2015.
- f) No employee has received remuneration higher than the highest paid director during the financial year ended March 31, 2015.
- i) It is hereby affirmed that the remuneration paid during the year ended March 31, 2015 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 31.03.2015

[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: **AI 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: 2237 7880
- (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: 4072 4051

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	57.50
2	HESSIAN	63051030	12.32

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.	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	10942616	-	10942616	39.906	10942596	-	10942596	39.906	-0.0001
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Trusts	1971804	-	1971804	7.191	1971804	-	1971804	7.191	-
Sub-total (A) (1):-	14779774	-	14779774	53.900	14779754	-	14779754	53.900	-0.0001
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter									
(A) = (A)(1)+(A) (2)	14779774	-	14779774	53.900	14779754	-	14779754	53.900	-0.0001

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	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	183146	2565770	2748916	10.025	165746	2565770	2731516	9.961	-0.0634
c) Central Government	-	-	-	-	60	-	60	0.000	+0.0002
d) State Governments	-	704	704	0.003	-	704	704	0.003	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	1332	1332	0.005	-	1332	1332	0.005	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	183146	2567806	2750952	10.033	165806	2567806	2733612	9.969	-0.0632
2. Non-Institutions									
(a) Bodies Corporates	-	-	-	-	-	-	-	-	-
(i) Indian	160851	405972	566823	2.067	119126	405972	525098	1.915	-0.1522
(ii) Overseas	-	8533332	8533332	31.120	-	8533332	8533332	31.120	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	443265	172215	615480	2.244	463274	171751	635025	2.316	+0.0713
ii) Individual shareholders holding nominal share capital in excess of 1 lakh	174460	-	174460	0.636	214000	-	214000	0.780	+0.1442
c) Trust	10	-	10	0.000	10	-	10	0.000	-
Sub-total (B)(2):-	778586	9111519	9890105	36.067	796410	9111055	9907465	36.131	+0.0633
Total Public Shareholding (B)=(B)(1)+(B)(2)	961732	11679325	12641057	46.100	962216	11678861	12641077	46.100	+0.0001
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15741506	11679325	27420831	100.00	15741970	11678861	27420831	100.00	

(ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during 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	
1. Rishra Investments Ltd	3837952	13.9965	-	3837952	13.9965	-	-
2. Shibir India Limited	2951595	10.7641	-	2951595	10.7641	-	-
3. Amar Investments Ltd.	2545619	9.2835	-	2545599	9.2834	-	-0.0001
4. Damodardas Jerambhai Wadhwa	2645642	9.6483	-	2645642	9.6483	-	-
5. Gordhandas Jerambhai Wadhwa	1189300	4.3372	-	1189300	4.3372	-	-
6. Coopers Wealth Advisors Ltd.	500000	1.8234	-	500000	1.8234	-	-
7. G Jerambhai Exports Ltd.	550924	2.0091	-	550924	2.0091	-	-
8. Gunny Dealers Ltd.	203706	0.7429	-	203706	0.7429	-	-
9. Gojer Brothers Pvt. Ltd.	121332	0.4425	-	121332	0.4425	-	-
10. Coopers Housing Estates Pvt. Ltd.	106666	0.3890	-	106666	0.3890	-	-
11. Mcgregor & Balfour (India) Ltd.	106666	0.3890	-	106666	0.3890	-	-
12. Libra Transport Ltd.	14932	0.0544	-	14932	0.0544	-	-
13. National Electronics Pvt. Ltd.	3200	0.0117	-	3200	0.0117	-	-
14. Bhushan Wadhwa	1732	0.0063	-	1732	0.0063	-	-
15. Jyoti B Wadhwa	484	0.0018	-	484	0.0018	-	-
16. Coopers Capital Markets Ltd.	24	0.0001	-	24	0.0001	-	-
Total	14779774	53.8998	-	14779754	53.8997	-	-0.0001

(iii) Change in Promoters' 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, 2014	14779774	53.8998	14779774	53.8998
June 30, 2014	-	-	-	-
September 30, 2014	20	0.0001	20	0.0001
December 31, 2014	-	-	-	-
March 31, 2015	-	-	-	-
March 31, 2015	14779754	53.8997	14779754	53.8997

(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
1. Aldgate International SA	4266666	15.559	4266666	15.559
2. Blancatex AG	4266666	15.559	4266666	15.559
3. Canara Bank	1949332	7.109	1949332	7.109
4. Bank of India	483530	1.763	483530	1.763

	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
5. Bank of Baroda	233568	0.852	233568	0.852
6. Upkar Distributors Private Ltd.	213332	0.778	213332	0.778
7. Harsha Hitesh Javeri	50000	0.182	100000	0.365
8. Apson Sales Promotion Pvt. Ltd.	93332	0.340	93332	0.340
9. Frank Jute Impex Pvt. Ltd.	93332	0.340	93332	0.340
10. Hitesh Ramji Javeri	40000	0.146	66000	0.241

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Top 10 Shareholders	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. G. J. Wadhwa	1189300	4.3372	1189300	4.3372
3. Mr. N. Pujara	3400	0.0124	3400	0.0124
4. Mr. N. Das	2666	0.0097	2666	0.0097
5. Mr. B. Wadhwa	1732	0.0063	1732	0.0063
6. 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	948001434	29000000	-	977001434
(ii) Interest due but not paid	134726	2901242	-	3035968
(iii) Interest accrued but not due	1084931	-	-	1084931
Total (i+ii+iii)	949221091	31901242	-	981122333
Change in indebtedness during the financial year				
• Addition	151468932	-	-	151468932
• Reduction	-	-	-	-
Net Change	151468932	-	-	151468932
Indebtedness at the end of the financial year				
(i) Principal Amount	1098253285	29000000	-	1127253285
(ii) Interest disputed	NIL	2901242	-	2901242
(iii) Interest accrued but not due	2436738	NIL	-	2436738
Total (i+ii+iii)	1100690023	31901242	-	1132591265

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

in Rs.

Particulars of Remuneration	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	35,75,000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,38,416
(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)	44,15,339
Ceiling as per the Act	The remuneration is well within the limits prescribed under the Companies Act, 2013

B. Remuneration to other directors:

in Rs.

Particulars of Remuneration	Name of Directors						Total
	Mr. S. M. Palia	Mr. N. Das	Dr. G. Goswami	Mr. H. B. Singh	Dr. B. Sen	Ms. R. Hariharan	
Fee for attending board / committee meeting	1,25,000	2,87,500	2,77,500	1,47,500	1,00,000	75,000	10,12,500
Commission	-	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-	-
Total (1)	1,25,000	2,87,500	2,77,500	1,47,500	1,00,000	75,000	10,12,500
Other Non-Executive Directors	Mr. D. J. Wadhwa	Mr. B. Wadhwa					
Fee for attending board / committee meeting	2,57,500	1,40,000					3,97,500
Commission	-	-					-
Others, please specify	-	-					-
Total (2)	2,57,500	1,40,000					3,97,500
Total (B)=(1+2)							14,10,000
Total Managerial Remuneration							14,10,000
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**

in Rs.

Particulars of Remuneration			
	Company Secretary	CFO	Total
1. Gross Salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,74,361	12,00,000	14,74,361
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	26,822	-	26,822
(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	3,01,183	12,00,000	15,01,183

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	-	-	-	-	-

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2015**

[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

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, 2015 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, 2015 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;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - (g) 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 Bombay Stock Exchange Limited, National Stock Exchange of India Limited & The Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, 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 had made an application for delisting of its securities from The Calcutta Stock Exchange Limited. The Company has also taken a fresh approval in its 96th Annual General Meeting held on 12th August, 2014, from its shareholders by way of Special Resolution to borrow monies not in excess of Rs. 125 Crores. Approval has also been accorded to the Board in the same Annual General Meeting by the shareholders to mortgage and hypothecate the moveable and immovable property of the company.

For K. Arun & Co.
Company Secretaries

Arani Guha
Partner
C.P. No.: 9573

Place: Kolkata
Date : 26.05.2015

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 in Rs.)

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.81019590
6. Reserves & Surplus	:	Rs.3250587
7. Total Assets	:	Rs.86887315
8. Total Liabilities	:	Rs.86887315
9. Investments	:	Rs.195000
10. Turnover	:	Rs.1249188
11. Profit before taxation	:	Rs (1888514)
12. Provision for taxation	:	Rs (32287)
13. Profit after taxation	:	Rs (1856227)
14. Proposed Dividend	:	NIL
15. % of shareholding	:	100%

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

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.
 - AIC Properties Ltd.
 - Landale & Clark Ltd.

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of AI Champdany Industries Limited

We have examined the compliance of conditions of Corporate Governance by AI Champdany Industries Limited ("the Company") for the year ended 31 March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of the Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), 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, and the representation made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further 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: 30 May 2015

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 MARCH 2015

The detailed report on Corporate Governance and process including compliance by the Company with the provisions of Clause 49 of the Listing Agreement 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 Additional 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 Clause 49 II (A) of the Listing Agreements. As per the Listing Agreement, 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 clause. No Director is related to any Director, except Mr. G. J. Wadhwa and Mr. D. J. Wadhwa who are related to each other as brothers. 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. G. J. Wadhwa *	00046115	Promoter Non-Executive	-	N.A.	N.A.	N.A.	N.A.
Mr. D. J. Wadhwa	00046180	Promoter Non-Executive Chairman	5	Yes	3	-	-
Mr. S. M. Palia	00031145	Independent Non-executive	5	Yes	5	1	1
Mr. Harbhajan Singh	00237556	Independent Non-executive	3	Yes	9	-	-
Dr. B. Sen	00056861	Independent Non-executive	4	Yes	3	2	1
Dr. G. Goswami	00024209	Independent Non-executive	4	Yes	5	2	-
Mr. N. Das	00080612	Independent Non-executive	5	Yes	3	2	2
Mr. N. Pujara	00047803	Managing Director	5	Yes	14	-	4
Mr. B. Wadhwa	00407790	Promoter Non-Executive	5	Yes	10	-	-
Ms. Ramya Hariharan	06928511	Independent Non-Executive Additional Director	3	NA	5	-	-

* Mr. G. J. Wadhwa has stepped down as a Chairman and Director of the Company w.e.f 30th May, 2014 on attaining the age of 89 years and was appointed as a Chairman Emeritus of the Board on the same date.

