

PUDUMJEE INDUSTRIES LIMITED



PUDUMJEE

**Annual Report
2014 - 2015**

PUDUMJEE INDUSTRIES LIMITED

DIRECTORS :

VINOD KUMAR JATIA (Chairman)
A. S. DAYAL
R. C. SARAF
A. K. SOMANY
G. N. JAJODIA (Executive Director)
R. P. SHROFF
VASUDHA JATIA (w.e.f 17.01.2015)

BANKERS :

STATE BANK OF INDIA
IDBI BANK LIMITED
BANK OF INDIA
AXIS BANK LIMITED

SOLICITORS :

KANGA & COMPANY

AUDITORS :

KHARE & COMPANY

REGISTERED OFFICE :

THERGAON, PUNE – 411 033

REGISTRAR & TRANSFER AGENTS :

SATELLITE CORPORATE SERVICES PRIVATE LTD.
B-302, SONY APARTMENT,
OPP. ST. JUDE HIGH SCHOOL,
OFF ANDHERI KURLA ROAD,
JARIMARI, SAKINAKA,
MUMBAI - 400 072

Demat Stock code : INE105C01023

EQUITY SHARES ARE LISTED AT :

BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED.,
MUMBAI.

NOTICE

The Fiftieth Annual General Meeting of the Shareholders of **PUDUMJEE INDUSTRIES LIMITED** will be held at the Registered Office of the Company at Thergaon, Pune 411 033 on Monday, the 21st day of September, 2015 at 9.00 a.m. (ST) to transact the following business:

- 1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015, including the Audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. G. N. Jajodia (DIN: 00064611), who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:
"RESOLVED THAT pursuant to section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the appointment of Messrs Khare & Company, Chartered Accountants (ICAI Firm Registration Number 105100W), the Auditors of the Company from the conclusion of this Meeting till the conclusion of 51st Annual General Meeting of the Company be and is hereby ratified on such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of Audit Committee".

SPECIAL BUSINESS

- 4) To appoint a Director in place of Ms. Vasudha Jatia who was appointed as an Additional Director of the Company with effect from 17th January, 2015 pursuant to Section 161 of the Companies Act, 2013 and Article 126 of the Articles of Association and holds office only upto the date of this Annual General Meeting by reason of the provisions of Section 161 of the Companies Act, 2013 and being eligible offer herself for appointment and in respect of whom the Company has received a Notice in writing from a member proposing her candidature to the office of Director in accordance with the provisions of Section 160 of the Companies Act, 2013 and, if thought fit, to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Ms. Vasudha Jatia (DIN: 06725426), who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director be and is hereby appointed as a Director of the Company, liable to retire by rotation".
- 5) To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution.
"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and subject to such approvals, sanctions as may be necessary, and in accordance with the Ordinary Resolution passed by the Shareholders at their Annual General Meeting held on 15th September, 2014, consent of the Company be and is hereby accorded to following revised remuneration payable to Mr. G. N. Jajodia (DIN: 00064611), the Executive Director of the Company, with effect from 1st April, 2015 till the remaining period of his tenure i.e., upto 31st August, 2018, the other provisions of the said Ordinary Resolution remaining unaltered:
(a) Remuneration at the rate of ₹ 3,10,000/- per month including Dearness Allowance;
AND THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year."

PUDUMJEE INDUSTRIES LIMITED

- 6) To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution.

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to Section 73(2) and 76 of the Companies Act, 2013 ("the Act" which term includes any amendment or modification or re-enactment thereof) and other applicable provisions of the said Act or other laws and subject to conditions laid down in those provisions and the Companies (Acceptance of Deposit) Rules, 2014, to invite and accept deposits from the members of the Company on such terms and conditions as the Board may decide, so however that the borrowing by way of fixed deposits, as above, shall not exceed the limits laid down under the Companies (Acceptance of Deposits) Rules, 2014 in force and as amended from time to time".

Notes:

1. The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of Item Nos. 4 to 6 is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the meeting.

3. The Register of Members and Share Transfer Books of the Company will be closed from Tuesday, the 15th day of September, 2015 to Monday, the 21st day of September, 2015, both days inclusive.

4. Under the Companies Act, 1956 and 2013, dividends that are unclaimed for a period of seven years are required to be transferred to The Investor Education and Protection Fund (IEPF) administered by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 15th September, 2014 (date of last Annual General Meeting) on the website of the Company (www.pudumjeeindustries.com), as also on the website of the Ministry of Corporate Affairs.

As such, shareholders, who have not so far en-cashed dividend warrants of earlier years are requested to, immediately, return the outdated warrants to the Company or write to us to enable the Company to issue duplicate warrants/demand drafts in lieu thereof.

5. As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

6. Members/proxies are requested to bring their copies of annual reports to the meeting.

7. Pursuant to Rule 18 (1) of the Companies (Management and Administration) Rules 2014, the Company needs to send the Notice, Annual Reports electronically on the email addresses as obtained by Company/Depositories/Registrar and Share Transfer Agents.

If you are holding shares of the Company in dematerialized form and already registered your e-mail id, you would be receiving the Notice of General Meeting/Postal Ballot, Annual report and other communication to shareholders by electronic mode.

The members who hold shares in physical mode and have not got their e-mail id recorded or updated a fresh e-mail can request the Company to received Notices of General Meeting/Postal Ballot, Annual Report and other communication to shareholders by electronic mode.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of shares held in dematerialized form) or with Company's Registrar and Share Transfer Agent M/s. Satellite Corporate Services Pvt. Ltd. in case of shares held in physical form.

In case a Member does not wish to avail the service of documents through electronic mode, such Member may send a request for obtaining the Notice, Annual Report from the Company, in physical mode, by sending a request to the Company at its registered office address or through company's e-mail at sk@pune.pudumjee.com and accordingly the Company will send the same, free of cost, upon receipt of such request from the member.

Members holding shares in physical form are requested to get them dematerialized, as the shares of the company are under Compulsory Demat System.

8. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are M/s. Satellite Corporate Services Pvt. Ltd., B-302, Sony Apartment, Opp St. Jude High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai 400072.

Members are requested to write/intimate to Company's Registrar and Transfer Agents for the purpose of changes, in their registered addresses, profile details for sending future communication(s), any query in connection with claiming the unclaimed and unpaid dividends etc.

9. All documents referred in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act 2013 will be available for inspection at the registered office of the Company during business hours on all working days up to the date of 50th Annual General Meeting of the Company. The Statutory registers are available for inspection at the registered Office of the Company.
10. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on all resolutions set forth in this Notice through e-Voting Services.

The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Ltd., appointed for the purpose by the Company as authorised agency. Remote e-voting is optional.

11. The facility for voting through ballot paper shall also be made available at the AGM and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the Meeting but shall not be entitled to cast their vote again.
12. The voting rights of the Members shall be in proportion to their share of the paid up equity share capital of the Company as on 14th September, 2015.

The detailed instructions for Remote E-Voting are as under:

- (i) The voting period begins on Friday, 18th September, 2015 at 9.00.a.m. and ends on Sunday, 20th September, 2015 at 5.00.p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

PUDUMJEE INDUSTRIES LIMITED

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (as printed on ballot paper / attendance slip / notice) in the PAN field. * In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. * Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Pudumjee Industries Limited.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

The Board of Directors has appointed Shri P. N. Parikh, for Parikh and Associates, Practicing Company Secretaries, Mumbai as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

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

The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.pudumjeeindustries.com and on the website of Central Depository Services (India) Limited and communicated to the Stock Exchanges.

Those shareholders who do not have access to e-voting facility may write to Registrar and Transfer Agents, Satellite Corporate Services Pvt. Ltd. or to the Company for ballot paper, which after filling up should reach to the scrutinizer Mr. P. N. Parikh, Parikh & Associates, Practicing Company Secretaries 111, 11th Floor, Sai Dwar CHS Ltd., Opp Laxmi Industrial Estate, Off Link Road, Andheri (West), Mumbai 400053, Practicing Company Secretaries on or before 17th September, 2015.

By Order of the Board of Directors,

J. W. Patil
Deputy Company Secretary

Registered Office:

Thergaon, Pune - 411 033
Tel: +91-20-30613333, Fax : +91-20-3061 3388
CIN: L74999MH1999PLC013394
Web Site: www.pudumjeeindustries.com.

Dated: 31st July, 2015

ANNEXURE TO NOTICE

Explanatory Statement under Section 102 of the Companies Act, 2013

The following Explanatory Statement sets out all the material facts relating to Item Nos. 4 to 6 of the Special Business mentioned in the accompanying Notice dated 31st July, 2015, convening the 50th Annual General Meeting.

Item No. 4

The Board of Directors appointed Ms. Vasudha Jatia (DIN 06725426) as an Additional Director of the Company with effect from 17th January, 2015. Pursuant to section 161(1) of the Companies Act, 2013 ("the Act") Ms. Vasudha Jatia holds office of Additional Director up to the date of this Annual General Meeting and being eligible offers herself for appointment. She fulfils the conditions specified in Section 149 and 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2013 including any statutory modification or re-enactment thereof for the time being in force.

The Company has received a Notice, pursuant to Section 160 of the Companies Act, 2013, from a member signifying intention to propose the appointment of Ms. Vasudha Jatia as a Director of the Company.

Ms. Vasudha Jatia is Bachelor in Architecture and belongs to a business family. She has experience and expertise in general business administration and management. The names of companies in which she holds directorships and memberships /chairmanships of Board Committees, her shareholding in the Company, relationships amongst directors inter-se as stipulated under Clause 49 of the Listing Agreements with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

The Board recommends the Ordinary Resolution for your approval.

Except Ms. Vasudha Jatia, none of the Directors, Key Managerial Personnel and relatives thereof, are in any way concerned or interested in the resolution.

Item No. 5

The Board of Directors, based on the recommendation of Nomination and Remuneration Committee, at its meeting held on 17th May, 2014 appointed Mr. Gautam Nandkishore Jajodia as Executive Director of the Company for a period of 5 years with effect from 1st September, 2013. The said appointment and payment of remuneration to him for a period of three years was also approved by the shareholders at the Forty Ninth Annual General Meeting of the Company held on 15th September, 2014.

Mr. Jajodia is associated with the Company since 2001. Mr. Jajodia is Bachelor of Commerce and Master in Business Administration and has a long business experience.

The Nomination and Remuneration Committee had at its meeting held on 31st July, 2015, approved a revision in remuneration payable to Mr. Gautam Nandkishore Jajodia and recommended the same to the Board of Directors.

Existing Terms of remuneration as approved by shareholders at the 49th Annual General Meeting held on 15th September, 2014.	Proposed revision in Remuneration of Mr. Gautam Nandkishore Jajodia
Remuneration of ₹ 1,75,000/- per month including dearness allowance	Remuneration of ₹ 3,10,000/- per month including dearness allowance

The Board of Directors by a resolution passed on 31st July, 2015 approved a revision in remuneration payable to Mr. Gautam Nandkishore Jajodia, Executive Director with effect from 1st April, 2015 for the residual period of his tenure upto 31st August, 2018.

The revision in remuneration of Mr. Gautam Nandkishore Jajodia as stated above is subject to the approval of the Members and other statutory authorities, if any. All other terms and conditions in respect of his appointment as approved at the Annual General Meeting held on 15th September, 2014 remain unchanged.

Mr. Gautam Nandkishore Jajodia do not hold any shares in the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, in the proposed Special Resolution except Mr. Gautam Nandkishore Jajodia.

The Resolution is recommended by the Directors to be passed as a Special Resolution.

Item No. 6

The Board of Directors at their meeting held on 18th May, 2015 approved and recommended the invitation and acceptance of fixed deposits from the members pursuant to Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 to meet the working capital needs.

In compliance with the above provisions of the Act and the Rules, the Company is required to obtain approval of its shareholders for acceptance of Fixed Deposits from the members of the Company and as such, approval of the members by way of Special Resolution is being sought. It may be noted that the deposits to be accepted will be unsecured and as has been allowed by Central Government will be insured as and when insurance cover will be available in market or till 31st March, 2016 whichever is earlier.

Pursuant to the Companies (Acceptance of Deposits) Rules, 2014 proposed "Circular or circular in the form advertisement" for Deposit Scheme will be valid until expiry of the six months from the date of closure of Financial Year in which it is issued or until the date on which the financial statements are laid before the company in Annual General Meeting.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the proposed Special Resolution.

The Resolution is recommended by the Directors to be passed as a Special Resolution.