** 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 optimising 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 Clause 49 of the Listing Agreement 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 Agreements 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 14 February, 2015, 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 31 March 2015, five Board meetings were held on 12 May 2014, 30 May 2014, 12 August 2014, 14 November 2014 and 14 February 2015.

Audit Committee

The Board of Directors has set up an Audit Committee under the provisions of Section 177 of the Companies Act, 2013 and for compliance of Corporate Governance Code under Clause 49 of the Listing Agreement. The present terms of reference of the Audit Committee includes the powers as laid out in clause 49 (III) (C) and role as stipulated in clause 49 (III) (D) of the Listing Agreement with the Stock Exchanges.

The Audit Committee also reviews information as per requirement of clause 49 (III) (E) of the Listing Agreement.

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 brief description of terms of reference of the Audit Committee in line with the clause 49 of the Listing Agreement are:

- Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment and removal of statutory auditor, including cost auditor, nature and scope of audit, fixation of audit fee and also approval for payment for any other services rendered by the statutory auditor.
- Reviewing with the management the quarterly & annual financial statements and the auditor's report thereon before submission to the Board for approval.
- Reviewing with the management, performance of Statutory & Internal Auditors.
- Reviewing the adequacy and effectiveness of internal audit function, the internal control system of the company, the structure of the internal audit department, staffing and seniority of the official heading the department, and frequency of internal audit.
- Discussion with Internal Auditors, any significant findings and follow up thereon including reviewing the findings of internal investigation, if any.
- Discussion with the Statutory Auditors before the audit commencement, nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Evaluation of Internal financial controls and risk management systems.
- And generally all items listed in clause 49 (III) (D) of the Listing Agreement.

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 the clause 49 and the provisions of the Companies Act, 2013.

During the financial year ended 31 March 2015, Six Audit Committee meetings were held on 12 May 2014, 30 May 2014, 11 August 2014, 13 November 2014, 30 January 2015 and 13 February 2015.

Name of Member	Designation	No. of meetings Attended
Mr. Harbhajan Singh	Independent Non-Executive Director	3
Mr. N. Das	Independent Non-Executive Director	6
Dr. G. Goswami	Independent Non- Executive Director	6
Mr. D. J. Wadhwa	Promoter Non-Executive Director	6

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 31 March 2015, there were only two meetings of the Committee held on 12th August 2014 and 13th February 2015. All the members of the committee were present in the meeting held on 12th August 2014 and for the meeting held on 13th February 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 2014-15 is as under:

Name of the Director	Meeting Fees (Amount in Rs.)			Total	No. of shares held	
	Audit Committee	Board	Other * Committees		Equity	2% Preference
Mr. G. J. Wadhwa	-	-	-	-	1,189,300	1,189,300
Mr. S. M. Palia	-	1,25,000	-	1,25,000	266	500
Mr. Harbhajan Singh	57,500	75,000	15,000	1,47,500	-	-
Dr. G. Goswami	1,32,500	1,00,000	45,000	2,77,500	-	-
Mr. D. J. Wadhwa	1,32,500	1,25,000	-	2,57,500	2,645,642	2,645,642

Name of the Director	Meeting Fees (Amount in Rs.)			Total	No. of shares held	
	Audit Committee	Board	Other * Committees		Equity	2% Preference
Mr. N. Das	1,32,500	1,25,000	30,000	2,87,500	2,666	-
Dr. B. Sen	-	1,00,000	-	1,00,000	-	-
Mr. B. Wadhwa	-	1,25,000	15,000	1,40,000	1,732	1,532
Ms. Ramya Hariharan	-	75,000	-	75,000	-	-
Total	4,55,000	8,50,000	1,05,000	14,10,000		

* for attending Nomination and Remuneration Committee and Stakeholders' Relationship Committee Meetings.

B. Remuneration to Executive Director/Managing Director

The appointment of Executive Director/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 Executive Director/Managing Director is governed by the respective Agreements executed between them and the Company. The remuneration package of Executive Director/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 Executive Director/Managing Director.

Name of the Executive Director	Salary (Rs.)	Benefits (Rs.)	Remarks
Mr. Nirmal Pujara	35,75,000	8,40,339	Elevated as Managing Director w.e.f 12/05/2014 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 31 March 2015, one Committee meeting was held on 9 March, 2015.

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 31 March 2015 – NIL

Investors' grievances are resolved expeditiously.

Compliance Officer:

Mr. Swaroop Saha, Company Secretary had been designated as Compliance Officer till 30 May 2015.

Mr. Sandeep Mandhana, Company Secretary has been designated as Compliance Officer w.e.f. 01 June 2015.

General Body Meeting

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

Financial Year	Location of Meeting	Date	Time
2011-2012	'Bharatiya Bhasha Parishad' 36A, Shakespeare Sarani Kolkata-700 017	12 September 2012	10:30 A.M.
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.

Following three Special Resolutions were passed in the last Annual General Meeting held on 12 August 2014:

- i) to elevate Mr. N Pujara from Executive Director to Managing Director of the Company and to revise his remuneration within the ceiling limit as specified under Schedule V of the Companies Act, 2013;
- ii) to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, shall not be in excess of Rs.125 Crores over and above the aggregate of the paid up share capital and free reserves of the Company;
- iii) to mortgage, hypothecate or in any other way charge in favour of the lenders all or any of the movable and / or immovable properties of the Company, both present and / or future of the whole or substantially the whole of the undertaking or undertakings of the Company.

Three Special resolutions were passed through postal ballot on 31 March 2015 relating to the appointment of three Independent Directors namely, Mr. Harbhajan Singh, Mr. Narottam Das and Dr. Basudeb Sen.

Result of postal ballot is as per detail given in below for which Mr. Harisadhan Ghosh, Practising Chartered Accountant acted as a Scrutinizer:

Altogether 42 Numbers of Shareholders holding 17343093 Equity shares and 27 Numbers of Shareholders holding 10469018 2% preference shares casted their vote through postal ballot in favour of the aforesaid three special resolutions & 4 Numbers of Shareholders holding 1028 Equity shares casted their vote through postal ballot against the aforesaid three special resolutions. As such all the resolutions was declared passed with the requisite majority.

Subsidiary

The Company has one non-listed Indian Subsidiary Company i.e. Champdany Construction Ltd. It is not a material subsidiary. Landale & Clark Ltd and AIC Properties Ltd were ceased to be subsidiary companies w.e.f. 19 May 2014.

- 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 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 14 August 2015 at 10:30A.M. at the auditorium of Bengal National Chamber of Commerce and Industry, 23, Sir R N Mukherjee Road, 1st floor, Kolkata-700 001.

b) Financial Calendar 2015-16 (Tentative)

Financial year: 1 April to 31 March.

Unaudited 1st quarter results (quarter ending on 30 June 2015)	:	Second Week of August 2015
Unaudited 2nd quarter results (quarter ending on 30 September 2015)	:	Second week of November 2015
Unaudited 3rd quarter results (quarter ending on 31 December 2015)	:	Second Week of February 2016
Audited Annual Results (i.e. year ending on 31 March 2016)	:	Last week of May 2016

c) Book Closure period: From 7th August 2015 to 14th August 2015 (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 2015-2016.

The Company’s shares were voluntarily delisted from the Calcutta Stock Exchange Ltd. with effect from 20 April, 2015.

e) Scrip Code

Bombay Stock Exchange
532806

National Stock Exchange
AICHAMP

f) Stock price data

Month	BSE		NSE	
	High	Low	High	Low
April, 2014	18.00	14.95	14.85	12.85
May, 2014	17.80	14.00	15.30	13.30
June, 2014	19.00	15.55	16.80	13.85
July, 2014	21.00	15.50	18.35	15.85
August, 2014	19.90	16.45	17.45	15.85
September, 2014	20.35	16.15	18.30	15.85
October, 2014	19.75	17.15	17.00	15.45
November, 2014	18.50	16.10	16.95	15.50
December, 2014	18.35	15.05	16.20	14.00
January, 2015	19.90	16.25	19.85	15.40
February, 2015	18.90	15.70	17.00	15.00
March, 2015	17.55	14.75	18.50	15.40

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 2015

Group of Shares	Equity			
	No. of Shareholders	% of Shareholders	No. of Shares held	% of Total Shares
1 to 500	2973	89.47	215,589	0.79
501 to 1000	158	4.76	110,386	0.40
1001 to 2000	92	2.77	129,433	0.47
2001 to 3000	26	0.78	64,838	0.24
3001 to 4000	18	0.54	62,846	0.23
4001 to 5000	5	0.15	21,928	0.08
5001 to 10000	5	0.15	34,393	0.13
10001 to 50000	8	0.24	150,219	0.55
50001 to 100000	7	0.21	530,805	1.93
100001 and above	31	0.93	26,100,394	95.18
GRAND TOTAL	3,323	100.00	27,420,831	100.00

Group of Shares	2% Preference Share			
	No. of Shareholders	% of Shareholders	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 2015

Particulars	Equity			2% Preference		
	No. of Holders	Holding/ Shares held	% to Capital	No. of Holders	Holding/ Shares held	% to Capital
Promoters Group	30	14,779,754	53.90	22	9,773,156	78.72
Indian Financial Institutions/Banks	29	2,731,516	9.96	4	2,558,332	20.61
Central / State Governments	3	764	0.00	-	-	-
Foreign Institutional Investors	2	1,332	0.00	-	-	-
Bodies Corporate	114	525,098	1.92	8	6,790	0.05
Trust & Foundations	1	10	0.00	-	-	-
NRI	37	3,988	0.01	-	-	-
Foreign Bodies Corporate	2	8,533,332	31.12	-	-	-
Individual & others	3,105	8,45,037	3.09	75	76,075	0.62
Total	3,323	27,420,831	100.00	109	12,414,353	100.00

k) Dematerialization of shares

As on 31 March 2015, 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, AI 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 205A(5) of the Companies Act, 1956, 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. As required the company has already provided the details of unpaid dividend not yet claimed by the shareholders for the financial year 2007-08 in its website **www.jute-world.com**. As such the shareholders may view the same and submit their claim to the company before transfer to the Investors Education and Protection Fund.

Following table gives information relating to such unclaimed dividend and the dates when due for transfer to IEPF:

Equity	Date of payment of dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEP Fund
Year ended			
31 March 2008	30 July 2008	29 July 2015	28 August 2015

It may please be noted that once the unpaid amounts of dividend are transferred to IEPF no claims shall lay against the Company or the IEPF in respect of any amounts which were unclaimed or unpaid.

The company has already transferred to the IEPF unpaid/unclaimed dividend for the financial year ended 31 March 2007 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

As required under clause 49 of the Listing Agreement, the Auditors certificate on compliance of the Corporate Governance norms is annexed to the Director's 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 Clause 49 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. Swaroop Saha, Company Secretary is 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 clause 49 of the Listing Agreement with Stock Exchange, 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 2015.

Place : Kolkata
Dated: 30 May 2015

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 AI Champdany Industries Ltd., certify that:

- a. We have reviewed financial statements and cash flow statement for the year ended 31 March 2015 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 2015 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 requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instances during the year of significant fraud with involvement therein if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata
Date: 30 May, 2015

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

N. Pujara
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 2015

We have audited the accompanying financial statements of AI Champdany Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and 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 and presentation of these 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 specified 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 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.

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.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 financial statements.

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

Qualified Opinion:

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

*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 44 to the Accounts,**

*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 said accounts 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:

- (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31 March, 2015 and
- (b) in the case of Profit & Loss Account, of the Loss of the Company for the year ended on that date, and
- (c) in the case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) subject to our observations set out in Qualified Opinion above, we have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - b) further subject to our observations set out in Qualified Opinion above, in our opinion, proper books of accounts as required by law have been maintained by the Company, so far as appears from our examination of those books ;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, subject to our observations set out in Qualified Opinion above ,the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules,2014;
 - e) on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;
 - f) 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 – 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.

Kolkata,
Dated: 30 May 2015

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

ANNEXURE TO AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 of our Report of even date to the members of AI CHAMPDANY INDUSTRIES LIMITED ("the Company") for the year ended on March 31, 2015. We report that:

1. (a) The company has maintained proper records showing full particulars including original and revalued costs, quantitative details and situation of fixed assets.
- (b) We have been informed that the Fixed Assets of the Company have been physically verified during the year by the management and no material discrepancies have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
2. (a) Inventory of the Company at all its locations have been physically verified by the management at reasonable intervals during the year. In the case of stocks lying with third parties, certificates confirming stocks held by them have been received. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion the procedures for verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion the inventory records are being properly maintained by the Company. No material discrepancies were noticed on physical verification.

3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, taking into consideration the explanation that some purchases are special in nature for which comparative quotations from suitable alternative sources is not available, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system.
5. The Company has not accepted any deposits from the public.
6. Cost records and accounts as prescribed by the Central Government under sub-section (1) of section 148 of the Act, prima-facie is being maintained by the company. Though we have examined such books and records, we have not made any detailed examination with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and as per the records of the company examined by us, we are of the opinion that the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, custom duty, cess, service tax and any other material statutory dues with the appropriate authorities. There are no outstanding undisputed amounts in respect of such statutory dues as at 31 March, 2015 for a period of more than six months from the date they became payable. As explained to us the company has no overdue liability towards investor education and protection fund, wealth tax and excise duty.
- (b) The disputed statutory dues have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount (Rs Lakhs)	Forum where the dispute is pending
Bhatpara Municipality	Municipal Taxes & Land Revenue	256.10	REVIEW BOARD
ESI Act	ESI dues	275.22	ESI COURT
Central Sales Tax 1956 & West Bengal Sales Tax Act, 1994	Sales Tax	2.10 482.64 18.37	ACCT WBCTA & RB SJCCT
Income Tax Act 1961	Income Tax	1554.52	CIT (Appeal)
Service Tax	Service Tax	202.13	CESTAT

(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund within time.

8. The company has no accumulated loss and has incurred Cash Loss during the financial year covered by our audit but there was no Cash Loss in the immediately preceding financial year.
9. According to explanations and information obtained and based on our examination of the records the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders.
10. The company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
11. According to information and explanations obtained and on the basis of examination of the books and records, we report that the company has taken term loan during the financial year 2014-2015 has been applied for the purpose for which the loan was obtained from Bank.
12. According to all information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Kolkata,
Dated: 30 May 2015.

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

AI CHAMPDANY INDUSTRIES LIMITED

BALANCE SHEET AS AT 31 MARCH 2015

Rs. in lacs

	Notes	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	1,991.76	1,991.76
Reserves and Surplus	3	8,311.92	9,053.99
Non - Current Liabilities			
Long Term Borrowings	4	980.00	-
Deferred Tax Liabilities (Net)		-	106.98
Other Long Term Liabilities	5	2,436.46	1,989.01
Current Liabilities			
Short Term Borrowings	6	9,722.53	9,480.01
Trade Payables	7	5,463.45	5,258.19
Other Current Liabilities	8	2,367.51	1,980.95
Short Term Provisions	9	444.73	417.19
TOTAL		31,718.36	30,278.08
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10	8,073.97	8,635.33
Capital work in progress		1,312.25	1,269.57
Non Current Investments	11	843.72	884.74
Deferred Tax Asset (Net)		151.30	-
Current Assets			
Inventories	12	14,597.78	14,457.61
Trade Recievables	13	3,918.16	3,137.20
Cash and Cash Equivalents	14	508.28	24.39
Short Term Loans and Advances	15	2,312.90	1,869.24
TOTAL		31,718.36	30,278.08
Significant Accounting Policies	1		

Accompanying notes form integral part of the financial statements.

In terms of our report of even date attached.

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board

G. Goswami }
N. Pujara } Directors

AI CHAMPDANY INDUSTRIES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

Rs. in lacs

	Notes	2014-15	2013-14
INCOME			
Revenue from Operations	16	30,177.64	33,520.21
Other Income	17	403.57	536.79
		30,581.21	34,057.00
EXPENSES			
Cost of Materials Consumed	18	15,119.82	18,840.71
Changes in Inventories of Finished Goods, Work-in Progress and Stock in Trade	19	241.76	(1,363.78)
Employee Benefits Expense	20	8,398.03	9,127.87
Finance Cost	21	1,234.66	946.06
Depreciation and Amortization Expenses	10	600.93	758.20
Less: Depreciation on Amount Added On Revaluation		(27.34)	(66.25)
Less: Recoupment from Capital Reserves		(12.25)	(12.39)
Other Expenses	22	5,674.28	5,739.08
		31,229.89	33,969.50
Profit / (Loss) Before Exceptional Items		(648.68)	87.50
Exceptional Items		-	-
Profit / (Loss) Before Tax		(648.68)	87.50
Tax Expenses			
Current Tax/MAT		2.40	19.44
MAT Credit Available		-	(17.04)
Tax for prior years		(7.32)	-
Deferred Tax (Asset)		(230.47)	(33.15)
Profit / (Loss) After Tax		(413.29)	118.25
Earnings per share (face value of Rs 5 each)			
Basic and Diluted (Rs)		(1.51)	0.43
Significant Accounting Policies	1		

Accompanying notes form integral part of the financial statements.

In terms of our report of even date attached.

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board

G. Goswami }
N. Pujara } Directors

AI CHAMPDANY INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015

Rs. in lacs

	2014-15		2013-14
A. Cash flow from Operating activities :			
Profit/(Loss) before Taxation		(648.68)	87.50
Add:- Adjustments for :			
Depreciation and Amortisation	561.34		679.56
Dividend from Investments	(1.36)		(2.53)
Profit on sale of Investment	(39.53)		(22.13)
Interest and Finance Charges	1,234.66		946.06
Interest Income	-		(226.20)
Surplus (Net) on disposal of Fixed Assets	-		(14.51)
		1,755.11	1,360.25
Operating Profit before Working Capital Changes		1,106.43	1,447.75
Add/(Less):- Adjustments for :			
(Increase)/Decrease in Inventories	(140.18)		(1,100.93)
(Increase)/Decrease in Trade and Other Receivables	(1,224.61)		(793.20)
(Decrease)/Increase in Trade Payables and other Liabilities	841.27		1,874.90
		(523.52)	(19.23)
Cash Generated from Operations :		582.91	1,428.52
Direct Taxes paid	(61.69)		(28.32)
Interest Paid	(1,222.51)		(936.45)
		(1,284.20)	(964.77)
Net Cash from / (used in) Operating Activities		(701.29)	463.75
B. Cash flow from Investing Activities :			
Purchase of Fixed Assets	(457.43)		(695.10)
Sale /Adjustment of Fixed Assets	56.95		23.30
Sale/Adjustment of Investment	80.55		28.38
Interest Received	-		226.20
Dividend Received	1.36		2.53
Cash Subsidy Received	1.23		-
Net Cash from / (used in) Investing Activities		(317.34)	(414.69)
C. Cash flow from Financing Activities :			
Proceeds from Share Capital/Warrants	-		412.51
Proceeds from Loans	1,400.00		-
Repayments of Loans	(140.00)		(351.99)
Increase / (Decrease) in Bank Borrowings	242.52		(171.16)
Net Cash from / (used in) Financing Activities		1,502.52	(110.64)
Net increase / (decrease) in Cash and Cash Equivalents (A-B-C)		483.89	(61.58)
Cash and Cash Equivalents as at 1 April 2014		24.39	85.97
Cash and Cash Equivalents as at 31 March 2015		508.28	24.39
In terms of our report of even date attached For D.P. Sen & Co. Chartered Accountants FRN 301054E S. K. Nayak Partner Membership No.58711 Kolkata, 30 May 2015	Swaroop Saha Company Secretary & Compliance Officer	Prakash Nagar Vice President (F & A) & Chief Financial Officer	On behalf of the Board G. Goswami } N. Pujara } Directors