By Order of the Board of Directors,

J. W. Patil
Deputy Company Secretary

Registered Office:

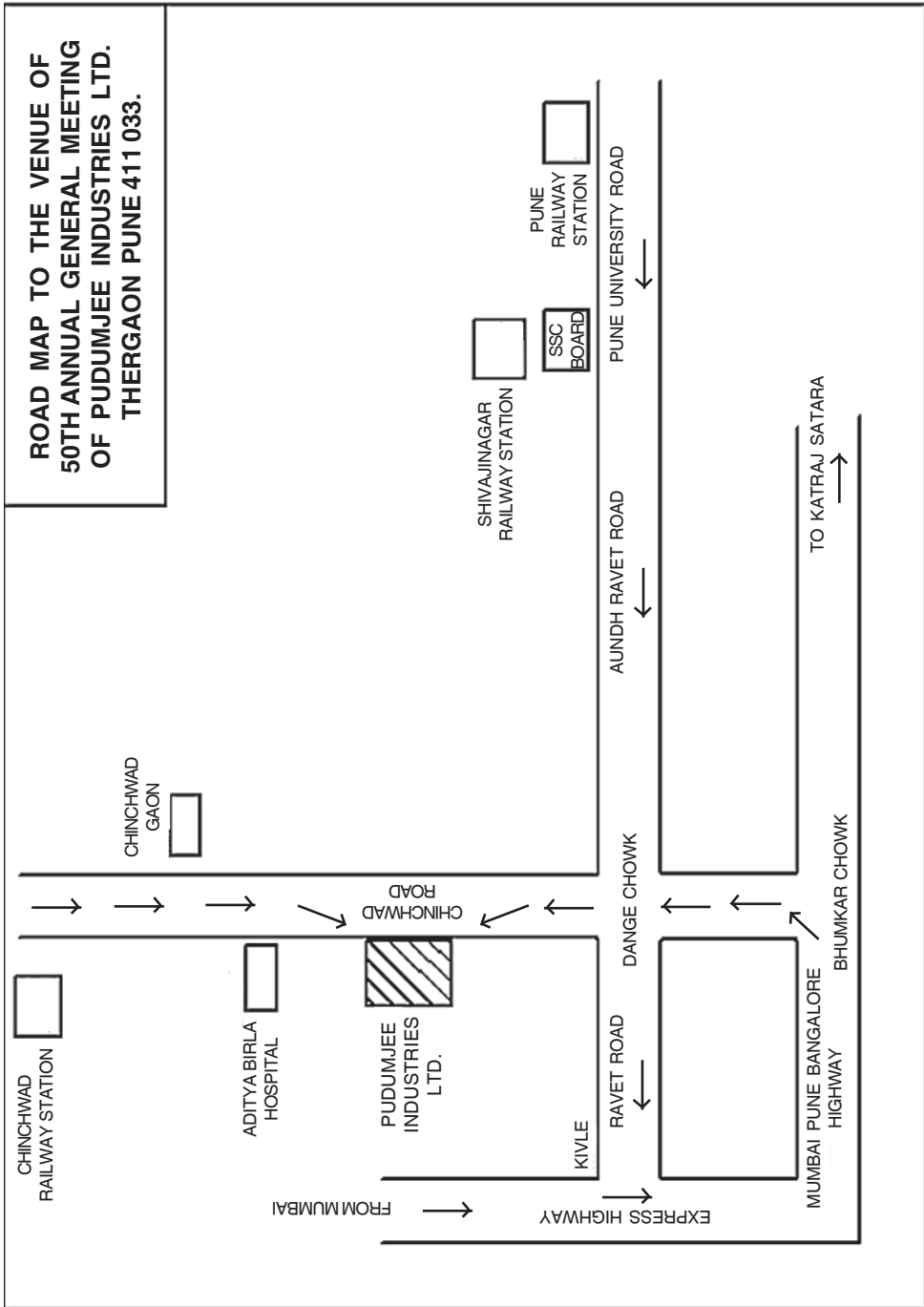
Thergaon, Pune-411033

Tel: +91-20-30613333, Fax : +91-20-3061 3388

CIN: L74999MH1999PLC013394

Web Site : www.pudumjeeindustries.com.

Date: 31st July, 2015



ROAD MAP TO THE VENUE OF
50TH ANNUAL GENERAL MEETING
OF PUDUMJEE INDUSTRIES LTD.
THERGAON PUNE 411 033.

Information pursuant to the requirements of paragraph (B)(iv) of Section II of Schedule V to the Companies Act, 2013 concerning remuneration payable to Mr. G. N. Jajodia, the Executive Director is furnished herein below:

I. GENERAL INFORMATION :

Nature of Industry	Paper Manufacturing	
Date or expected date of commencement of commercial production	In the year 1978	
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
Financial performance based on given indicators	Year ending 31 st March, 2015 (₹ in lacs)	
	Effective Capital	7211.11
	Turnover	15,705.15
	Profit Before Tax	277.02
	Profit after Tax	166.02
	Dividend	-
	Reserves (excluding revaluation reserve)	3,959.74
Foreign investments or collaborators, if any.	Not Applicable	

II. INFORMATION ABOUT THE APPOINTEE :

Name of the Appointee	Mr. G. N. Jajodia
Background Details	Mr. G. N. Jajodia is a Director of the Company since 2001 and was designated as Executive Director from 01st September, 2013. Mr. Jajodia is a Bachelor of Commerce and Master in Business Administration and has a wide and varied experience business experience.
Past/Existing remuneration	Remuneration at the rate of ₹ 1,75,000/- per month (including Dearness Allowance) + perquisites ₹ 3,05,332/- (i.e., total yearly remuneration ₹ 24,05,332/-).
Recognition or Awards	NIL
Job Profile and his suitability	As a Director of the Company since 2001, Mr. Jajodia has had a vast and wide experience of business administration. He is responsible for overall day to day operations of the Company under the supervision, control and guidance of the Board of Directors of the Company.
Remuneration proposed	Remuneration at the rate of ₹ 3,10,000/- per month (including Dearness Allowance) (i.e., total yearly remuneration ₹ 37,20,000/-). Mr. G. N. Jajodia is also entitled to perquisites such as gas, electricity, medical expenses, furnishings, LTA, club fees, personal accident insurance, telephone, cars etc., estimated perquisites say ₹ 25,444.33/- per month (i.e. total yearly perquisites ₹ 3,05,332/-). He is also entitled to the benefits of contribution to Provident Fund/Superannuation Scheme and Gratuity as per Company's rules applicable for its Executive Staff Members.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Whilst there exists no such comparison in terms of Company's size and nature of its operations, the remuneration proposed is in line with the remuneration of similar occupants in some of the Companies in the Industry and general trend in this regard
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	NIL

PUDUMJEE INDUSTRIES LIMITED

III. OTHER INFORMATION :	
Reasons of loss or inadequate profits	The Company had adequate profits for payment of managerial remuneration in the last year.
Steps taken or proposed to be taken for improvement	The managements emphasis on cost reduction, appropriate product mix and quality improvement for better profits.
Expected increase in productivity and profits in measurable terms.	With the aforesaid efforts and consequent full capacity utilization, the profits are targeted to be achieved to be adequate for managerial remuneration.
IV. DISCLOSURES :	As indicated above Under II "INFORMATION ABOUT THE APPOINTEE."

By Order of the Board of Directors,

(J. W. Patil)
Company Secretary

Registered Office:

Thergaon, Pune-411033

Tel: +91-20-30613333, Fax : +91-20-3061 3388

CIN: L74999MH1999PLC013394

Web Site : www.pudumjeeindustries.com.

Date: 31st July, 2015

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the 50th Annual Report of the Company together with the Audited Financial Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

	2014-2015	(₹ In Lacs) 2013-2014
The gross profit before Interest and Depreciation (including from discontinuing operations)	1,135.16	1,057.24
Adjusting therefrom Finance cost of	725.84	682.22
And Depreciation of	118.91	173.99
And carrying amount of assets having no useful life of	7.26	–
The net profit	283.15	201.03
The balance of Profit brought forward from last year	1,196.01	1,125.98
Total	<u>1,471.90</u>	<u>1,327.01</u>
Less: Provision for Current Taxation of	55.00	63.00
Provision for Deferred Tax expenses of	55.00	68.00
Totaling to	<u>110.00</u>	<u>131.00</u>
There remains a balance of	1,361.90	1,196.01

Which the Directors propose carry forward to next year's accounts.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129, 134 of the Companies Act, 2013 (the Act), the Consolidated Financial Statement of the Company, and its subsidiaries prepared, in accordance with schedule III of the Act and Accounting Standard AS 21 forms part of this Annual Report.

OPERATIONS

The Company continues to achieve good performance which in terms of its revenue translates into about 14% growth over last year. This is in spite of the prevailing recessionary conditions in general and economic slowdown in the Paper Industry in particular. As a result, certain freight sensitive products, owing to the stiff competition could not yield satisfactory margin. The Management is conscious of continuing intensity of competition in respect of certain of its product varieties and the consequent pressure being exerted on the margins for which necessary efforts such as for cost reduction have been undertaken. Your Directors are, therefore, hopeful about further improvement in the performance and consequent better capacity utilization.

The Company has invested during the year an amount of ₹15 crores in equity to strengthen the financial base of Pudumjee Hygiene Products Limited, the Company's wholly-owned subsidiary which has also achieved growth in its sales by about 7% over last year despite cut through competition from unorganized sectors. This subsidiary Company has invested an amount of ₹ 3.92 lacs in the equity capital of Pudumjee Paper Products Ltd.

Pudumjee Holdings Limited, the Company's another wholly owned subsidiary has invested an amount of ₹ 45.00 lacs in the equity capital of Pudumjee Paper Products Ltd.

The labour relations in the Company continue to remain cordial.

PUDUMJEE INDUSTRIES LIMITED

Your Company has undertaken restructuring initiatives for demerger of the Paper Manufacturing Business of your Company. The Board of Directors of the Company at its Meeting held on 17th January, 2015 has considered and approved a Scheme of Arrangement (Demerger) between the Company, Pudumjee Pulp & Paper Mills Ltd. (PPPM), Pudumjee Hygiene Products Ltd. (PHPL) and Pudumjee Paper Products Ltd. (PPPL). As per the Scheme the Paper Manufacturing Business of your Company would be demerged and transferred to Pudumjee Paper Products Limited (PPPL). In consideration of the demerger, Shareholders of your Company shall receive 9 equity shares of Pudumjee Paper Products Limited of ₹ 1 each for every 20 equity shares of ₹ 2 each held in the Company on the Record Date. As part of the Scheme, Pudumjee Paper Products Limited shall also seek listing on the Stock Exchanges. The appointed date in respect of the Scheme being April 1, 2014, the report and accounts for the year ended March 31, 2015 contains the merged figures (including Paper Manufacturing Business) of the Company. The aforesaid Scheme of Arrangement has received in principle approval of the Stock Exchanges (both National Stock Exchange and Bombay Stock Exchange). The scheme is further subject to approval of the Hon'ble Bombay High Court. The Scheme is available at www.pudumjeeindustries.com.

SUBSIDIARIES

As at 31st March 2015, the Company has two subsidiaries namely Pudumjee Hygiene Products Limited (PHPL) and Pudumjee Holding Limited (PHL).

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014, the detailed information on the performance and financial position of each of the subsidiaries, associates, joint venture companies, etc. as included in the consolidated financial statement is provided in Annexure-I is attached hereto.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 (corresponding to section 205A of Companies Act 1956), there are no amounts of nature like unclaimed dividend, interest on Fixed Deposits, etc. which remained unpaid or unclaimed for a period of seven years or more and therefore the question of deposit/transfer to the Investor Education and Protection Fund does not arise.

AUDITORS

M/s. Khare and Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company till the conclusion of 51st Annual General Meeting. The Members are now requested to ratify their appointment at the ensuing Annual General Meeting for which the Auditors have given their consent. The shareholders will also be required to fix their remuneration.

The Company has received a Certificate from M/s. Khare and Co., to the effect that their re-appointment, by way of ratification is made would be in accordance with the conditions laid down under section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 and that they are not disqualified for re-appointment.

There is no Qualification in the Statutory Auditor's Report as annexed elsewhere in this Annual Report.

The Auditors have Reported that there is no fraud on or by the Company noticed or reported during the Year.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs. Poonam Jatia, Promoter Director was passed away at very young age in December, 2014. The Board places on record its sincere appreciation of the keen interest, she took in the affairs of the Company and the valuable services and guidance provided by her during her tenure.

During the year, Mr. S. V. Duppaliwar was appointed as Chief Financial Officers of the Company with effect from 17th May, 2014.

The Company has Board of Directors with total seven directors out of which five directors are Non-Executive Independent Directors, one promoter director and one Executive Director. By virtue of Section 149 of the Companies Act, 2013 and rules made there under, the Independent Directors are not liable to retirement by rotation.

The Board of Directors appointed Ms. Vasudha Jatia, a promoter as an additional director at meeting held on 17th January, 2015 and she holds office of director upto the date of the forthcoming Annual General Meeting. A notice

has been received from members proposing her candidature for the office of Director of the Company at the forthcoming Annual General Meeting. The Brief profile of appointees has been given in Notice of the AGM.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under the applicable provisions of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Gautam Nandkishore Jajodia, Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment.

SUBSIDIARY

A statement containing brief financial details of the Company's wholly owned subsidiaries i.e., Pudumjee Hygiene Products Limited and Pudumjee Holding Limited for the financial year ended 31st March, 2015 is included in the Annual report. The annual accounts of the wholly owned subsidiaries and the related detailed information will be made available to any member of the Company seeking such information at any point of time. The annual accounts of the wholly owned subsidiary Company(s) shall also be available for inspection by any member at the registered office of the Company on any working day during business hours.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Corporate Social Responsibility (CSR) are not applicable to the Company for the financial year 2014-15.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The loans, guarantees or investments made by the Company are within the limits of Section 186 of the Companies Act, 2013 and rules made thereunder, as approved by shareholders vide special resolution passed at 49th Annual General Meeting of the Company. A statement on this is annexed under Annexure II.

REMUNERATION POLICY

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on Directors' appointment and remuneration by the Nomination and Remuneration Committee and approved by the Board of Directors at its meeting held on 3rd November, 2014. The said policy may be referred to, at the Company's official website and is annexed to the Board's Report in Annexure III.

SECRETARIAL AUDITOR'S REPORT

Pursuant to the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 mandates Secretarial Audit of the Company to be done from the financial year commencing on or after 1st April 2014 by a Company Secretary in Practice. The Board in its meeting held on 26th July, 2014 has appointed M/s. Parikh & Associates, Practising Company Secretaries (Certificate of Practice No.1228) as the Secretarial Auditor for the financial year ending 31st March, 2015. The Secretarial Auditors' Report for the financial year 2014-15 is annexed to the Boards' Report in Annexure IV.

There is no Qualification in the Secretarial Audit Report.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

According to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a meeting of the Independent Directors is required to be held to evaluate the performance of the Non-Independent Directors. Accordingly, a meeting of Independent Directors was held on 13th February, 2015, wherein the performance of the non-independent directors, including the Chairman and the Board as a whole was evaluated.

The criteria for evaluation of the performance of the Independent Directors as required under the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, was finalized by the Nomination and Remuneration Committee at its meeting held on 13th February, 2015. The said criteria is available at the Company's official website i.e. www.pudumjeeindustries.com.

RISK MANAGEMENT POLICY

During the year the board of directors at its meeting held on 17th May, 2014 adopted Risk Management Policy, containing elements identifying risk to the existence of the Company, procedures to inform Board members about the risk assessment & minimization procedures, monitoring the risk management plan, etc.

WHISTLE BLOWER MECHANISM

The Company has a Whistle Blower Policy / vigil mechanism. The said policy has been made keeping in view of the amendments in the Companies Act, 2013 and Clause 49 of the Listing Agreement. The said policy is available at the Company's official website.

PARTICULARS OF EMPLOYEES

During the year under review no employee had drawn the remuneration in excess of limits specified in section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended to date.

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working and endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace is in place which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. An Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the year ended 31st March, 2015, the ICC received no complaint pertaining to sexual harassment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

As required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange earnings & outgo is annexed at Annexure V and forms a part of this Report.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return of the Company in Form MGT-9 is annexed herewith as Annexure VI to this report.

SIGNIFICANT AND MATERIAL ORDERS

There is no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance in accordance with the guidelines of the Securities & Exchange Board of India and amended clause 49 of the Listing Agreements with the Stock Exchanges is attached and marked as Annexure VII.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

A Policy of a Related Party Transactions has been adopted by the Board of Directors at its meeting held on 3rd November, 2014 for determining the materiality of transactions with related parties and dealings with them. The said policy is available at the Company's official website. The Audit Committee reviews all related party transactions quarterly.

Pursuant to Section 134(3), 188(1) of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 in Form AOC -2 are provided as Annexure VIII attached hereto.

DIRECTORS' RESPONSIBILITY STATEMENT

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 profit of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

Your Directors wish to express their appreciation of the continued support and co-operation received from the all the stakeholders and Employees of the Company.

On behalf of the Board of Directors

Date : 18th May, 2015
Place: Mumbai

Vinodkumar Jatia
Chairman

PUDUMJEE INDUSTRIES LIMITED

Annexure I

Performance And Financial Position Of Each Of The Subsidiaries, Associates And Joint Venture Companies

(₹ In Lacs)

Name of the Company (Subsidiary, Associate, JV, etc.)	Pudumjee Hygeine Products Ltd.	Pudumjee Holding Ltd.	Pudumjee Plant Laboratories Ltd.
Nature of the Company (Subsidiary, Associate, JV, etc.)	Subsidiary	Subsidiary	Associate
Ownership Interest of the Company	100%	100%	27.11%
Summary of Financial Position			
Sales	4,819.90	0.16	9.96
Profit/(Loss) after tax	(246.97)	(1.35)	(187.85)
Current Assets	870.21	1.87	32.23
Loans & Borrowings	14.96	46.05	1256.78
Current Liabilities	711.59	0.23	24.82
Net Fixed Assets	209.55	–	1719.25
Equity Share Capital	3,000.00	5	249
Reserves and Surplus	(2,396.03)	(4.38)	(435.21)
Earnings - Rs. per Equity Share	(0.82)	(2.70)	(7.54)
Dividend - Rs. per Equity Share	–	–	–

Annexure II

Particulars of loans given, guarantees/ investments made during the Financial Year 2014-15

Nature of transaction (whether loan/ guarantee/ security/ acquisition)	Name of the person or body corporate to whom it is made or given or whose securities have been acquired (Listed/Unlisted entities)	Amount of loan/ security/ acquisition/ guarantee (in ₹)	Rate of interest For loan	For Acquisitions			
				Number and kind of securities	Nature of Securities	Cost of acquisition, If any (In ₹ Per Share/ Units)	Selling price, Per Unit If any (In ₹ Per Share /Units)
ICD Given (Loan)	Pudumjee Plant Laboratories Ltd.	<u>16,380,000</u> (0)	12.50%	NA	NA	NA	NA
	Thacker & Co. Ltd.	<u>66,450,000</u> (0)	12.50%	NA	NA	NA	NA
	Pudumjee Holding Ltd.	<u>4,500,000</u> (4,500,000)	12.50%	NA	NA	NA	NA
	Pudumjee Hygiene Products Ltd.	<u>32,000,000</u> (0)	12.50%	NA	NA	NA	NA

Figures in bracket indicates Balance as on 31.03.2015

Annexure III

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

Introduction:

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 17th May, 2014 re-constituted the existing Remuneration Committee by changing its nomenclature as Nomination and Remuneration Committee of the Board of Directors (Committee) and also stipulated additional terms of reference in line with the Companies Act, 2013.

The Board has delegated the responsibility to the Committee to formulate the criteria for identification, selection of the candidates fit for the various positions in senior management and who are qualified to be appointed as director on the Board of Directors of the Company.

The Committee has adopted the following criteria for selection of candidates eligible to be appointed in the senior management of the Company and also member on the Board of Directors of the Company.

Criteria for Selection of Directors:

The Committee shall, before making any recommendation to the Board for appointment of any director, consider the following :

- the candidate should possess the positive attributes such as Leadership, Industrialist, Business Advisor or such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company;
- the candidate should be free from any disqualifications as provided under Sections 164 and 167 of the Companies Act, 2013;
- the candidate should meet the conditions of being independent as stipulated under the Companies Act, 2013 and Listing Agreement entered into with Stock Exchanges in case of appointment of an independent director;
- the candidate should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

Criteria for Selection of Senior Management Personnel:

The term Senior Management shall have the same meaning as provided under the explanation to Section 178 of the Companies Act, 2013.

The Committee shall, before making any recommendation to the Board for appointment, consider the attributes of the candidate set forth below:

- The candidate should have a minimum experience of 10 years in any of the areas viz. banking, infrastructure, financial management, legal, sales, marketing, administration, research, corporate governance, technical operations, or such other areas or disciplines which in the opinion of the management and Committee are relevant for the Company's business;
- The candidate should possess the positive attributes such as leadership skills, decision making skills, effective communication, hard work, commitment and such other attributes which in the opinion of the Committee the candidate possess and are in the interest of the Company.

If the Committee thought fit and in its opinion finds that the candidate meets the above criteria for appointment in senior management or director on the Board, as the case may be, the Committee shall make its recommendation to the Board.

Any amendment to the above criteria for directors and senior management shall be subject to the prior approval of the Committee and any such amendment shall be informed to the Board of Directors.

Remuneration Policy :

The Company's remuneration policy is based on the success and performance of the individual employee and the Company. Through, its compensation policy, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, variable and fixed allowances, benefits and bonuses etc.

Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company pays remuneration by way of salary (fixed component), benefits, perquisites and allowances (variable component) to its Managing Directors and the executive directors.

Periodical increases, if any, are decided by the Nomination and Remuneration Committee and Board subject to the approval by the members and are effective from 1st April each year. The Nomination and Remuneration Committee decides the commission if any payable to Executive Chairman out of profits for the financial year and within the ceiling prescribed by the Companies Act, 2013 based on the performance of the Company as well as that of the incumbent.

The Company pays sitting fees of ₹ 1,000 per meeting or as may be fixed from time to time to its directors for attending the meetings of the Board and Audit Committee and ₹ 500 for meetings of the Stakeholders Relationship Committee of the Board. The Company also reimburses the out of pocket expenses incurred by the Directors for attending the meetings.

ANNEXURE IV
FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To,
The Members,
PUDUMJEE INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pudumjee 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 the Pudumjee Industries Limited's 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, agents and authorised representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 generally 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 made available to us and maintained by Pudumjee Industries Limited for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (vi) Other laws as are applicable to the Company as per representations made by the Company.

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

- (i) Secretarial Standards with respect to board and general meetings of The Institute of Company Secretaries of India are not in force as on the date of this report.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review and subject to the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations,

PUDUMJEE INDUSTRIES LIMITED

Guidelines, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance, 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.

Decisions at the Board Meetings, as represented by the management were taken unanimously.

We further report that as represented by the Company and relied upon by us 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.

We further report that during the audit period the Company had following events which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc :

(a) During the year, the Board of Directors of the Company approved the Composite Scheme of Arrangement and Reconstruction (Demerger) between Pudumjee Pulp & Paper Mills Limited ("PPPML") Pudumjee Industries Limited ("PIL"), Pudumjee Hygiene Products Limited ("PHPL") and Pudumjee Paper Products Limited("PPPL") and their respective Shareholders and Creditors ("The Scheme") Under Sections 391 to 394 of the Companies Act, 1956.

For Parikh & Associates
Company Secretaries

Place : Mumbai

Date : 18th May, 2015

Signature:

P. N. Parikh

Partner

FCS No: 327 CP No: 1228

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members
Pudumjee Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Place : Mumbai
Date : 18th May, 2015

Signature:

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

Annexure V

Information as per Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2015.

A CONSERVATION OF ENERGY:

(a) Measures taken:

Continuous monitoring of electrical energy consumption and evaluation of operating parameters in following specific areas:

- Optimization of refiners at paper making machines.
- Optimization of centralized compressor.

(b) Steps taken for utilizing alternate sources of energy:

- Utilisation of renewable wind mill power.

(c) Impact of measures at (a) and (b) above on reduction of energy consumption:

- Impact of measures at (a) and (b) above would result in savings of about Rs. 24 Lacs per annum.

(d) Capital Investment on energy conservation equipments:

- Replacement of suction press roll vacuum pump by energy efficient pump.
- Replacement of old agitators & motors with energy efficient agitators & motors.

As we are a specialty paper mill, the requirement of energy varies widely with the quality of paper being manufactured and this would fluctuate annually depending upon the product mix and the raw material mix being utilized for different grades and at different times.

B TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

(i) Efforts made in brief towards Technology absorption, adaptation and Innovation	(a) Installation of moisturizing unit at Rewinder. (b) Modification of core lock system at Rewinder.
(ii) Benefits derived as a result of the above results	(a) Provision to make super calendar grade paper. (b) Wastage of paper due to overlapping avoided.
(iii) Details of Imported Technology	No new technology was imported in last three years.
(iv) Expenditure incurred on Research and Development	₹ 7.52 Lacs

C FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned and used were ₹ 1254.25 lacs and ₹ 44.12 lacs, respectively.