AI CHAMPDANY INDUSTRIES LIMITED

NOTES ON 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 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 of 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	31.03.2015	31.03.2014
	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
		<u>3,500.00</u>	<u>3,500.00</u>
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
		<u>1,991.76</u>	<u>1,991.76</u>

2.2 2,683,045 equity shares has been allotted on 15.05.2013 and 2,204,786 equity shares has been allotted on 25.09.2012 to promoter group companies on preferential 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 allotted 22,00,000 7% Cumulative Preference Shares of Rs 10 each on 25.09.2004. which are redeemable at par on or before the expiring of 20 years from the date of allotment has been redeemed during the year 2012-13. The company has allotted 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 allotment 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, 2013	24,737,786	1,236.89	12,414,353	620.72
Issued and Alloted during the Previous Year	2,683,045	134.15	-	-
Outstanding as at March 31/April1, 2014	27,420,831	1,371.04	12,414,353	620.72
Issued and Alloted during the Year	-	-	-	-
Outstanding as at March 31, 2015	27,420,831	1,371.04	12,414,353	620.72

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

	31.03.2015		31.03.2014	
	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	3,837,952	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	2,545,599	9.28	2,545,619	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	4,927,605	39.69
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	-	-
Gordhandas Jerambhai Wadhwa	1,189,300	9.58	1,189,300	9.58

3. Reserves and Surplus

	Rs. in lacs				
	01.04.2013	Adjustment during the previous year	31.03.2014	Adjustment during the year	31.03.2015
Security Premium Reserve	2,805.74	415.87	3,221.61	-	3,221.61
Capital Reserve	36.90	(12.39)	24.51	(11.02)	13.49
Capital Redemption Reserve	135.00	115.00	250.00	-	250.00
Revaluation Reserve	2,721.73	(66.25)	2,655.48	(255.57)	2,399.91
General Reserve	2,887.66	-	2,887.66	(62.19)	2,825.47
Deferred Tax Reserve	8.53	-	8.53	-	8.53
Surplus	2.95	3.25	6.20	(413.29)	(407.09)
	8,598.51	455.48	9,053.99	(742.07)	8,311.92

4. Long Term Borrowing-Secured *

	Rs. in lacs	
	31.03.2015	31.03.2014
From Bank	980.00	-

* Loan from Bank of Baroda is secured by first charge on the entire fixed assets of the company, present and future and second pari passu 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.

5. Other Long Term Liabilities	31.03.2015	Rs. in lacs 31.03.2014
Unsecured Loans		
From Bodies Corporate	290.00	290.00
Interest accrued and due	29.01	29.01
	319.01	319.01
Other Payable	2,117.45	1,670.00
	2,436.46	1,989.01

6. Short Term Borrowing-From Banks-Secured*	31.03.2015	Rs. in lacs 31.03.2014
Loan repayable on demand		
- Cash Credit/Packing Credit Accounts	6,622.53	7,280.01
- Working Capital Demand/Term Loan	3,100.00	2,200.00
	9,722.53	9,480.01

* 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.

7. Trade Payables	31.03.2015	Rs. in lacs 31.03.2014
Acceptances	3,492.23	3,227.57
Others	1,971.22	2,030.62
	5,463.45	5,258.19

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.

8. Other Current Liabilities	31.03.2015	Rs. in lacs 31.03.2014
Current maturities of long term loan	280.00	-
Interest accrued but not due on borrowings	24.37	10.85
Advance from Customers	261.07	330.67
Employees benefit liabilities	543.99	547.09
Unpaid Dividend	1.41	4.31
Fractional Share amount	0.12	0.12
Redemption of Preference Shares	0.56	0.56
Security Deposits	25.11	100.31
Others	1,230.88	987.04
	2,367.51	1,980.95

9. Short Term Provisions	31.03.2015	Rs. in lacs 31.03.2014
Short term employees benefits	442.55	348.40
Provision for taxation (net)	2.18	68.79
	444.73	417.19

10. Fixed Assets

Rs. In Lacs

	GROSS BLOCK AT COST / VALUATION				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 1 April 2014	Additions during the year	Sales / Adjust- ments during the year	As at 31 March 2015	As at 1 April 2014	For the year	On assets sold/ adjusted during the year	As at 31 March 2015	As at 31 March 2014	
Tangible Assets										
Freehold Land	2,590.98	-	(5.55)	2,585.43	-	-	-	2,585.43	2,590.98	
Leasehold Land	197.34	-	(164.33)	33.01	36.45	2.24	(32.85)	27.17	160.89	
Buildings	5,046.22	29.50	(250.81)	4,824.91	3,718.82	63.97	(69.41)	1,111.53	1,327.40	
Plant & Equipment	23,375.69	380.65	-	23,756.34	18,848.57	530.56	47.27	4,329.94	4,527.12	
Vehicles	74.28	1.66	-	75.94	66.56	0.99	1.18	7.21	7.72	
Furniture and Fixtures	89.09	0.56	-	89.65	81.44	1.52	0.36	6.33	7.65	
Office Equipments	198.50	2.38	-	200.88	184.93	1.65	7.94	6.36	13.57	
Total	31,572.10	414.75	(420.69)	31,566.16	22,936.77	600.93	(45.51)	8,073.97	8,635.33	
As at 31 March 2014	30,900.60	695.91	(24.41)	31,572.10	22,194.19	758.20	(15.62)	8,635.33		

Lease hold land relates to 12.27 acres & 21.60 acres of land at Beldanga & Choudwar taken on lease for a period of 99 years & 59 years in the year of 1993 & 2004 respectively

11. Non Current Investment (held at cost unless stated otherwise)

	Rs. in lacs	
	31.03.2015	31.03.2014
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		
Tata Global Beverages Limited., nil (previous year 25500) Equity Shares of Re.1 each	-	0.02
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 (previous year 20,000) Equity Shares of Rs. 100 each	6.79	43.25
A I C Properties Limited, 500 (previous year 5000) Equity Shares of Rs.10 each	0.50	5.00
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
Investment in Government Securities		
National Savings Certificate (VIII) Issue	-	0.04
	843.72	884.74
1) Aggregate amount of quoted investment	22.82	22.84
2) Aggregate market value of quoted investment	29.50	73.89
3) Aggregate amount of unquoted investment	820.90	861.90

12. Inventory		Rs. in lacs
(Please refer Note 1.5 for accounting policy for valuation)	31.03.2015	31.03.2014
Raw Materials	1,973.53	1,565.57
Work-in-Process	1,512.19	1,524.66
Finished Goods	10,201.73	10,400.88
Stock- in-Trade	2.51	32.65
Stores and Spares	874.09	901.95
Others	33.73	31.90
	14,597.78	14,457.61
1) Raw materials includes material in transit	-	9.07
2) Finished goods includes material in transit	116.15	157.04
3) Stock in Trade includes material in transit	-	32.65
		Rs. in lacs
13. Trade Receivables (Unsecured, considered good)	31.03.2015	31.03.2014
Outstanding for a period of above 6 months	101.99	195.68
Others	3,816.17	2,941.52
	3,918.16	3,137.20
		Rs. in lacs
14. Cash and Cash Equivalentents	31.03.2015	31.03.2014
Balance with banks	482.86	15.79
Cash in hand	25.42	8.60
	508.28	24.39
Balance with bank includes		
- in unpaid dividend account	1.41	4.31
- in redemption cum unpaid dividend account	0.56	0.56
- in fractional share account	0.12	0.12
- in fixed deposit account	410.69	-
		Rs. in lacs
15. Short Term Loans and Advances (Unsecured, considered good)	31.03.2015	31.03.2014
Deposit	75.35	45.44
Claim receivables	1,957.81	1,241.75
Prepaid expenses	56.79	59.53
Loan to employees	6.69	8.80
Other Loans and Advances	216.26	513.72
	2,312.90	1,869.24

Maximum outstanding balance of interest free loans to employees during the year Rs. 15.09 lacs (Previous year Rs.10.36 lacs)

	2014-15	Rs. in lacs 2013-14
16. Revenue from operations	2014-15	2013-14
Sale of Products, Services and Related Income	30,390.44	33,817.42
Less-Excise duty and Cess	212.80	297.21
	<u>30,177.64</u>	<u>33,520.21</u>
17. Other Income	2014-15	2013-14
Interest Income	-	226.20
Profit on sale of fixed assets	-	14.51
Insurance Claims	49.62	0.51
Dividend Income	1.36	2.53
Profit on sale of Investment	39.53	22.13
Rent Received	293.45	253.23
Miscellaneous Income	3.82	1.90
Liabilities no longer required written back	15.79	15.78
	<u>403.57</u>	<u>536.79</u>
18. Cost of Material Consumed	2014-15	2013-14
Jute, Flax Fibres and Other Materials	15,119.82	18,840.71
19. Changes in Inventories	2014-15	2013-14
Opening stock		
Finished Goods	10,400.88	9,263.53
Work-in-Process	1,524.66	1,330.88
Stock- in-Trade	32.65	-
	<u>11,958.19</u>	<u>10,594.41</u>
	(A)	
Closing Stock		
Finished Goods	10,201.73	10,400.88
Work-in-Process	1,512.19	1,524.66
Stock- in-Trade	2.51	32.65
	<u>11,716.43</u>	<u>11,958.19</u>
	(B)	
	(A-B)	(1,363.78)
20. Employees Benefits Expenses	2014-15	2013-14
Salaries, Wages and Bonus	7,337.78	7,977.70
Contribution to Provident and other Funds	997.96	1,074.34
Employees welfare expenses	62.29	75.83
	<u>8,398.03</u>	<u>9,127.87</u>

	<u>2014-15</u>	<u>Rs. in lacs</u> <u>2013-14</u>
21. Finance Cost		
Interest expenses		
Fixed loans	433.40	167.54
Others	801.26	778.52
	<u>1,234.66</u>	<u>946.06</u>

	<u>2014-15</u>	<u>Rs. in lacs</u> <u>2013-14</u>
22. Other Expenses		
Stores and spares consumed	980.70	1,063.62
Other Consumption	55.11	2.29
Power and fuel	1,890.05	2,131.70
Processing expenses	159.51	287.75
Repairs to building	24.43	15.75
Repairs to machinery	4.38	2.99
Repairs (others)	3.44	2.39
Insurance	96.82	103.52
Rates and Taxes	59.06	34.32
Export Freight	292.29	214.13
Transport and handling	921.33	1,160.02
Brokerage ,commission and export expenses	582.48	138.40
Bank charges	78.69	77.91
Discounting charges on export bills	50.93	54.48
Rent	20.32	33.98
Auditors Remuneration	3.75	3.00
Director's Fees	14.10	4.05
Miscellaneous expenses	436.89	408.78
	<u>5,674.28</u>	<u>5,739.08</u>

23. During the year 2014-15 Fixed Assets of Rs.56.95 lacs have been transferred to Stock-in-Trade in respect of Land measuring 27 Cottah and Building thereon belongs to Wellington Jute Mill Unit at Rishra and Leasehold Land measuring 12.27 Acres and Building thereon belongs to Beldanga Unit at Beldanga of the Company.