On Behalf of the Board of Directors,

MUMBAI
Dated : 18th May, 2015

Vinodkumar Jatia
Chairman

Annexure-VI
Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March 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:-	L74999MH1999PLC013394
ii) Registration Date	31/12/1965
iii) Name of the Company	PUDUMJEE INDUSTRIES LIMITED
iv) Category / Sub-Category of the Company	Public Company Limited by Shares
v) Address of the Registered office and contact details	Thergaon, Pune- 411033, Tel. No.: 91-20-30613333 Fax No. : 91-20-30613388
vi) Whether listed company	Listed
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St. Jude High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai 400072 Tel. : 022-28520461/62 Fax : 022-28511809 E-mail: service@satellitecorporate.com

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 below :

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Paper	280	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Pudumjee Hygeine Products Ltd., Thergaon, Pune- 411033	U21010PN2004PLC021212	Wholly Owned Subsidiary	100%	2(87)
2	Pudumjee Holding Ltd., Thergaon, Pune- 411033	U65993PN2011PLC141027	Wholly Owned Subsidiary	100%	2(87)
3	Pudumjee Plant Laboratories Limited, Thergaon, Pune- 411033	U01122PN1994PLC021609	Associate	27.11%	2(6)

PUDUMJEE INDUSTRIES LIMITED

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 (01-04-2014)				No. of Shares held at the end of the year 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	667462	0	667462	3.71	2500962	0	2500962	13.89	10.19
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	10207700	0	10207700	56.71	10208380	0	10208380	56.71	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	10875162	0	10875162	60.42	12709342	0	12709342	70.61	10.19
(2) Foreign									
a) NRIs - Individuals	2133500	0	2133500	11.85	0	0	0	0.00	-11.85
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other (NRI Repatriable)	0	0	0	0.00	300000	0	300000	1.67	1.67
Sub-total (A) (2):-	2133500	0	2133500	11.85	300000	0	300000	1.67	-10.19
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	13008662	0	13008662	72.27	13009342	0	13009342	72.27	0.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	1000	5000	6000	0.03	1000	5000	6000	0.03	0.00
b) Banks / FI	0	500	500	0.00	0	500	500	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	150000	0	150000	0.83	150000	0	150000	0.83	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	151000	5500	156500	0.87	151000	5500	156500	0.87	0.00
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	1459739	36000	1495739	8.31	1500230	32500	1532730	8.52	0.21
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lacs	1958312	705355	2663667	14.80	1836306	687380	2523686	14.02	-0.78
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lacs	405714	0	405714	2.25	506269	0	506269	2.81	0.56

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2014)				No. of Shares held at the end of the year 31-03-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)									
Non Resident Indians	27880	0	27880	0.15	26799	0	26799	0.15	-0.01
Hindu Undivided Families	241602	0	241602	1.34	234014	0	234014	1.30	-0.04
Clearing Members	236	0	236	0.00	660	0	660	0.00	0.00
Directors	0	0	0	0.00	10000	0	10000	0.06	0.06
Sub-total (B)(2):-	4093483	741355	4834838	26.86	4114278	719880	4834158	26.86	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	4244483	746855	4991338	27.73	4265278	725380	4990658	27.73	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	17253145	746855	18000000	100.00	17274620	725380	18000000	100.00	0

(ii) Shareholding of Promoters

Sr. No.	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	Arun Kumar Mahabir Prasad Jatia	929000	5.16	0	929000	5.16	0	NIL
2	Arun Kumar Mahabir Prasad Jatia*	899000	4.99	0	899000*	4.99	0	*
3	Vrinda Jatia	150000	0.83	0	150000	0.83	0	NIL
4	Vasudha Jatia	150000	0.83	0	150000	0.83	0	NIL
5	Yashvardhan Jatia	5,500	0.03	0	5,500	0.03	0	NIL
6	Arun Mahabir Prasad Jatia @	667462	3.71	0	667462	3.71	0	@
7	Thacker And Co. Ltd.	2520210	14.00	0	2520210	14.00	0	NIL
8	Pudumjee Investment Finance Company Ltd.	3945790	21.92	0	3945790	21.92	0	NIL
9	Fujisan Technologies Ltd.	875000	4.86	0	875680	4.86	0	NIL
10	Gelid Commercial Pvt. Ltd.	493575	2.74	0	493575	2.74	0	NIL
11	Ubiquitous Trading Pvt. Ltd.	321000	1.78	0	321000	1.78	0	NIL
12	Suma Commercial Pvt. Ltd.	642950	3.57	0	642950	3.57	0	NIL
13	Chem Mach Pvt. Ltd.	61,450	0.34	0	61,450	0.34	0	NIL
14	Pudumjee Pulp Paper Mills Ltd.	956725	5.32	0	956725	5.32	0	NIL
15	Winterpak Investment & Finance Ltd.	391000	2.17	0	391000	2.17	0	NIL

@ Shares are held by Mr. A. K. Jatia as Executer of the will of Mr. Mahabir Prasad Jatia.

* Shares are held by Mr. A. K. Jatia as Executer of the will of Ms. Poonam Jatia.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Name of the Promoter - Thacker and Company Ltd.

Name of the Promoter Share Holder	No of Shares held as on 01/04/2014	% of Shares held as on 01/04/2014	Reasons for change	Nature of change Increase / Decrease	Change in Share-holding	Date of change in share-holding D/M/Y	No. of shares in respect of change, if any	Cumulative Holding	date of separation/ Entry in promoters category during the year	No of Shares Held As on 31/03/2015	% of Shares held as on 31/03/2015
Fujisan Technologies Ltd.	875000	4.86	Transfer	Increase	680	30/06/2014	680	875680	-	875680	4.86

During the year, except above mentioned change, there were no change(s) in the Shareholding of other promoter's.

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(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Share Holder	No of Shares held as on 01/04/2014	% of Shares held as on 01/04/2014	Reasons for change	Nature of change Increase / Decrease	Change in Share holding	Date of change in share holding D/M/Y	No. of shares in respect of change, if any	Cumulative Holding	date of separation/ Entry in Top 10 (Non Promoters), during the year	No of Shares Held As on 31/03/2015	% of Shares held as on 31/03/2015
1	Pragya Realty Developers Private Limited	999995	5.56	-	-	-	-	-	-	-	999995	5.56
2	Santosh S Goenka	215365	1.20	-	-	-	-	-	-	-	215365	1.20
3	Orange Mauritius Investments Limited	150000	0.83	-	-	-	-	-	-	-	150000	0.83
4	Halan Properties Private Limited	100000	0.56	-	-	-	-	-	-	-	100000	0.56
5	Sarwan-kumar Devidutt Saraf HUF	93479	0.52	-	-	-	-	-	-	-	93479	0.52
6	Darshit K Shah	69474	0.39	-	-	-	-	-	-	-	69474	0.39
7	Priti Milan Doshi	62500	0.35	-	-	-	-	-	-	-	62500	0.35
8	Nand-kishore Agarwal	58375	0.32	-	-	-	-	-	-	-	58375	0.32
9	Padmakshi Financial Services Pvt. Ltd.	143681	0.80	Transfer	Decrease	(3,627)	Changes in shareholding as under		-	140,054	0.78	
							04.04.2014	200				143,881
							30.06.2014	(250)				143,631
							01.08.2014	(2,252)				141,379
							02.01.2015	430				141,809
							23.01.2015	2,489				144,298
							27.02.2015	(250)				144,048
							13.03.2015	(100)				143,948
							20.03.2015	(2,909)				141,039
							27.03.2015	(985)				140,054
10	Krishna Vishvanath	80310	0.45	Transfer	Increase	70,245	Changes in shareholding as under		-	150555	0.84	
							16.05.2014	8866				89,176
							23.05.2014	14082				103,258
							11.07.2014	12208				115,466
							01.08.2014	9000				124,466
							30.09.2014	3000				127,466
							21.11.2014	10655				138,121
							05.12.2014	5684				143,805
							19.12.2014	1000				144,805
							23.01.2015	3750				148,555
06.02.2015	2000	150,555										

Figures in bracket indicates sale transaction of shares

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during 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	No. of shares	% of total shares of the Company
1	Mr. G.N. Jajodia	NIL	NIL	NIL	NIL	NIL	NIL
2	Mr. R.C. Saraf	NIL	NIL	NIL	NIL	NIL	NIL
3	Mr. V.K.Jatia	10000	0.06	10000	0.06	10000	0.06
4	Mr. R. P . Shroff	NIL	NIL	NIL	NIL	NIL	NIL
5	Mr. Atul Dayal	NIL	NIL	NIL	NIL	NIL	NIL
6	Mr. A.K.Somany	NIL	NIL	NIL	NIL	NIL	NIL
7	Ms. Vasudha Jatia	1,50,000	0.83	1,50,000	0.83	1,50,000	0.83
8	Mr. Sudhir Vitthalrao Duppaliwar	1	0.00	1	0.00	1	0.00
9	Mr. Jagadish Waman Patil	1	0.00	1	0.00	1	0.00

V. INDEBTEDNESS

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

(In ₹)

		Secured Loans excluding deposits		Unsecured Loans	Fixed Deposit Accepted	Total Indebtedness
		Cash credit	Term Loan			
Indebtedness at the beginning of the financial year						
i)	Principal Amount	32072386	13039000	486135427	0	531246813
ii)	Interest due but not paid	0	0	0	0	0
iii)	Interest accrued but not due	10553	0	0	0	10553
	Total (i+ii+iii) (A)	32082939	13039000	486135427	0	531257366
Change in Indebtedness during the financial year						
	Addition	0	0	0	0	
	Reduction	0	13039000	0	0	13039000
	Net Change (B)	0	(13039000)	0	0	(13039000)
Indebtedness at the End of the financial year						
i)	Principal Amount	106922505	0	621666997	0	728589502
ii)	Interest due but not paid	0	0	0	0	0
iii)	Interest accrued but not due	80188	0	0	0	80188
	Total (i+ii+iii) (C)	107002693	0	621666997	0	728669690

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Remuneration to Managing Director, Whole-time Directors and/or Manager:

(in ₹)

Sr. No.	Name of the Directors and Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Gautam Nandkishore Jajodia	
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,100,000	2,100,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	NIL
4	Commission as % of profit others, specify...	NIL	NIL
5	Others, please specify (Insurance Premium, PF and Superannuation contribution, Sitting fees paid, if any)	305,332	305,332
	Total (A)*	2,405,332	2,405,332
	Ceiling as per the Act (I)	4200,000	4200,000

Note - * Gratuity Payment not considered.

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b) Remuneration to other directors:

(in ₹)

Particulars of Remuneration and Name of the Directors	Name of other Directors							Total Amount
	Mr. R. P. Shroff	Mr. R.C. Saraf	Mr. Atul Dayal	Mr. A. K. Somany	Mr. V. K. Jatia	Ms. Vasudha Jatia	Mrs. Poonam Jatia	
Independent Directors :								
Fee for attending board / committee meetings	14,500	17,500	5,000	1,000	14,500	2,000	5,500	60,000
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)	14,500	17,500	5,000	1,000	14,500	2,000	5,500	60,000
Other Non-Executive Directors:								
Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (B)=(1+2)	14,500	17,500	5,000	1,000	14,500	2,000	5,500	60,000
Total Managerial Remuneration	14,500	17,500	5,000	1,000	14,500	2,000	5,500	60,000
Overall Ceiling as per the Act	2100000	1600000	500000	100000	1600000	200000	700000	6800000

c) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(in ₹)

Particulars of Remuneration and Name of the KMP	Key Managerial Personnel			Total
	CEO	CFO	Company Secretary	
		Mr. Sudhir Vithalrao Duppaliwar	Mr. Jagadish Waman Patil	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	1,384,194	520,900	1,905,094
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	84,901	237,703	322,604
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
Stock Option	NIL	NIL	NIL	NIL
Sweat Equity	NIL	NIL	NIL	NIL
Commission as % of profit others, specify...	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	59,562	59,562
Total	NIL	1,469,095	818,165	2,287,260

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

ANNEXURE VII
REPORT ON CORPORATE GOVERNANCE

The Directors present their Report on Corporate Governance as required by SEBI guidelines and listing Agreements:

Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance envisages transparency with integrity in all its dealings with its stakeholders including shareholders, employees, lenders and others.

Code of Conduct:

In tune with the corporate philosophy stated in the preceding para, the Board of Directors of the Company in its meeting held on 29th October, 2005 laid down a Code of Conduct for all the Board Members and Senior Management personnel of the Company in terms of the requirement of clause 49. The Code of Conduct is displayed at the Company's website www.pudumjeeindustries.com. Affirmation regarding compliance with the Code of Conduct had been obtained from all Board members and senior management personnel of the Company. As required, a declaration duly signed by the Managing Director to the effect is appended.

BOARD PROCEDURE:

Board Meetings are held about four-five times a year. Detailed Agenda is sent to each Director well in advance of the meetings. The Directors are briefed at each Board Meeting regarding performance and working by the functional heads. In addition to matters statutorily requiring Board's approval, all major decisions of policy, strategic formulations, capital expenditure, new investments, major accounting policies are considered by the Board.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Company is known for its Specialty Packaging Paper and Crepe tissues for Personal Hygiene, besides other varieties of Paper. The competition in respect of Crepe tissues is very stiff primarily because of freight sensitivity, it being a bulky material. Whilst the Company through its R&D efforts continue to reduce its cost of production, the power tariff hike by the State Electricity Board during the year had caused certain setback to the gains arising out of such efforts. The Company consequently has adopted a different Power Management plan which would, barring unforeseen circumstances supplement its cost reduction efforts.

The efforts to increase exports, its products to neighbouring South East Asian and European countries, have yielded exports aggregating over at ₹ 1250 lacs.

The existing internal controls of the Company are periodically reviewed by the Audit Committee and are seen to be adequate.

The Company employs about 149 employees and its relations with the labour have been cordial.

Pudumjee Hygiene Products Ltd., the wholly-owned subsidiary of the Company which markets its products under the brand 'Greenlime' operates under highly competitive environment both from international players and unorganized sectors. The Green Seal Certification which the Company had obtained earlier accords a special status to the Company for its products. The relocation of the Company's operations and captive converting facility though did cause certain temporary setback in terms of its performance during the year, is likely to make the operations more cost efficient. The Company has refined its marketing strategy further in terms of which certain costs such as cost of distribution, inventory, etc. are expected to come down. These efforts when accompanied by improvement in the productivity of distribution teams, will impact the margins positively.

As stated in the Directors' Report the Board of Directors of the Company and Pudumjee Hygiene Products Ltd. (PHPL) have approved a Scheme of Arrangement in terms of which the Paper manufacturing business of the Company and of the trading business of Hygiene products of PHPL would be transferred to Pudumjee Paper Products Ltd. with effect from 1st April, 2014 subject to approval of the Hon'ble Bombay High Court.

Pudumjee Holding Limited, another wholly owned subsidiary of the Company has begun investments by having subscribed to equity capital of Pudumjee Paper Products Ltd.

Board of Directors:

The Board of Directors is composed of a Promoter Director, one Executive Director, and five Non Executive Independent Directors. The Executive Director conducts the day to day management of the Company subject to the supervision and control of the Board of Directors.

Non-executive director's are entitled to regular sitting fees and re-imbusement of expenses incurred for attending each meeting of Board or Committee thereof.

The composition of the Board as on 31st March, 2015 is as under:

Directors	Category	Number of outside Directorships in Public Companies as on 31st March, 2015.*	Number of outside Membership of Committees of as on 31st March, 2015. +	Number of outside Chairmanships of Committees as on 31st March, 2015. +	Shareholding as on 31.03.2015
Executive Directors					
Mr. G. N. Jajodia [DIN 00064611]	Executive Director	3	Nil	Nil	Nil
Non- Executive Directors					
Mr. V. K. Jatia [DIN 00091115]	Chairman & Independent Director	3	Nil	Nil	10000
Mr. R. C. Saraf [DIN 00161412]	Independent Director	4	3	Nil	Nil
Mr. A. S. Dayal [DIN 00005021]	Independent Director	2	2	Nil	Nil
Mr. A. K. Somany [DIN 00024903]	Independent Director	4	Nil	Nil	Nil
Mr. R. P. Shroff [DIN 03324242]	Independent Director	1	Nil	Nil	Nil
Ms. Vasudha Jatia [DIN 06725426]	Promoter Director	Nil	Nil	Nil	150000

* Excludes Directorships/membership in Private Companies, Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Government Bodies.

+ Committees considered are Audit Committee and Stakeholders relationship Committee or Shareholders/ Investors' Grievance Committee, excluding committees.

+ Total number of committee membership includes the Chairmanship also.

During the year 2014-2015 , Six Board Meetings were held on the following dates :

17-05-2014	26-07-2014	13-09-2014
3-11-2014	17-01-2015	13-02-2015

The forty ninth General Meeting (AGM) of the Company was held on 15th September, 2014. The attendance of the Directors at these Meetings was as under:

Name of the Director	Number of Board Meetings Attended	Attendance at the last AGM
Mr. Gautm Nandkishore Jajodia	5	Yes
Mr. Vinod Kumar Jatia	5	–
Mr. Rajendra Chiranjilal Saraf	5	–
Mr. Atul Shatikuamr Dayal	2	–
Mr. Arvind Kumar Somany	1	–
Mr. Rushabh Pradeep Shroff	6	Yes
Ms. Vasudha Arun Kumar Jatia (Appointed Additional director w.e.f. 17.01.2015)	2	Not Applicable
Mrs. Poonam Jatia (upto 23.12.2014)	4	–

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Details of Sitting fees & Remuneration paid to Directors during the year ended 31st March, 2015.

[Amount in ₹]

Name	Sitting fees	Salaries	Perquisites	Commission	Total
Mr. G. N. Jajodia	--	21,00,000	3,05,332	--	24,05,332
Mr. V. K. Jatia	14,500	--	--	--	14,500
Mr. R. C. Saraf	17,500	--	--	--	17,500
Mr. A. S. Dayal	5,000	--	--	--	5,000
Mr. A. K. Somany	1,000	--	--	--	1,000
Mr. R. P. Shroff	14,500	--	--	--	14,500
Ms. Vasudha Jatia (Appointed Additional director w.e.f. 17.01.2015)	2,000	--	--	--	2,000
Mrs. Poonam Jatia (upto 23.12.2014)	5,500	--	--	--	5,500

- Mr. G. N. Jajodia-Perquisites includes insurance premium, contribution to provident and Superannuation fund etc., but exclude provision for gratuity.
- Severance fees, stock options and notice period are not applicable in case of Executive Directors.
- During the year Ms. Vasudha Jatia was appointed as an additional director and members propose her candidature for the office of Director of the Company at the Annual General Meeting.
- Non Executive Directors draw no remuneration except by way of sitting fees and re-imbursment of expenses incurred for attending each meeting of Board or Committee thereof attended by him, within the limits prescribed by law in this regard.

Appointment of Directors:

Pursuant to provision of Section 152(6) of the Companies Act, 2013, Independent Directors are not liable to retire by rotation and pursuant to section 149 their appointment has been approved by shareholders for five years, Mr. Gautam Nandkishore Jajodia, Director, retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for re-appointment.

Further Ms. Vasudha Jatia was appointed as an additional director of the Company on 17th January, 2015 and hold office of director upto the date of the forthcoming Annual General Meeting. The Brief profile of appointees is given as under;

Name of Director	Ms. Vasudha Jatia
Date of Birth	06.02.1988
Date of Appointment	17.01.2015
Expertise in specific functional areas	Management
Qualifications	Bachelor in Architecture
Details of shares held in the Company	150,000
List of Companies in which outside directorship is held as on 31.03.2015 (Excluding Private Companies, foreign companies and Companies under Section 8 of the Companies Act, 2013)	None
Chairman/Member of the * Committees of other Companies as on 31.03.2015 *The Committees for the above purpose are those as specified in Clause 49 of the Listing Agreement i.e. the Audit Committee and the Stakeholders Relationship Committee only.	None

COMMITTEE OF DIRECTORS:**a) Audit Committee**

The Audit Committee consists of three Independent non Executive Directors, they have vast experience and knowledge of corporate affairs and financial management and possess strong accounting and financial management expertise. The composition of Committee is as under :

Sr. No.	Name of the Directors	Designation
1	Mr. Rajendra Chiranjilal Saraf	Chairman
2	Mr. Atul Shantikumar Dayal	Member
3	Mr. Rushabh Pradeep Shroff	Member
4	Mr. Vinod Kumar Jatial	Member

Pursuant to provisions of section 177 and Clause 49 of listing agreement, The Board of directors/committee adopted following revised terms of reference of this Committee as under :

- the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the Company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters;
- Seek information from any employee;
- To obtain outside legal and other professional advice;
- call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Approval or any subsequent modification of transactions of the Company with related parties;

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- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where;
- there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

The Meetings of the Audit Committee are also attended by the Executive Director, Chief Financial Officer, the Statutory Auditors and the Internal Auditors.

Five (5) Meetings of Committee were held during the year 1st April, 2014 to 31st March, 2015 on the following dates:

17-05-2014	26-07-2014	13-02-2015
3-11-2014	17-01-2015	-

The attendance at the Meetings were as under:

Sr. No.	Name of the Committee Members	Meetings Attended
1	Mr. Rajendra Chiranjilal Saraf	4
2	Mr. Atul Shantikumar Dayal	2
3	Mr. Rushabh Pradeep Shroff	5
4	Mr. Vinod Kumar Jatia	4

b) Nomination and Remuneration Committee

During the year Remuneration Committee has been re-constituted by the Board of Directors as Nomination & Remuneration Committee and also adopted terms of reference stating role and scope of activities of the committee as prescribed under section 178 of Companies Act, 2013 and clause 49 (IV) of listing agreement.

The Nomination & Remuneration Committee comprises of Mr. Rajendra Chiranjilal Saraf (Chairman), Mr. Rushabh Pradeep Shroff (Member) and Mr. Vinod Kumar Jatia (Member).

Four Committee meetings were held on 26th July, 2014, 3rd November, 2014, 17th January, 2015 and 13th February, 2015, during the year 2014-15. The attendances at these meetings were as under:

Sr. No.	Members	Meetings Attended
1.	Mr. Rajendra Chiranjilal Saraf	3
2.	Mr. Rushabh Pradeep Shroff	4
3.	Mr. Vinod Kumar Jatia	3

The detailed policy of the Company on directors' appointment and remuneration including criteria for determining qualifications, of a director and other matters & Policy, relating to the remuneration for the directors, key managerial personnel and other employees is annexed as respective Annexure No. III to the directors' report under this annual report.

c) Stakeholders Relationship Committee :

The shareholders' Grievance Committee was renamed as Stakeholders Relationship Committee. The said Committee has been re-constituted by the Board of Directors and it comprises of Mr. Rajendra Chiraljilal Saraf (Chairman), Mr. Rushabh Pradeep Shroff (Member) and Mr. Gautam Nandkishore Jajodia (Member). Mr. J. W. Patil, Company secretary is the Compliance Officer of the Company.

Its terms of reference include review of complaints of shareholders/investors, the Company's performance on redressal of complaints and to look into the correspondence with Securities & Exchange Board of India (SEBI) and the Stock Exchanges concerning Investor's Complaints.

During the year 2014-2015, one complaint was received from investor, through Securities and Exchange Board of India (SEBI) or Stock Exchanges. The complaints received have been replied to and resolved. No complaints are pending for resolution.

Four Committee meetings were held on 17th May, 2014, 26th July, 2014, 3rd November, 2014 and 13th February, 2015, during the year 2014-15. The attendances at these meetings were as under:

Sr. No.	Members	Meetings Attended
1.	Mr. Rajendra Chiranjilal Saraf	4
2.	Mr. Gautam Nandkishore Jajodia	3
3.	Mrs. Poonam Jatia (upto 23.12.2014)	3
4	Mr. Rushabh Pradeep Shroff	1

d) General Body Meetings:

- i) Annual General Meetings held during the past three years held at Thergaon, Pune 411 033 at 9.00 a.m. (ST)., The following Special Resolutions were passed in the previous three Annual General Meetings:

Financial Year	Date of Meeting	Special Resolutions passed
2011-12	27th August, 2012	i) Special Resolution for appointment, remuneration and other terms of Mr. Shyam Mahabirprasad Jaita as Managing Director with effect from 1st April, 2012.
2012-13	26th August, 2013	i) No Special Resolution was proposed.
2013-14	15th September, 2014	i) Special Resolution for appointment, remuneration and other terms of Mr. Gautam Nanadkishore Jajodia as Executive Director from 1st September, 2013. ii) to borrow monies from time to time from any one or more bodies corporate or financial institutions, Banks or any entity or any person or persons not exceed to ₹ 1000 crores iii) to invite and accept deposits from the members of the Company, not exceeding the limits laid down under the Companies (Acceptance of Deposits) Rules, 2014.

ii) Extra Ordinary General Meeting (EGM)

During the year EGM of the shareholders of the Company was held at the Registered Office of the Company at Thergaon, Pune 411 033 on 22nd December, 2014 at 9.00 a.m. (ST) for passing Special Resolution to transact following business :

- To authorize the Board of Directors to enter into a contract(s)/transactions with Pudumjee Pulp & Paper Mills Limited (PPPM) to purchase or sell or supply of any material/capital goods/power and availing and/or rendering services like processing of pulp, paper, steam and waste paper or provision of any services upto an amount not exceed in aggregate ₹ 60 crores.
- To authorize the Board of Directors to enter into a contract(s)/transactions with Pudumjee Pulp & Paper Mills Limited (PPPM) and Pudumjee Hygiene Products Limited, (PHPL), Pudumjee Plant Laboratories Limited (PPLL) and Thacker And Company Limited (TCL) for advancing/availing of loans and advance, inter corporate deposits on such terms and conditions as the Board or committee thereof, may think fit upto an amount not exceed in aggregate ₹ 100 crores,

iii) Postal Ballot

During the year under review, the Company has passed special resolution by way of Postal Ballot process. The Company has proposed following special resolution through postal ballot Resolutions passed on 15th September, 2014 :

- a) To authorize Board of Directors to lease, mortgage and/or charge or otherwise dispose of the whole or substantially the whole of the undertaking of the Company to secure any such borrowings by the Company in respect of borrowings not exceed to ₹ 1000 Crores.
- b) To authorize Board of Directors to advance loan(s) or to provide security in connection with loan/give guarantee/make investments in excess of limits specified under section 186 of Companies Act, 2013 and Rules framed thereunder not exceed ₹ 1000 crores (Rupees One Thousand Crores)

For the said postal ballot exercise, Mr. P. N. Parikh of Parikh & Associates, Practising Company Secretary, was appointed as the Scrutinizer to conduct the postal ballot process. The Notice dated 17th May, 2014 was sent to the members and the last date for receipt of postal ballot forms was 10th September, 2014 The Company received 26 Postal Ballot Forms. According to the Scrutinizer's report, the Resolutions were passed by the requisite majority. The result of the postal ballot was declared on 15th September, 2014 and published on 15th September, 2014 in one English daily, and one Marathi daily for the information of the members.