	<u>Year ended</u> <u>31.03.15</u>	<u>Rs. in lacs</u> <u>Year ended</u> <u>31.03.14</u>
24. Estimated amount of contract remaining to be executed on capital account not provided for	94.79	52.48

	Year ended 31.03.15	Rs. in lacs Year ended 31.03.14
25. Contingent liabilities in respect of:		
(i) a) Bank Guarantees	740.47	1,978.44
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	2057.63	693.10
d) Other claims not acknowledged as debt	733.44	485.93
e) Bills drawn on customers and discounted with banks and advances against collection	318.36	649.98
(ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs.74.56 lacs (previous year Rs. 58.18 lacs) including Dividend Distribution Tax Rs.12.42 lacs (previous year Rs. 8.45 lacs).		

26. Revenue from operations comprises of Sale of Jute / Jute diversified Products & Services Rs24,468.76 lacs (2013-14 - Rs. 27,852.45 lacs), Sale of Flax Products Rs.2,215.64 lacs (2013-14 - Rs. 2,839.52 lacs), Sale of Raw Jute Rs. 2,867.75 lacs (2013-14 -Rs. 2,595.19 lacs), Sale of Flax Fibre Rs. 173.48 lacs (2013-14 - Rs. 35.07 lacs) and Sales Related Income Rs.664.81 lacs (2013-14- Rs. 495.19 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.9,822.77 lacs (2013-14 - Rs. 8,493.80 lacs) Closing Stock Rs.9,477.60 lacs (2013-14 - Rs. 9,822.77 lacs).

Stock of Finished goods and in trade of Flax Products (Packed/ unpacked) Opening Stock Rs.610.76 lacs (2013-14 - Rs. 769.73 lacs) Closing Stock Rs. 726.64 lacs (2013-14 – Rs. 610.76 lacs).

	Rs. in lacs			
	Jute/ Jute diversified Products & Services		Flax Products	
	Year ended 31.03.15	Year ended 31.03.14	Year ended 31.03.15	Year ended 31.03.14
29. C.I.F. Value of imports during the year				
a) Raw Material	1686.63	2,255.36	1300.17	1,014.67
b) Component of Stores & Spares parts	-	-	46.35	43.70
c) Capital Goods	53.77	-	-	-

	Rs. in lacs	
	Year ended 31.03.15	Year ended 31.03.14
30. Expenditure in Foreign Currency - other matter	550.30	83.02

	Rs. In lacs	
	Year ended 31.03.15	Year ended 31.03.14
31. Earnings in Foreign Exchange		
(Export on FOB basis)		
(a) Jute/Jute diversified Products & Services	5,732.01	5,508.55
(b) Flax Products	63.34	86.86
	<u>5,795.35</u>	<u>5,595.41</u>

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

	2014-15		2013-14	
	% to total consumption	Rs.in lacs	% to total consumption	Rs.in lacs
Imported	13.45	1,495.14	19.10	2,846.09
Indigenous	86.55	9,622.79	80.90	12,054.29
	<u>100.00</u>	<u>11,117.93</u>	<u>100.00</u>	<u>14,900.38</u>
Value of Raw materials (Flax Fibre) and Stores & Spares consumed				
Imported	74.72	1,105.67	90.71	1,484.84
Indigenous	25.28	374.12	9.29	152.11
	<u>100.00</u>	<u>1,479.79</u>	<u>100.00</u>	<u>1,636.95</u>

33. Raw material consumed - i) Jute/Jute yarn Rs10,258.71 lacs (2013-14 - Rs. 13,984.06 lacs)
ii) Flax fibre, Rs. 1,358.31 lacs (2013-14 - Rs. 1,489.65 lacs).

34. Cost of materials consumed includes purchase of (i) Jute goods for Trading Rs..465.66 lacs (2013-14 - Rs. 753.16 lacs) and (ii) Raw materials for Trading Rs.3,037.14 lacs (2013-14 -Rs. 2,613.84 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	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Segment Revenue						
External Turnover	27,689.97	30,509.83	2,487.67	3,010.38	30,177.64	33,520.21
Other Income	362.64	285.93	0.04	-	362.68	285.93
Segment Result	231.72	406.32	313.37	376.38	545.09	782.70
Unallocated					40.89	24.66
Operating Profit					585.98	807.36
Finance Cost					1234.66	946.06
Interest Income					--	226.20
Income Taxes					(235.39)	(30.75)
Net Profit					(413.29)	118.25
Other Information						
Segment Assets	27,527.35	26,440.52	3,195.99	2,952.82	30,723.34	29,393.34
Unallocated					995.02	884.74
Total Assets					31,718.36	30,278.08
Segment Liabilities	20,148.16	17,802.14	1,264.34	1,254.42	21,412.50	19,056.56
Unallocated					2.18	175.77
Total Liabilities					21,414.68	19,232.33
Capital Expenditure	400.46	481.20	56.97	213.90	457.43	695.10
Depreciation	410.12	580.77	163.47	111.18	573.59	691.95
Amortization	-	0.14	12.25	12.25	12.25	12.39

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets Rs. in lacs

Particulars	Revenue		Sundry Debtors	
	31.03.15	31.03.14	31.03.15	31.03.14
India	24,501.06	28,263.11	3,642.78	2,943.96
Outside India	6,080.15	5,793.89	275.38	193.24
Total	<u>30,581.21</u>	<u>34,057.00</u>	<u>3,918.16</u>	<u>3,137.20</u>

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.

36. Deferred Tax:

	Rs. in lacs	
	Year ended 31.03.15	Year ended 31.03.14
(i) Liability at the beginning of the year	106.98	140.13
(ii) Assets for transitional provision for ascertainment of life of assets	(27.81)	-
(iii) Difference between book & tax depreciation	(0.27)	(33.15)
(iv) On carried forward losses as per Income Tax calculations	<u>(230.20)</u>	<u>-</u>
(v) Deferred Tax Liability / (Assets) at the end of the year	<u>(151.30)</u>	<u>106.98</u>

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	Subsidiary ceased from 19.05.14
Landale & Clark Ltd	"
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	"
Mr. Nirmal Pujara	Key Managerial Personnel

(b) Transaction during the year with related parties

Rs.in lacs

	Nature of Transactions (Excluding Reimbursement)	Subsidiary	Key Managerial Personnel	Others	Total
1	Revenue from Operations	-	-	5270.74	5270.74
		-	-	4190.70	4190.70
2	Other Income	-	-	1.20	1.20
		-	-	1.20	1.20
3	Purchases /Material Consumed	5.71	-	2834.03	2839.74
		20.99	-	8272.82	8293.81
4	Transport & Handling	-	-	81.89	81.89
		-	-	122.17	122.17
5	Payment to Key Managerial Personnel	-	44.15	-	44.15
		-	28.43	-	28.43
6	Rent	-	-	8.38	8.38
		3.15	-	18.71	21.86
7	Professional Fees	-	-	1.20	1.20
		-	-	1.20	1.20
8	Processing charges	-	-	0.66	0.66
		-	-	16.88	16.88
9	Finance Costs	-	-	0.20	0.20
		0.20	-	-	0.20
	Balances as on 31 March 2015				
1	Investments	812.20	-	7.39	819.59
		860.45	-	0.10	860.55
2	Trade Receivables	-	-	1308.87	1308.87
		-	-	329.74	329.74
3	Loans and Advances	-	-	3.22	3.22
		-	-	359.61	359.61
4	Trade Payables	26.69	-	101.15	127.84
		20.99	-	553.20	574.19
5	Other Payable	-	-	1920.00	1920.00
		-	-	1670.00	1670.00
6	Other Liabilities	-	-	268.61	268.61
		6.13	-	31.03	37.16

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

38. Auditors' Remuneration	Rs. in lacs	
	Year ended <u>31.03.15</u>	Year ended <u>31.03.14</u>
As Audit Fees	2.00	1.50
Tax Audit	0.45	0.35
Corporate Governance	0.15	0.12
Consolidated Financial Statement	0.15	0.13
Limited Review	<u>1.00</u>	<u>0.90</u>
	<u>3.75</u>	<u>3.00</u>

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

	Year ended <u>31.03.15</u>	Year ended <u>31.03.14</u>
a) Profit / (Loss) after Tax (Rs. in lacs)	(413.29)	118.25
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.)	(1.51)	0.43

40. Shalimar Units have been closed with due process of law. Operations at Yarn Unit at Konnagar continued to be under suspension. Working at Yarn Unit and Libra Carpet Unit at Choudwar have been suspended from 28 December 2005 and 1 May 2006 respectively. Weaving Unit at Konnagar is under suspension of work since 6 February 2014. The working at Weaving Unit at Rishra and Anglo-India Jute Mill (Middle Mill) at Jagatdal have been temporarily suspended from 23 May 2015 and 26 May 2015 respectively. 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 Yarn and Weaving Units at Konnagar, Beldanga, Shalimar and Kankinara Units at West Bengal and Libra Carpet and Yarn Units at Choudwar, Odisha.

43. The Company has received consent from shareholders on 14 March 2014 by way of postal ballot, for sale of one of the undertakings namely Anglo-India Jute Mill (Middle Mill) located at Jagatdal, District. 24 Parganas (North), West Bengal. The matter is under process.