COMPANY POLICIES:

During the year under review, the Board adopted the following policies/ programme:

(a) Policy on Related Party Transactions:

Pursuant to Clause 49 of the Listing Agreement and upon recommendation by the Audit Committee, the Board of Directors, at its meeting held on 3rd November, 2014, approved and adopted the Policy on Related Party Transactions w.e.f. 3rd November, 2014. This Policy can be viewed on the Company's website www.pudumjeeindustries.com.

(b) Policy on Material Subsidiaries:

Pursuant to Clause 49 of the Listing Agreement and upon recommendation by the Audit Committee, the Board of Directors, at its meeting held on 17th January, 2015 approved and adopted the Policy on Material Subsidiaries w.e.f. 17th January, 2015. This Policy can be viewed on the Company's website viz.www.pudumjeeindustries.com

(c) Whistle Blower Policy:

Pursuant to Clause 49 of the Listing Agreement and upon recommendation by the Audit Committee, the Board of Directors, at its meeting held on 17th May, 2014, approved and adopted the Whistle Blower Policy w.e.f. 17th May, 2014. This Policy can be viewed on the Company's website [viz. pudumjeeindustries.com](http://viz.pudumjeeindustries.com)

(d) Nomination & Remuneration Policy:

Pursuant to Clause 49 of the Listing Agreement and upon recommendation by the Nomination & Remuneration Committee, the Board of Directors, at its meeting held on 3rd November, 2014 approved and adopted the Nomination & Remuneration Policy w.e.f. 3rd November, 2014. This Policy can be viewed on the Company's website www.pudumjeeindustries.com.

(e) Familiarisation programme for Independent Directors

Pursuant to Clause 49 of the Listing Agreement the Board of Directors, approved and adopted the Familiarisation programme for Independent Directors. This programme can be viewed on the Company's website www.pudumjeeindustries.com

Means of Communication

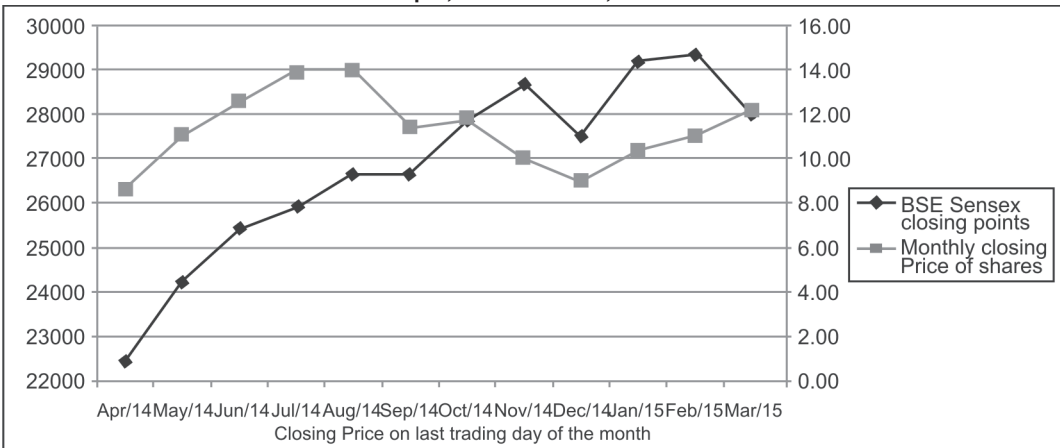
- a) The Company has published its quarterly and half yearly results giving the required particulars in the "Financial Express" and "Loksatta" (Regional Language).
- b) These results are also posted on Company's website www.pudumjeeindustries.com.
- c) The Company has created a dedicated E-mail ID for investor's complaints viz. inv_compl_pail@pune.pudumjee.com
- d) The Management Discussion and Analysis is part of the Annual Report of the Directors to the Shareholders of the Company.
- e) The Code of conduct adopted by the Board of Directors is also posted on Company's aforesaid website.

Market share Price Data: (In ₹)

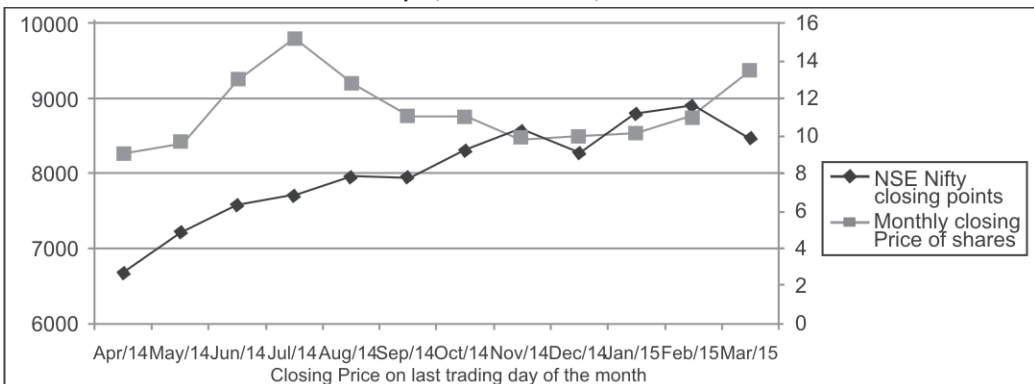
Month/Index	BSE Limited			National Stock Exchange of India Ltd.		
	High Price	Low Price	Close Price	High Price	Low Price	Close Price
Apr-14	9.00	7.54	8.59	9.00	7.25	9.00
May-14	11.04	7.71	11.04	9.70	7.55	9.70
Jun-14	13.11	10.48	12.57	13.00	9.55	13.00
Jul-14	15.90	10.87	13.87	16.60	11.40	15.20
Aug-14	15.26	11.80	13.98	14.45	12.20	12.85
Sep-14	14.60	11.32	11.40	13.65	10.75	11.10
Oct-14	12.85	10.00	11.84	11.95	10.25	11.00
Nov-14	11.85	10.00	10.00	11.85	9.65	9.95
Dec-14	10.50	9.01	9.01	10.90	9.65	9.90
Jan-15	11.95	8.18	10.38	11.95	9.15	10.20
Feb-15	11.50	9.29	11.00	11.00	9.40	11.00
Mar-15	14.27	11.00	12.14	13.50	10.60	13.50

Performance in comparison to broad based indexes viz. BSE Sensex and NSE NIFTY

Pudumjee Industries share price movement v/s BSE Sensex
April, 2014 to March, 2015



Pudumjee Industries share price movement v/s NSE Nifty
April, 2014 to March, 2015



PUDUMJEE INDUSTRIES LIMITED

Shareholding pattern and distribution pattern of shares as at 31st March, 2015:

SHAREHOLDING PATTERN			DISTRIBUTION OF SHAREHOLDING		
Category of shareholder	No. of shares	% of shares held	No. of shares	No. of shareholders	No. of Shares held
PROMOTER AND PROMOTER GROUP			1-2500	3,312	16,24,895
Individual /Hindu Undivided Family	25,00,962	13.89	2501- 5000	72	2,85,991
Bodies Corporate	102,08,380	56.71	5001- 10000	33	2,58,167
Individuals (Non-Resident Individuals / Foreign Individuals)	3,00,000	1.67	10001-20000	12	1,67,298
PUBLIC SHAREHOLDING			20001 & Above	46	156,63,649
Mutual Funds /UTI	6,000	0.04			
Financial Institutions /Banks	500	0.00			
Foreign Institutional Investors	1,50,000	0.83			
Bodies Corporate	15,32,730	8.52			
Individuals	32,74,629	18.19			
Non resident Indians	26,799	0.15			
GRAND TOTAL	180,00,000	100.00	GRAND TOTAL	3475	180,00,000

Dematerialization of Shares and Liquidity as on 31st March, 2015

Physical Form : 4.03%

Dematerialized Form : 95.97%

Trading in equity shares of the Company is permitted in dematerialized form only as per the notification issued by Securities and Exchange Board of India (SEBI). Non-promoters share holding is 27.73% and the liquidity of the stock is fairly good.

Details of unclaimed shares

The Company's Registrar and share Transfer Agent have sent reminders to those shareholders whose share certificates have been returned undelivered and remained unclaimed so far. The Company is in the process of transferring in the name of "Unclaimed Suspense Account", if no reply is received from the shareholder(s), the voting rights on such shares shall remain frozen till they are entered in the name of rightful owner of the share.

General Information for Shareholders:

Annual General Meeting

1. Date & Time	Monday, 21st September, 2015 at 9.00 a.m.
2. Venue of AGM	Registered Office of the Company at Thergaon, Pune 411 033
3. Financial Year	1st April to 31st March

Financial Calendar (Tentative)

1. Date of Book Closure	15th September, 2015 to 21st September, 2015
2. Last date for receipt of Proxy Form	19th September, 2015 (Before 9.00 a.m.)
3. Board Meeting for Consideration of unaudited results for first three quarters	Within 45 days from the end of the each quarter

4. Listing on Stock Exchanges and Scrip code:

BSE Limited Phiroze Jeejibhoy Towers 25th Floor, Dalal Street, Mumbai 400 001.	516092
The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), MUMBAI 400 051.	PDUMJEIND

	NSDL and CDSL Dematstock code	INE105C01023
5	E-mail ID for Investor Complaints	inv_compl_pail@pune.pudumjee.com
6	Registrars & Share Transfer Agents:	Satellite Corporate Services Pvt. Ltd. B-302, Sony Apartment, Opp. St. Jude High School, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai 400072 Tel. : 022-28520461/62 Fax : 022-28511809 E-mail: service@satellitecorporate.com
<p>This is a Common Agency looking after all the work related to share registry in terms of both physical and electronic connectivity (as per directions of SEBI).</p> <p>Note: Shareholders holding shares in Electronic Mode should address all correspondence to their respective Depository Participants).</p>		
7	Any other inquiry:	Deputy Company Secretary, Pudumjee Industries Ltd., Thergaon, Pune 411 033. Tel. : 91-20-40773333 Fax : 91-20-40773388 E-mail : jagdish.patil@pudumjee.com sk@pune.pudumjee.com Dedicated email id for investor complaints. Inv_compl_pail@pune.pudumjee.com
8	Plant Location	Thergaon, Pune 411 033.

Listing fees

Listing fees for the year 2014-2015 have been paid in full to both Stock Exchanges viz. BSE Limited, and National Stock Exchange of India Limited.

Share Transfer System:

The Share transfers in physical form are presently processed and the Share Certificates returned within a period of 15 days from the date of receipt subject to the documents being in order in all respects.

Disclosures:

- a) As disclosed in the accompanying accounts, wherever required, full provision has been made relating to transactions with subsidiary and associate Companies.
- b) There were no instances of non compliance by the Company, nor were any penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority on any matter relating to capital markets during the last three years.
- c) No personnel has been denied access to the Audit Committee.
- d) All the Mandatory requirements of the revised Clause 49 of the listing agreement have been complied with as detailed in this annexure. Non-Mandatory requirements have been complied with in so far as they relates to the appointment of remuneration committee and having unqualified financial statements. Securities and Exchange Board of India (SEBI) has revised the clause 49 which would be put into effect from 1st October, 2014.
- e) In terms of listing agreement, the Company has its "Risk Management Policy and Mitigation measures" and is adopted by the Board. The Board/Audit Committee periodically reviews the risks and the measures to mitigate the same.
- f) Certificate of Compliance.
- g) The Certificate of Compliance with requirements of Corporate Governance by the Company, issued by M/s Khare & Company, the auditors of the Company is annexed.

On behalf of the Board of Directors

Date : 18th May, 2015
Place: Mumbai

Vinodkumar Jatia
Chairman

CORPORATE GOVERNANCE REPORT OF PUDUMJEE INDUSTRIES LIMITED

Declaration regarding affirmation of Code of Conduct

In terms of the requirement of the Revised Clause 49 of the Listing Agreement, Code of Conduct as approved by the Board of Directors of the Company in its meeting held on 29th October, 2005 has been displayed at Company's website www.pudumjeeindustries.com. All the members of the Board and the senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2015.

Place : Mumbai

Dated :18th May, 2015

G.N. JAJODIA

Executive Director

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members,
Pudumjee Industries Ltd.,
Thergaon, Pune 411033.

We have examined the compliance of conditions of Corporate Governance by Pudumjee Industries Limited, for the year ended on 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 based on the representations 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 state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KHARE & CO.,
Chartered Accountants,
(FRN 105100W)

Y.P. SHUKLA
Proprietor
Membership No. 16203

Place : Mumbai,
Dated : 18th May, 2015

Annexure No. VIII

Particulars of Contracts or Arrangements with Related Parties (FORM AOC 2)

(Pursuant to clause(h) of Section 134(3) of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

a)	Name(s) of the related parties and nature of relationships	Pudumjee Pulp & Paper Mills Ltd., (PPPML) a related party under Section 2(76)(v).
b)	Nature of contracts/arrangements/transaction	Purchase or sell or supply of any material/capital goods/ power AND availing of/ rendering of services like processing of pulp, paper, steam and waste paper or provision of any services.
c)	Duration of the Contracts/arrangements/transactions	Continuous, on an ongoing basis.
d)	Salient terms of contracts or arrangements or transactions including the value if any	<p>1) Monetary value : Not exceed ₹ 60 Crores in any financial year</p> <p>2) Nature, material terms and particulars of arrangement:</p> <p>i) availing of/rendering of services like processing of pulp, paper, steam and waste paper, water recycling at cost +3%</p> <p>ii) purchase/ sale of bought out pulp, waste paper, colors, chemicals, capital goods, packing material, DEPB Licences and machinery spares : at cost + 2%</p> <p>iii) Purchase of wrapper paper at market price.</p> <p>iv) Purchase of utilities such as wind power at a price of Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL) Rate minus 10%.</p> <p>v) Provision of common services at proportionate cost.</p>
e)	Justification for entering into such contracts or arrangements or transactions	<p>a) The spare capacity available with the PPPML Company is utilized in mutual interest, by PIL for processing of paper, steam, pulp, waste paper, etc.</p> <p>b) Purchase / Sale of various materials is carried out in mutual interest, in case of urgency / subject to availability.</p> <p>c) Purchase of Wind Power is at market rates, which in turn enables the Company to maximize savings in cost of power.</p> <p>d) Certain facilities are shared in common on cost basis to minimize cost in mutual interest.</p>
f)	Date(s) of approval by the Board	03/11/2014
g)	Amount paid as advances if any	NIL
h)	date on which the special resolution was passed in general meeting as required under first proviso to Section 188	22/12/2014

On behalf of the Board of Directors

Date: 18th May, 2015
Place: Mumbai

VinodKumar Jatia
Chairman

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Pudumjee Industries Ltd.,

We have audited the accompanying standalone financial statements of Pudumjee Industries Ltd ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows 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 paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act,
 - (a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The Company has adequate internal financial control and in our opinion the same is operating effectively.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations in its financial statements, which may impact its financial position; [Refer Note 24.13 (iii)]
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. During the year there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Khare and Company
Chartered Accountants
FRN 105100W

Place of Signature : Mumbai
Date : 18th May 2015

Y. P. SHUKLA
Proprietor
Membership No. 16203

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date of the financial statements for the year ended 31st March 2015.

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b) As explained to us, the fixed assets have been physically verified by the Management at the end of the year. It has been reported to us that, no material discrepancies have been noticed on such verification;
- ii. a) It is reported that, the inventories have been physically verified by the management at the end of the year;
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business;
- c) The Company has maintained proper records of inventories and as explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records;
- iii. The Company has granted unsecured loans covered in the register maintained under Section 189 of the Companies Act, 2013, wherein the balance of principal amount and interest recoverable as at the year end is ₹ 1425.64 lacs.
 - a) The receipt of the principal amount and interest thereon is also regular;
 - b) There are no overdue amounts in respect of loans given by the Company.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventories, fixed assets and also for the sale of goods and services. We have not observed any continuing failure to correct major weaknesses in the internal control system;
- v. The Company has not accepted any deposits from the public;
- vi. We have broadly reviewed the records maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However no detailed examination of such accounts and records have been carried out by us;
- vii. a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other outstanding statutory dues have been regularly deposited during the year with the appropriate authorities.
There are no undisputed statutory dues as referred above as on 31st March 2015 outstanding for a period of more than six months from the date they became payable;
- b) The disputed Statutory dues aggregating ₹ 397.12 lacs that have not been deposited on account of disputes and matters pending before appropriate authorities are as under:-

S. No	Nature of the Dues	Forum where the dispute is Pending	Amount ₹ in lacs
1	Excise Duty	CESTAT Mumbai (Department's Appeal)	151.78
2	Service Tax	CESTAT	3.36
3	Service Tax	Dy. Commissioner (Central Excise)	0.34
4	Service tax	Assistant Commissioner (Central Excise)	50.83
5	Custom Duty	Supreme Court (Deptt. Appeal)	8.00
6	Sale Tax	High Court M. P.	182.81

PUDUMJEE INDUSTRIES LIMITED

- c) The Company has no amounts required to be transferred to investor education and protection fund in accordance with the provisions of section 125 the companies act,2013 and rules made there under;
- viii. The Company has no accumulated losses and the Company has not incurred cash Loss during the year under report and the immediately preceding financial year also;
- ix. According to the information and explanations given to us, the Company has not made any default in repayment of dues to financial institutions or banks. The Company does not have any outstanding debentures;
- x. The Company has given a corporate guarantee for loan taken by its subsidiary company from a Bank and according to the information and explanations given to us, the terms and conditions of such guarantee is not prejudicial to the interest of the Company;
- xi. According to the information and explanations given to us, the Company has not taken any term loans during the year;
- xii. To the best of our knowledge and belief, and according to the information and explanations given to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.

For KHARE & CO.
Chartered Accountants
FRN 105100W

Y P SHUKLA
Proprietor
Membership No. 16203

Place of Signature : Mumbai
Dated 18th May, 2015.

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PUDUMJEE INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at	As at
		31/03/2015	31/03/2014
		(₹. in lacs)	(₹. in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	360.00	360.00
(b) Reserves and Surplus	2	3,960.18	3,794.75
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	6,163.53	4,799.46
(b) Deferred tax liabilities (Net)		219.00	141.00
(c) Other Long-term Liabilities	4	52.59	58.62
(d) Long term provisions	5	160.77	134.70
(3) Current Liabilities			
(a) Short-term borrowings	6	1,122.37	382.61
(b) Trade payables	7	1,393.31	1,680.28
(c) Other current liabilities	8	5.24	191.50
(d) Short-term provisions	9	33.99	34.12
Total		13,470.98	11,577.04
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	2,060.92	2,180.39
(ii) Intangible assets		5.19	9.40
(iii) Capital work-in-progress		–	3.88
(b) Non-current investments	11	3,272.16	1,772.16
(c) Long term loans and advances	12	1,550.88	2,855.23
(2) Current assets			
(a) Inventories	13	4,027.60	2,488.83
(b) Trade receivables	14	2,209.80	1,958.01
(c) Cash and Bank Balances	15	59.34	67.02
(d) Short Term Loans & Advances	16	285.09	242.12
Total		13,470.98	11,577.04

OTHER NOTES AS PER NOTE 24

As per our Report of date attached

On behalf of the Board

For **KHARE & CO.**,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Year Ended	Year Ended
		31.03.2015 (₹. in lacs)	31.03.2014 (₹. in lacs)
I. Revenue from operations	17	16,658.14	14,638.63
Less : Excise Duty		952.99	840.92
Net Revenue from Operations		15,705.15	13,797.71
II. Other Income	18	302.74	246.53
III. Total Revenue (I + II)		16,007.89	14,044.24
IV. Less: Revenue of Discontinuing Operation		15,844.06	13,905.21
V. Revenue from Continuing Operations (III-IV)		163.83	139.03
VI. Expenses:			
(1) Cost Of Materials Consumed	19	9,846.70	8,714.63
(2) Trade Purchases		113.58	385.04
(3) Changes in Inventories of Finished Goods, Work-in-Process and Stock in Trade	20	65.70	(552.49)
(4) Employees' Cost	21	657.64	566.26
(5) Finance Cost	22	725.84	682.25
(6) Foreign Exchange Loss/(Gain)		38.17	48.76
(7) Depreciation	10	125.04	173.99
(8) Share of Loss/(Profit) in a Partnership Firm		—	110.84
(9) Other Expenses	23	4,158.20	3,713.93
Total Expenses		15,730.87	13,843.21
VII. Less: Expenses of Discontinued Operations		15,581.67	13,595.20
VIII. Expenses of Countinued Operations (VI-VII)		149.20	248.01
IX. Profit/(Loss) before exceptional and extraordinary items and tax of Continuing Operations (V-VIII)		14.63	(108.98)
X. Exceptional items/Extraordinary Items		—	—
XI. Profit/(Loss) before tax of continuing operations (IX-X)		14.63	(108.98)
XII. Tax expense:			
(1) Current tax		6.61	—
(2) Deferred tax		2.85	2.58
XIII. Profit/(Loss) for the Year of Continuing Operations (XI-XII) (A)		5.17	(111.56)
XIV. Profit before tax for the period from discontinuing operation		262.39	310.01
XV. Tax Expense of discontinuing operation (See Note 24.8)		101.54	128.42
XVI. Profit for the year from discontinuing operation (B)		160.85	181.59
XVII. Profit for the year (A+B)		166.02	70.03
XVIII. Earning per equity share:(Face Value Rs.2/- per Share)			
Basic & Diluted		0.92	0.39

OTHER NOTES AS PER NOTE 24

As per our Report of date attached

On behalf of the Board

For **KHARE & CO.**,
Chartered Accountants**G. N. JAJODIA**
Executive Director**Y. P. SHUKLA**
Proprietor**J. W. PATIL**
Deputy Company Secretary**S. V. DUPPALIWAR**
Chief Financial Officer**R. C. SARAF**
DirectorPlace : Mumbai
Dated : 18th May, 2015Place : Mumbai
Dated : 18th May, 2015

PUDUMJEE INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	<u>2014-2015</u> (₹ In lacs)	<u>2013-2014</u> (₹ In lacs)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before Taxation & Extraordinary items	277.02	201.03
Adjustments For :		
Depreciation	125.04	173.99
Interest and Financial Charges	768.81	717.14
Other Income	(286.53)	(235.38)
Loss on Sale of Assets	-	0.03
Share of (Profit)/Loss of Partnership Firm	-	110.84
	<u>607.32</u>	<u>766.62</u>
	884.34	967.65
Operating Profit before Working Capital Changes		
(Increase)/Decrease in Inventories	(1538.77)	(422.97)
(Increase)/Decrease in Debtors	(252.38)	388.62
(Increase)/Decrease in Advances	1220.24	73.17
Increase /(Decrease) in Liabilities	(314.83)	(131.62)
	<u>(885.74)</u>	<u>(92.80)</u>
Cash Generated from operations	(1.40)	874.85
Income Tax (paid) / Refund Received (Net)	28.37	(33.27)
Net Cash(used in)/from Operating Activities	<u>26.96</u>	<u>841.58</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Transfer / (Purchase) Of Fixed Assets	2.52	(101.32)
Sale Proceeds Of Fixed Assets	-	26.51
Proceeds from refund of Investment	-	1.00
Interest Received	247.98	201.30
Dividend Received	10.24	10.24
Share of Profit/(Loss) of Partnership Firm	-	(110.84)
Investment in Pudumjee Hygine Pvt. Ltd.	(1,500.00)	-
Net Cash(used in)/from Investing Activities	<u>(1239.26)</u>	<u>26.89</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt / (Repayment) of Long Term borrowings	1233.68	(331.77)
Receipt / (Repayment) of Short Term borrowings	739.75	160.62
Payment of Interest	(768.81)	(717.14)
Dividend paid	-	-
Net Cash(used in)/from Financing Activities	<u>1204.62</u>	<u>(888.29)</u>
Net change in cash & Cash Equivalents (A+B+C)	(7.68)	(19.82)
Cash & Cash Equivalents (Opening Balance)	67.02	86.84
	<u>59.34</u>	<u>67.02</u>
Cash & Cash Equivalents (Closing Balance)	59.34	67.02
Note: Figures in brackets represent Cash Outflows.		