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 one unit of the company 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.

45. In respect of the fire occurred on 21 January 2011 at Wellington Jute Mill, Rishra, the adjustment has been made to the accounts to the extent of estimated loss of goods – 565 MT – Rs.388.36 lacs during the year.

46. 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. The suits (six in nos) are pending adjudication and trial before the Hon'ble High Court at Calcutta.

47. 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.

48. 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 D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board
G. Goswami } Directors
N. Pujara }

**INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED ACCOUNTS
TO THE BOARD OF DIRECTORS OF AI CHAMPDANY INDUSTRIES LIMITED
Report on the Consolidated Financial Statements for the year ended 31 March 2015**

A. We have audited the attached Consolidated Balance Sheet of AI Champdany Industries Limited, and its subsidiary, ("the group") as at 31 March 2015, the Consolidated Profit & Loss Account 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 thereon and attached thereto and the statement on Significant Accounting Policies, *subject to the notes to the Accounts regarding the matters set out in para H below*, give a true and fair view in conformity with 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 2015.
 - b) In the case of the Consolidated Profit & Loss Account of the Consolidated Results of operation of the group for the year then ended and
 - c) In 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 statements of the subsidiary, whose financial statements reflect total assets (net) of Rs.842.70 lacs as at 31 March 2015 and total loss (net) of Rs.18.56 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 April 1997 to 31 March 2007 in respect of one unit of the company, as referred to in Note 36 to the Accounts; **

*relates to erstwhile Anglo India Jute Mills Company Ltd.

Place: Kolkata
Date:30 May 2015

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

AI CHAMPDANY INDUSTRIES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2015

Rs. in lacs

	Notes	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	1,991.76	1,991.76
Reserves and Surplus	3	8,345.53	9,110.85
Non - Current Liabilities			
Long Term Borrowings	4	980.00	-
Deferred Tax Liabilities (Net)		-	106.98
Other Long Term Liabilities	5	2,436.46	1,989.01
Current Liabilities			
Short Term Borrowings	6	9,722.53	9,480.01
Trade Payables	7	5,458.85	5,510.20
Other Current Liabilities	8	2,371.61	1,996.81
Short Term Provisions	9	442.66	404.65
TOTAL		31,749.40	30,590.27
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	10(a)	8,906.95	9,472.71
Intangible Assets	10(b)	7.36	32.72
Assets in Bangladesh		-	4.30
Capital work in progress		1,312.25	1,269.57
Non Current Investments	11	33.47	44.48
Deferred Tax Asset (Net)		151.30	-
Current Assets			
Inventories	12	14,597.78	14,457.61
Trade Receivables	13	3,918.16	3,287.93
Cash and Cash Equivalents	14	508.35	25.74
Short Term Loans and Advances	15	2,313.78	1,995.21
TOTAL		31,749.40	30,590.27
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.

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board

G. Goswami }
N. Pujara } Directors

AI CHAMPDANY INDUSTRIES LIMITED
STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2015

Rs. in lacs

	Notes	2014-15	2013-14
INCOME			
Revenue from Operations	16	30,177.64	33,577.34
Other Income	17	410.35	538.46
		30,587.99	34,115.80
EXPENSES			
Cost of Materials Consumed	18	15,119.62	18,865.42
Changes in Inventories of Finished Goods, Work-in Progress and Stock in Trade	19	241.76	(1,363.78)
Employee Benefits Expenses	20	8,398.23	9,130.47
Finance Cost	21	1,234.66	945.86
Depreciation and Amortization Expenses	10	606.37	763.68
Less: Depreciation on Amount Added On Revaluation		(27.34)	(66.25)
Less: Recoupment from Capital Reserves		(12.25)	(12.39)
Other Expenses	22	5,694.54	5,757.03
		31,255.59	34,020.04
Profit / (Loss) Before Exceptional Items		(667.60)	95.76
Exceptional Items		-	-
Profit / (Loss) Before Tax		(667.60)	95.76
Tax Expenses			
Current Tax/MAT		2.40	21.23
Tax for prior years		(7.65)	5.78
Deferred Tax(Asset)		(230.47)	(33.15)
MAT Credit Available		-	(18.41)
Profit / (Loss) After Tax		(431.88)	120.31
Earnings per share(face value of Rs 5 each)			
Basic and Diluted(Rs)		(1.58)	0.44
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.

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board

G. Goswami }
N. Pujara } Directors

AI CHAMPDANY INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015

Rs. in lacs

	2014-15		2013-14
A. Cash flow from Operating activities :			
Profit/(Loss) before Taxation		(667.60)	95.76
Add:- Adjustments for :			
Depreciation and Amortisation	566.78		685.04
Dividend from Investments	(1.36)		(2.53)
Profit on sale of Investment	(39.53)		(22.13)
Interest and Finance Charges	1,234.66		945.86
Interest Income	(0.72)		(226.24)
Surplus (Net) on disposal of Fixed Assets	-		(14.51)
		1,759.83	1,365.49
Operating Profit before Working Capital Changes		1,092.23	1,461.25
Add/(Less):- Adjustments for :			
(Increase)/Decrease in Inventories	(140.18)		(1,100.93)
(Increase)/Decrease in Trade and Other Receivables	(991.26)		(611.90)
(Decrease)/Increase in Trade Payables and other Liabilities	622.87		1,609.27
		(508.57)	(103.56)
Cash Generated from Operations :		583.66	1,357.69
Direct Taxes paid	(63.45)		(32.84)
Interest Paid	(1,222.51)		(936.25)
		(1,285.96)	(969.09)
Net Cash from / (used in) Operating Activities		(702.30)	388.60
B. Cash flow from Investing Activities :			
Purchase of Fixed Assets	(457.43)		(695.10)
Sale /Adjustment of Fixed Assets	56.95		23.30
Sale/Adjustment of Investment	80.55		28.38
Interest Received	0.72		226.24
Dividend Received	1.36		2.53
Cash Subsidy Received	1.23		-
Net Cash from / (used in) Investing Activities		(316.62)	(414.65)
C. Cash flow from Financing Activities :			
Proceeds from Share Capital/Warrants	-		412.51
Proceeds from Loans	1,400.00		-
Repayments of Loans	(140.00)		(351.99)
Increase / (Decrease) in Bank Borrowings	242.52		(171.16)
Net Cash from / (used in) Financing Activities		1,502.52	(110.64)
Net increase / (decrease) in Cash and Cash Equivalents (A-B-C)		483.60	(136.69)
Cash and Cash Equivalents as at 1 April 2014		25.74	162.43
Adjustment on Consolidation		(0.99)	-
Adjusted Cash and Cash Equivalents as at 1 April 2014		24.75	162.43
Cash and Cash Equivalents as at 31 March 2015		508.35	25.74
In terms of our report of even date attached For D.P. Sen & Co. Chartered Accountants FRN 301054E S. K. Nayak Partner Membership No.58711 Kolkata, 30 May 2015		On behalf of the Board G. Goswami } N. Pujara } Directors	
	Swaroop Saha Company Secretary & Compliance Officer	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 of 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		
2.1		Par Value	31.03.2015	31.03.2014
		Rs.		
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
			<u>3,500.00</u>	<u>3,500.00</u>
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
			<u>1,991.76</u>	<u>1,991.76</u>

2.2 2,683,045 equity shares has been allotted on 15.05.2013 and 2,204,786 equity shares has been allotted on 25.09.2012 to promoter group companies on preferential 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 allotted 22,00,000 7% Cumulative Preference Shares of Rs 10 each on 25.09.2004. which are redeemable at par on or before the expiring of 20 years from the date of allotment has been redeemed during the year 2012-13. The company has allotted 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 allotment 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		2% Cumulative Preference	
	Rs 5 each	Rs. in lacs	shares Rs 5 each	Rs. in lacs
Outstanding as at April1,2013	2,47,37,786	1,236.89	1,24,14,353	620.72
Issued and Alloted during the Previous Year	26,83,045	134.15	-	-
Outstanding as at March31/April1,2014	2,74,20,831	1,371.04	1,24,14,353	620.72
Issued and Alloted during the Year	-	-	-	-
Outstanding as at March 31,2015	2,74,20,831	1,371.04	1,24,14,353	620.72

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

	31.03.2015		31.03.2014	
	No of Shares	% Holding	No of Shares	% Holding
I. Equity Shares of Rs 5 each				
Aldgate International S A	42,66,666	15.56	42,66,666	15.56
Blancatex A G	42,66,666	15.56	42,66,666	15.56
Rishra Investments Ltd	38,37,952	14.00	38,37,952	14.00
Shibir India Ltd	29,51,595	10.76	29,51,595	10.76
Damodardas Jerambhai Wadhwa	26,45,642	9.65	26,45,642	9.65
Amar Investments Ltd	25,45,599	9.28	25,45,619	9.28
Canara Bank	19,49,332	7.11	19,49,332	7.11
II. 2% Cumulative Preference Shares of Rs 5 each				
G Jerambhai Exports Ltd	30,61,905	24.66	49,27,605	39.69
Damodardas Jerambhai Wadhwa	26,45,642	21.31	26,45,642	21.31
Canara Bank	19,49,332	15.70	19,49,332	15.70
V B Seva Trust	18,65,700	15.03	-	-
Gordhandas Jerambhai Wadhwa	11,89,300	9.58	11,89,300	9.58

3. Reserves and Surplus

	Rs. in lacs					
	01.04.2013	Adjustment during the previous year	31.03.2014	Adjustment on consolidation	Adjustment during the year	31.03.2015
Security Premium Reserve	2,805.74	415.87	3,221.61	-	-	3,221.61
Capital Reserve	46.98	(12.39)	34.59	(10.08)	(11.02)	13.49
Capital Redemption Reserve	140.00	115.00	255.00	(5.00)	-	250.00
Revaluation Reserve	2,721.73	(66.25)	2,655.48	-	(255.57)	2,399.91
General Reserve	2,887.66	-	2,887.66	-	(62.19)	2,825.47
Deferred Tax Reserve	8.53	-	8.53	-	-	8.53
Surplus	42.67	5.31	47.98	10.42	(431.88)	(373.48)
	8,653.31	457.54	9,110.85	(4.66)	(760.66)	8,345.53

4. Long Term Borrowing-Secured *

	Rs. in lacs	
	31.03.2015	31.03.2014
From Bank	980.00	-

*Loan from Bank of Baroda is secured by first charge on the entire fixed assets of the company, present and future and second pari passu 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.

5. Other Long Term Liabilities	Rs. in lacs	
	31.03.2015	31.03.2014
Unsecured Loans		
From Bodies Corporate	290.00	290.00
Interest accrued and due	29.01	29.01
	319.01	319.01
Other Payable	2,117.45	1,670.00
	2,436.46	1,989.01

6. Short Term Borrowing-From Banks-Secured*	Rs. in lacs	
	31.03.2015	31.03.2014
Loan repayable on demand		
- Cash Credit/Packing Credit Accounts	6,622.53	7,280.01
- Working Capital Demand/Term Loan	3,100.00	2,200.00
	9,722.53	9,480.01

* 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.

7. Trade Payables	Rs. in lacs	
	31.03.2015	31.03.2014
Acceptances	3,492.23	3,227.57
Others	1,966.62	2,282.63
	5,458.85	5,510.20

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.

8. Other Current Liabilities	Rs. in lacs	
	31.03.2015	31.03.2014
Current maturities of long term loan	280.00	-
Interest accrued but not due on borrowings	24.37	10.85
Advance from Customers	261.07	330.67
Employees benefit liabilities	543.99	547.29
Unpaid Dividend	1.41	4.31
Fractional Share amount	0.12	0.12
Redemption of Preference Shares	0.56	0.81
Security Deposits	25.11	115.91
Others	1,234.98	986.85
	2,371.61	1,996.81

9. Short Term Provisions	Rs. in lacs	
	31.03.2015	31.03.2014
Short term employees benefits	442.56	348.40
Provision for taxation (net)	0.10	56.25
	442.66	404.65

10. FIXED ASSETS

Rs. in lacs

	GROSS BLOCK AT COST / VALUATION					DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 1 April 2014	Additions during the year	Sales / Adjustments during the year	As at 31 March 2015	As at 1 April 2014	For the year	On assets sold/ adjusted during the year	As at 31 March 2015	As at 31 March 2014	
10(a)	Tangible Assets									
	3,172.27	-	(5.55)	3,166.72	-	-	-	3,166.72	3,172.27	
	197.34	-	(164.33)	33.01	36.45	2.24	(32.85)	27.17	160.89	
	5,315.18	29.50	(242.30)	5,102.38	3,731.69	68.36	(60.89)	1,363.22	1,583.49	
	23,376.44	380.65	(0.75)	23,756.34	18,849.32	530.56	46.52	4,329.94	4,527.12	
	74.28	1.66	-	75.94	66.56	0.99	1.18	7.21	7.72	
	89.66	0.56	(0.57)	89.65	82.01	1.52	(0.21)	6.33	7.65	
	198.50	2.38	-	200.88	184.93	1.65	7.94	6.36	13.57	
	32,423.67	414.75	(413.50)	32,424.92	22,950.96	605.32	(38.31)	8,906.95	9,472.71	
	31,752.17	695.91	(24.41)	32,423.67	22,204.14	762.44	(15.62)	9,472.71		
10(b)	Intangible Assets									
	26.41	-	(23.25)	3.16	-	-	-	3.16	26.41	
	12.39	-	(1.89)	10.50	6.08	1.05	(0.83)	4.20	6.31	
	38.80	-	(25.14)	13.66	6.08	1.05	(0.83)	7.36	32.72	
	38.80	-	-	38.80	4.84	1.24	-	32.72		

Lease hold land relates to 12.27 acres & 21.60 acres of land at Beldanga & Choudwar taken on lease for a period of 99 years & 59 years in the year of 1993 & 2004 respectively

		Rs. in lacs	
		31.03.2015	31.03.2014
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) 1,63,592 Equity Shares of Rs 10 each in, Re.1 (previous year Re.1)	-	-
	Other Investment		
	Investment in Equity Instruments fully paid		
	Quoted		
	Tata Global Beverages Limited, nil (previous year 25,500) Shares of Re.1 each	-	0.02
	UCO Bank Limited, 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
	Oriental Carbon & Chemicals Limited, nil (previous year 15) Equity Shares of Rs. 10 each		0.01
	RPG Cables Limited, nil (previous year 21) Equity Shares of Rs. 10 each Rs. nil (previous year Rs 300)	-	-
	Basanti Cotton Mills Limited, nil (previous year 10) Equity Shares of Rs 10 each Rs nil (previous year Rs 73)	-	-
	Unquoted		
	West Bengal Multifiber Jute Park Limited, 9,000 Equity Shares of Rs.10 each	0.90	0.90
	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
	Volga Investments Limited, nil (previous year 58,170) Shares of Rs.10 each	-	5.82
	Preoption Investments Limited, nil (previous year 120,670) Shares of Rs.10 each	-	12.07
	Landale & Clark Limited 3,140 Shares of Rs. 100 each	6.79	-
	A I C Properties Limited, 500 Shares of Rs. 10 each	0.50	-
	Naffar Chandra Jute Mills Limited, 50,000 Shares of Rs. 10 each	0.10	0.10
	Woodlands Multispeciality Hospital Ltd. 3600 (previous year 4380) 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
	Investment in Preference Shares fully paid		
	Chitrakoot Investments Limited, nil (previous year 40), 11% Cumulative Redeemable Preference Shares of Rs 100 each	-	0.04
	Volga Investments Limited.,nil (previous year 100), 11% Cumulative Redeemable Preference Shares of Rs 100 each	-	0.10
	C/F	33.47	44.24

	31.03.2015	Rs. in lacs 31.03.2014
C/F	33.47	44.24
Disciplined Investments Limited., nil (previous year 100), 11% Cumulative Redeemable Preference Shares of Rs 100 each	-	0.10
Preoption Investments Limited., nil (previous year 100), 11% Cumulative Redeemable Preference Shares of Rs 100 each	-	0.10
Investment in Government Securities National Savings Certificate (VIII) Issue	-	0.04
	<u>33.47</u>	<u>44.48</u>
1) Aggregate amount of quoted investment	22.82	22.85
2) Aggregate market value of quoted investment	29.50	73.91
3) Aggregate amount of unquoted investment	10.65	21.63

12. Inventory (Please refer Note 1.5 for accounting policy for valuation)

	31.03.2015	Rs. in lacs 31.03.2014
Raw Materials	1,973.53	1,565.57
Work-in-Process	1,512.19	1,524.66
Finished Goods	10,201.73	10,400.88
Stock- in-Trade	2.51	32.65
Stores and Spares	874.09	901.95
Others	33.73	31.90
	<u>14,597.78</u>	<u>14,457.61</u>
1) Raw material includes material in transit	-	9.07
2) Finished goods includes material in transit	116.15	157.04
3) Stock in Trade includes material in transit	-	32.65

13. Trade Receivables (Unsecured)

	31.03.2015	Rs. in lacs 31.03.2014
Outstanding for a period of above 6 months		
Considered good	101.99	218.05
Doubtful	-	5.31
	<u>101.99</u>	<u>223.36</u>
Others	3,816.17	3,064.57
	<u>3,918.16</u>	<u>3,287.93</u>

14. Cash and Cash Equivalents

	31.03.2015	Rs. in lacs 31.03.2014
Balance with banks	482.90	17.08
Cash in hand	25.45	8.66
	<u>508.35</u>	<u>25.74</u>
Balance with bank includes		
- in unpaid dividend account	1.41	4.31
- in redemption cum unpaid dividend account	0.56	0.81
- in fractional share account	0.12	0.12
in fixed deposit account	410.69	-

15. Short Term Loans and Advances (Unsecured, considered good)	31.03.2015	Rs. in lacs 31.03.2014
Deposit	76.13	46.34
Deposits with companies	-	47.40
Claim receivables	1,957.81	1,241.75
Prepaid expenses	56.79	59.53
Loan to employees	6.75	9.02
Other Loans and Advances	216.30	591.17
	<u>2,313.78</u>	<u>1,995.21</u>

Maximum outstanding balance of interest free loans to employees during the year Rs. 15.15 lacs (Previous year Rs.10.58 lacs)

16. Revenue from operations	2014-15	Rs. in lacs 2013-14
Sale of Products, Services and Related Income	30,390.44	33,874.55
Less-Excise duty and Cess	212.80	297.21
	<u>30,177.64</u>	<u>33,577.34</u>

17. Other Income	2014-15	Rs. in lacs 2013-14
Interest Income	0.72	226.24
Profit on sale of fixed assets	-	14.51
Insurance Claims	49.62	0.51
Dividend Income	1.36	2.53
Profit on sale of Investment	39.53	22.13
Rent Received	293.45	254.76
Miscellaneous Income	6.13	1.90
Liabilities no longer required written back	19.54	15.88
	<u>410.35</u>	<u>538.46</u>

18. Cost of Material Consumed	2014-15	Rs. in lacs 2013-14
Jute, Flax Fibres and Other Materials	15,119.62	18,865.42

19. Changes in Inventories	2014-15	Rs. in lacs 2013-14
Opening stock		
Finished Goods	10,400.88	9,263.53
Work-in-Process	1,524.66	1,330.88
Stock-in-Trade	32.65	-
	<u>11,958.19</u>	<u>10,594.41</u>
Closing Stock		
Finished Goods	10,201.73	10,400.88
Work-in-Process	1,512.19	1,524.66
Stock- in-Trade	2.51	32.65
	<u>11,716.43</u>	<u>11,958.19</u>
	(A-B)	(1,363.78)

20. Employees Benefits Expenses	2014-15	2013-14
	<u>2014-15</u>	<u>2013-14</u>
Salaries, Wages and Bonus	7,337.78	7,979.60
Contribution to Provident and other Funds	997.96	1,074.64
Employees welfare expenses	62.49	76.23
	<u>8,398.23</u>	<u>9,130.47</u>
21. Finance Cost		Rs. in lacs
	<u>2014-15</u>	<u>2013-14</u>
Interest expenses	433.40	167.54
Fixed loans	801.26	778.32
Others	<u>1,234.66</u>	<u>945.86</u>
22. Other Expenses		Rs. in lacs
	<u>2014-15</u>	<u>2013-14</u>
Stores and spares consumed	980.70	1,063.62
Other Consumption	55.11	2.29
Power and fuel	1,894.72	2,136.23
Processing expenses	159.51	287.75
Repairs to building	24.43	15.75
Repairs to machinery	4.38	2.99
Repairs (others)	4.08	2.39
Insurance	97.32	104.06
Rates and Taxes	62.28	39.75
Export Freight	292.29	214.13
Transport and handling	921.33	1,160.02
Brokerage ,commission and export expenses	582.48	138.40
Bank charges	78.69	77.95
Discounting charges on export bills	50.93	54.48
Rent	20.33	30.98
Auditors Remuneration	3.81	3.20
Director's Fees	14.13	4.09
Miscellaneous expenses	448.02	418.95
	<u>5,694.54</u>	<u>5,757.03</u>

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 is drawn upto the same reporting date as that of parent company i.e. 31 March 2015.

25. During the year 2014-15 Fixed Assets of Rs.56.95 lacs have been transferred to Stock-in-Trade in respect of Land measuring 27 Cottah and Building thereon belongs to Wellington Jute Mill Unit at Rishra and Leasehold Land measuring 12.27 Acres and Building thereon belongs to Beldanga Unit at Beldanga of the Company.

	<u>Rs. in lacs</u>	
	Year ended 31.03.15	Year ended 31.03.14
26. Estimated amount of contract remaining to be executed on capital account not provided for	94.79	52.48

27. i) Contingent liabilities in respect of:

	<u>Rs. in lacs</u>	
	Year ended 31.03.15	Year ended 31.03.14
a) Bank Guarantees	740.47	1978.44
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	2057.63	693.10
d) Other claims not acknowledged as debt	733.44	485.93
e) Bills drawn on customers and discounted with banks and advances against collection	318.36	649.98

ii) Dividend on Cumulative Preference Shares are in arrears since 30 March 2010, Rs.74.56 lacs (previous year Rs. 58.18 lacs) including Dividend Distribution Tax Rs.12.42lacs (previous year Rs. 8.45 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

<u>Particulars</u>	<u>Rs. in lacs</u>					
	<u>Jute/Jute diversified products & Services</u>		<u>Flax Products</u>		<u>Total</u>	
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Segment Revenue						
External Turnover	27,689.97	30,566.96	2,487.67	3,010.38	30,177.64	33,577.34
Other Income	368.70	287.56	0.04	-	368.74	287.56
Segment Result	212.08	414.34	313.37	376.38	525.45	790.72
Unallocated					40.89	24.66
Operating Profit					566.34	815.38
Finance Cost					1234.66	945.86
Interest Income					0.72	226.24
Income Taxes					(235.72)	(24.55)
Net Profit/ (Loss)					(431.88)	120.31

<u>Particulars</u>	<u>Rs. in lacs</u>					
	<u>Jute/Jute diversified products & Services</u>		<u>Flax Products</u>		<u>Total</u>	
	<u>31.03.15</u>	<u>31.03.14</u>	<u>31.03.15</u>	<u>31.03.14</u>	<u>31.03.15</u>	<u>31.03.14</u>
Other Information						
Segment Assets	28,368.64	27,592.97	3,195.99	2,952.82	31,564.63	30,545.79
Unallocated					184.77	44.48
Total Assets					31,749.40	30,590.27
Segment Liabilities	20,147.67	18,070.01	1,264.34	1,254.42	21,412.01	19,324.43
Unallocated					0.10	163.23
Total Liabilities					21,412.11	19,487.66
Capital Expenditure	400.46	481.20	56.97	213.90	457.43	695.10
Depreciation	415.56	586.25	163.47	111.18	579.03	697.43
Amortization	-	0.14	12.25	12.25	12.25	12.39

B. Information about Secondary Segments

a) Revenue & Sundry Debtors as per Geographical Markets

<u>Particulars</u>	<u>Rs. in lacs</u>			
	<u>Revenue</u>		<u>Sundry Debtors</u>	
	<u>31.03.15</u>	<u>31.03.14</u>	<u>31.03.15</u>	<u>31.03.14</u>
India	24,507.84	28,321.91	3,642.78	3,094.69
Outside India	6,080.15	5,793.89	275.38	193.24
Total	30,587.99	34,115.80	3,918.16	3,287.93

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:

	<u>Rs. in lacs</u>	
	<u>Year ended 31.03.15</u>	<u>Year ended 31.03.14</u>
(i) Liability at the beginning of the year	106.98	140.13
(ii) Assets for transitional provision for ascertainment of life of assets	(27.81)	-
(iii) Difference between book & tax depreciation	(0.27)	(33.15)
(iv) On carried forward losses as per Income Tax calculations	(230.20)	-
(v) Deferred Tax Liability / (Assets) at the end of the year	(151.30)	106.98

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:

<u>Parties</u>	<u>Relationship</u>
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	"

Parties

Eastern Services Ltd
 Baidyabati Industries Ltd
 West Bengal Multifibre Jute Park Ltd
 JerambhaiSeva Trust
 V B Seva Trust
 AIC Properties Ltd
 Landale& Clark Ltd
 Mr. Nirmal Pujara

Relationship

Others
 “
 “
 “
 “
 “
 “
 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	-	5270.74	5270.74
		-	4190.70	4190.70
2	Other Income	-	1.20	1.20
		-	1.20	1.20
3	Purchases /Material Consumed	-	2834.03	2834.03
		-	8272.82	8272.82
4	Transport & Handling	-	81.89	81.89
		-	122.17	122.17
5	Payment to Key Managerial Personnel	44.15	-	44.15
		28.43	-	28.43
6	Rent	-	8.38	8.38
		-	18.71	18.71
7	Professional Fees	-	1.20	1.20
		-	1.20	1.20
8	Processing charges	-	0.66	0.66
		-	16.88	16.88
9	Finance Costs	-	0.20	0.20
		-	-	-
	Balances as on 31 March 2015			
1	Investments	-	7.39	7.39
		-	0.10	0.10
2	Trade Receivables	-	1308.87	1308.87
		-	329.74	329.74
3	Loans and Advances	-	3.22	3.22
		-	359.61	359.61
4	Trade Payables	-	101.15	101.15
		-	553.20	553.20
5	Other Payable	-	1920.00	1920.00
		-	1670.00	1670.00
6	Other Liabilities	-	268.61	268.61.00
		-	31.03	31.03

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

	Rs. in lacs	
32. Auditors' Remuneration	Year ended 31.03.15	Year ended 31.03.14
As Audit Fees	2.06	1.70
Tax Audit	0.45	0.35
Corporate Governance	0.15	0.12
Consolidated Financial Statement	0.15	0.13
Limited Review	1.00	0.90
	3.81	3.20

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 Yarn and Weaving Units at Konnagar, Beldanga, Shalimar and Kankinara Units at West Bengal and Libra Carpet and Yarn Units at Choudwar, Odisha.
34. Shalimar Units have been closed with due process of law. Operations at Yarn Unit at Konnagar continued to be under suspension. Working at Yarn Unit and Libra Carpet Unit at Choudwar have been suspended from 28 December 2005 and 1 May 2006 respectively. Weaving Unit at Konnagar is under suspension of work since 6 February 2014. The working at Weaving Unit at Rishra and Anglo-India Jute Mill (Middle Mill) at Jagatdal have been temporarily suspended from 23 May 2015 and 26 May 2015 respectively. 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 one unit of the company 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.
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 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. The suits (six in nos) are pending adjudication and trial before the Hon'ble High Court at Calcutta.
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. The Company has received consent from shareholders on 14 March 2014 by way of postal ballot, for sale of one of the undertakings namely Anglo-India Jute Mill (Middle Mill) located at Jagatdal, District. 24 Parganas (North), West Bengal. The matter is under process.

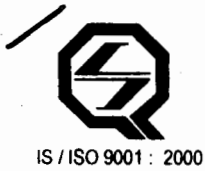
40. Previous year's figures have been rearranged / reclassified / regrouped wherever necessary and to make it in conformatory with the amended Schedule III to the Companies Act, 2013.

For D.P. Sen & Co.
Chartered Accountants
FRN 301054E
S. K. Nayak
Partner
Membership No.58711
Kolkata, 30 May 2015

Swaroop Saha
Company Secretary &
Compliance Officer

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

On behalf of the Board
G. Goswami }
N. Pujara } Directors



AI CHAMPDANY INDUSTRIES LIMITED

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

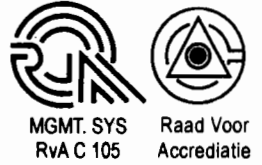
25, PRINCEP STREET, KOLKATA - 700 072, INDIA

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G.P.O. BOX NO. 543, KOLKATA - 700 001

CIN : L51909WB1917PLC002767

E-mail : cil@ho.champdany.co.in Web : www.jute-world.com



**Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001**

Dear Sir/ Madam,

Kindly find the Form B given hereunder for your record.

FORM B

1.	Name of the Company:	AI Champdany Industries Limited
2.	Annual financial statements for the year ended	31st March 2015
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	Repetitive for the last nine years
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>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 no. 44 to the Accounts (Refer page no. 49 of the Annual Report)</p> <p>Qualified opinion by the Auditors in their report have been adequately dealt with in the Report of the Directors vide page no. 4 of our Annual Report, which is explained hereunder :</p> <p>The Company is providing Gratuity Liability on accrual basis for all of its units and only in respect of one unit i.e. Anglo India Jute Mill (Middle Mill), Jagatdal, it was accounted on cash basis for the intervening period of 1996-97 to 2006-07 as explained in note no 44 to the Full Accounts and Note No. 11 to the Abridged Accounts.</p>



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Accreditatie

6.	Additional comments from the	Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in books of accounts on accrual basis based on actuarial valuation except for gratuity for one unit of the Company unit i.e. Anglo India Jute Mill (Middle Mill), Jagatdal 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.
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N. Pujara
(Managing Director)

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


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