NOTES AS PER NOTE "24"

As per our Report of date attached

For **KHARE & CO.**,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT
31ST MARCH, 2015**

NOTE '1' - SHARE CAPITAL	AS AT 31.03.2015	AS AT 31.03.2014
AUTHORISED	(₹. in lacs)	(₹. in lacs)
12,50,00,000 Equity Shares of Rs. 2/- each	<u>2,500.00</u>	<u>2,500.00</u>
	<u>2,500.00</u>	<u>2,500.00</u>

ISSUED, SUBSCRIBED AND FULLY PAID UP

1,80,00,000 Equity Shares of Rs. 2/- each	<u>360.00</u>	<u>360.00</u>
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1.1 The reconciliation of the number of Equity shares outstanding :

Particulars	AS AT 31.03.2015	AS AT 31.03.2014
	No. of Shares	No. of Shares
Equity Shares at the beginning and end of the year	<u>18,000,000</u>	<u>18,000,000</u>

1.2 The details of Shareholders holding more than 5% shares

Name of the Shareholder	AS AT 31.03.2015		AS AT 31.03.2014	
	No. of Shares	% held	No. of Shares	% held
Pudumjee Investment & Finance Co.Ltd.	3,945,790	21.92	3,945,790	21.92
Thacker & Co.Ltd.	2,520,210	14.00	2,520,210	14.00
Pragya Reality Developers Pvt. Ltd.	999,995	5.55	999,995	5.55
Mr.Arunkumar M.Jatia	929,000	5.16	-	-
Pudumjee Pulp & Paper Mills Ltd.	956,725	5.32	956,725	5.32

NOTE '2' - RESERVES & SURPLUS

	AS AT 31.03.2015	AS AT 31.03.2014
	(₹. in lacs)	(₹. in lacs)
GENERAL RESERVE		
As per last Balance Sheet	1,400.00	1,360.00
Add: Transfer from Capital Subsidy Reserve	<u>-</u>	<u>40.00</u>
	1,400.00	1,400.00
SHARE PREMIUM ACCOUNT		
As per last Balance sheet	1,197.48	1,197.48
CAPITAL RESERVE		
On Reissue of forfeited shares	0.44	0.44
RESERVE FOR DOUBTFUL DEBTS	0.23	0.82
(see Note 5)		
SURPLUS IN PROFIT & LOSS ACCOUNT		
Balance in Profit & Loss Account	1,196.01	1,125.98
Add :		
Profit/(Loss) for the year	<u>166.02</u>	<u>70.03</u>
	<u>1,362.03</u>	<u>1,196.01</u>
	<u>3,960.18</u>	<u>3,794.75</u>

PUDUMJEE INDUSTRIES LIMITED

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT
31ST MARCH, 2015 (Contd.)**

	<u>AS AT</u> <u>31.03.2015</u> (₹. in lacs)	<u>AS AT</u> <u>31.03.2014</u> (₹. in lacs)
NOTE '3' - LONG TERM BORROWINGS		
Unsecured Borrowings		
Deposits from Associates	<u>6,163.53</u>	<u>4,799.46</u>
Total	<u>6,163.53</u>	<u>4,799.46</u>
NOTE '4' - OTHER LONG TERM LIABILITIES		
Sundry Creditors	<u>52.59</u>	<u>58.62</u>
	<u>52.59</u>	<u>58.62</u>
NOTE '5' - LONG TERM PROVISIONS		
Provision for Diminution in value of Long term Investments		
As per Last Balance Sheet	<u>60.00</u>	<u>60.00</u>
	<u>60.00</u>	<u>60.00</u>
Less : Deducted per contra from Investment	<u>60.00</u>	<u>60.00</u>
	-	-
Provision for Doubtful Debts & Advances		
As per last Balance Sheet	79.86	79.86
Less : Debts & Advances considered		
Doubtful per contra	<u>79.63</u>	<u>79.04</u>
	<u>0.23</u>	0.82
Less : Surplus provision shown under		
Reserves & Surplus	<u>0.23</u>	<u>0.82</u>
	-	-
Provision for Gratuity	<u>160.77</u>	<u>134.70</u>
	<u>160.77</u>	<u>134.70</u>

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT
31ST MARCH, 2015 (Contd.)**

	<u>AS AT</u> <u>31.03.2015</u> (₹. in lacs)	<u>AS AT</u> <u>31.03.2014</u> (₹. in lacs)
NOTE '6' - SHORT TERM BORROWINGS		
A) Secured Borrowings from Bank		
Cash Credit repayable on demand (Secured by hypothecation of stock, stores and book debts and second charge on fixed assets of the company ranking pari passu among the consortium banks.)	1,069.23	320.72
B) Unsecured Borrowings from Others		
Other Deposits	<u>53.14</u>	<u>61.89</u>
Total	<u>1,122.37</u>	<u>382.61</u>
Note : There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.		
NOTE '7' - TRADE PAYABLE		
Acceptances	631.89	955.22
Sundry Creditors	<u>761.42</u>	<u>725.06</u>
	<u>1,393.31</u>	<u>1,680.28</u>
	<u>1,393.31</u>	<u>1,680.28</u>
NOTE '8' - OTHER CURRENT LIABILITIES		
Current Maturities of :		
Long Term Secured Debts	-	130.39
Unclaimed dividend	0.78	0.78
Interest on Loans accrued but not due on Borrowings	0.80	0.11
Advances from Customers	<u>3.66</u>	<u>60.22</u>
	<u>5.24</u>	<u>191.50</u>
NOTE '9' - SHORT TERM PROVISIONS		
Provision for Taxation (Less Advance Tax etc)	2.85	10.95
Provision for Leave Encashment	<u>31.14</u>	<u>23.17</u>
	<u>33.99</u>	<u>34.12</u>

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)

NOTE '10' - FIXED ASSETS (At Cost)

(₹. in lacs)

TYPE OF ASSETS	Cost upto 31.3.2014	Additions/ Transfers during the Year	Deductions/ Transfers during the Year	Balance upto 31.03.2015	Cost upto 31.3.2014	Depreciation upto 31.3.2014	Depreciation for the year	Depreciation on sold Assets and on deductions written back	Depreciation Balance as on 31.03.2015	Net Book Value as on 31.03.2015	Net Book Value as on 31.3.2014
TANGIBLE ASSETS											
Land - Freehold	7.10	-	-	7.10	-	-	-	-	-	7.10	7.10
Building	261.14	-	-	261.14	182.62	6.77	189.39	-	189.39	71.75	78.52
Machinery	3,906.21	0.35	-	3,906.56	1,852.25	99.77	1,952.02	-	1,952.02	1,954.54	2,053.96
Furniture & Fixtures	116.93	1.01	-	117.94	88.48	13.95	102.43	-	102.43	15.51	28.45
Vehicles	15.03	-	-	15.03	2.67	0.34	3.01	-	3.01	12.02	12.36
Total (A)	4,306.41	1.36	-	4,307.77	2,126.02	120.83	2,246.85	-	2,246.85	2,060.92	2,180.39
INTANGIBLE ASSETS											
Computer Software	27.99	-	-	27.99	18.59	4.21	22.80	-	22.80	5.19	9.40
Total (B)	27.99	-	-	27.99	18.59	4.21	22.80	-	22.80	5.19	9.40
Total (A) + (B)	4,334.40	1.36	-	4,335.76	2,144.61	125.04	2,269.65	-	2,269.65	2,066.11	2,189.79
Previous year	4,273.80	102.82	42.22	4,334.40	1,986.30	173.99	2,144.61	15.68	2,144.61	2,189.79	2,287.50

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2015 (Contd.)**

	<u>AS AT</u> <u>31.03.2015</u>	<u>AS AT</u> <u>31.03.2014</u>
	(₹. in lacs)	(₹. in lacs)
NOTE '11' - NON CURRENT INVESTMENTS		
LONG TERM INVESTMENTS (AT COST)		
TRADE INVESTMENTS : (Equity)		
Investment in Subsidiary Companies :		
300,00,000 (Last Year 150,00,000) Equity Shares of Pudumjee Hygiene Products Ltd. of Rs. 10/- each fully paid up. (unquoted)	3,000.00	1,500.00
50,000 Equity Shares of Pudumjee Holding Ltd. Shares of Rs. 10/- each fully paid up (unquoted)	5.00	5.00
Investments In Associates;		
34,12,850 Equity shares of Pudumjee Pulp & Paper Mills Ltd. of Rs. 2/- each fully paid (quoted)	267.16	267.16
6,75,000 Equity shares of Pudumjee Plant Laboratories Ltd. of Rs. 10/- each. fully paid (unquoted)	60.00	60.00
	3,332.16	1,832.16
Less : Provision for Diminution in value of Long term Investments, deducted per contra	60.00	60.00
	3,272.16	1,772.16
Aggregate amount of quoted investments		
Cost	267.16	267.16
Market Value	761.07	387.36
Aggregate amount of unquoted investments		
Cost	3,065.00	1,565.00

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2015 (Contd.)

	AS AT 31.03.2015 (₹. in lacs)	AS AT 31.03.2014 (₹. in lacs)
NOTE '12' - LONG TERM LOANS & ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Prepaid Expenses	2.84	3.49
Security Deposits	14.49	13.59
Loans & Advances to Subsidiary/Associates	1,424.28	2,706.46
Advance Income Tax (Less Provision for Tax)	29.95	71.09
Advances recoverable in cash or in kind		
Considered Good	83.24	63.61
Considered Doubtful deducted per contra	<u>3.92</u>	<u>3.01</u>
	<u>1,550.88</u>	<u>2,855.23</u>
NOTE '13' - INVENTORIES		
Raw material (At cost)	2,486.34	959.99
Raw material in Transit (At Cost)	20.69	7.88
Work-in-process (At cost)	155.96	233.14
Finished Paper (At lower of cost or market value.)	784.65	759.15
Finished Paper in Transit (At lower of cost or market value.)	-	14.02
Stores, Spare Parts Etc.(At Cost)	579.94	514.56
Stores, Spare Parts Etc. in Transit (At Cost)	-	-
Loose Tools (At Cost)	0.02	0.09
	<u>4,027.60</u>	<u>2,488.83</u>
NOTE '14' - TRADE RECEIVABLES (Unsecured)		
Debts outstanding for a period exceeding six months from due date		
Considered Good	11.95	6.03
Considered Doubtful	75.71	76.03
	<u>87.66</u>	<u>82.06</u>
Other Debts		
Considered Good	2,197.85	1,951.98
	<u>2,285.51</u>	<u>2,034.04</u>
Less : Provision for Doubtful Debts deducted per contra	<u>75.71</u>	<u>76.03</u>
	<u>2,209.80</u>	<u>1,958.01</u>
	<u>2,209.80</u>	<u>1,958.01</u>

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 2015 (Contd.)**

	AS AT <u>31.03.2015</u> (₹. in lacs)	AS AT <u>31.03.2014</u> (₹. in lacs)
NOTE '15' - CASH & BANK BALANCES		
Cash on hand as per books	5.71	3.85
On other accounts with Banks	21.51	14.41
Deposit with Bank for Margin Money (With Maturity beyond 12 months)	8.16	-
Cheques on hand	23.18	47.98
Unpaid Dividends with Banks	0.78	0.78
	<u>59.34</u>	<u>67.02</u>
NOTE '16' - SHORT TERM LOANS & ADVANCES		
(Unsecured, Considered Good, Other than Related parties)		
Prepaid Expenses	7.80	9.11
Security Deposit	-	1.00
Advances to employees of the Company	2.06	1.72
Balance with Government Authorities	164.32	105.91
Advances to Suppliers	40.76	45.59
Sundry Advances	70.15	78.79
	<u>285.09</u>	<u>242.12</u>

**NOTES ANNEXED TO AND FORMING PART OF THE
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

	<u>YEAR ENDED</u> <u>31.03.2015</u>		<u>YEAR ENDED</u> <u>31.03.2014</u>	
	(₹. in lacs)		(₹. in lacs)	
NOTE '17' - REVENUE FROM OPERATIONS				
PAPER	16,472.84		14,170.03	
Less : Excise Duty	<u>952.77</u>	15,520.07	<u>839.70</u>	13,330.33
TRADE SALE		119.68		393.94
MISCELLANEOUS SALES	26.82		32.44	
Less : Excise Duty	<u>0.22</u>	26.60	<u>1.22</u>	31.22
OTHER OPERATING REVENUE		38.80		42.22
NET REVENUE FROM OPERATIONS		<u>15,705.15</u>		<u>13,797.71</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)		<u>15,705.15</u>		<u>13,797.71</u>
NOTE '18' - OTHER INCOME				
DIVIDENDS				
Others		10.24		10.24
MISCELLANEOUS INCOME		16.21		11.15
INTEREST RECEIVED FROM OTHERS		<u>276.29</u>		225.14
		<u>302.74</u>		<u>246.53</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)		<u>138.91</u>		<u>107.50</u>
NOTE '19' - COST OF MATERIAL CONSUMED				
CONSUMPTION OF RAW MATERIALS		8,971.49		7,970.23
CONSUMPTION OF STORES COLOURS, CHEMICALS etc.		<u>875.21</u>		744.40
		<u>9,846.70</u>		<u>8,714.63</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)		<u>9,846.70</u>		<u>8,714.63</u>
NOTE '20' - CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE				
STOCK AT COMMENCEMENT				
Finished Paper	773.17		323.11	
Work-in-Process				
- Pulp	23.02		30.03	
- Paper	<u>210.12</u>	1,006.31	<u>100.68</u>	453.82
STOCK AT CLOSE				
Finished Paper	784.65		773.17	
Work-in-Process				
- Pulp	29.55		23.02	
- Paper	<u>126.41</u>	940.61	<u>210.12</u>	1,006.31
		<u>65.70</u>		<u>(552.49)</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)		<u>65.70</u>		<u>(552.49)</u>

**NOTES ANNEXED TO AND FORMING PART OF THE
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)**

	YEAR ENDED <u>31.03.2015</u> (₹. in lacs)	YEAR ENDED <u>31.03.2014</u> (₹. in lacs)
NOTE '21' - EMPLOYEES' COST		
SALARIES, WAGES, BONUS etc.		
Salaries, Wages, Gratuity & Bonus	586.87	502.13
Contribution to Provident & Other Funds (Including Administrative Charges)	49.97	44.94
Employees State Insurance	0.16	0.47
Workmen & Staff Welfare Expenses	20.64	18.72
	<u>657.64</u>	<u>566.26</u>
	<u>657.64</u>	<u>558.90</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)	<u>657.64</u>	<u>558.90</u>
NOTE '22' - INTEREST & FINANCIAL COST		
INTEREST ON BORROWINGS	719.12	654.46
OTHER FINANCIAL CHARGES	49.69	62.68
	<u>768.81</u>	717.14
LESS : INTEREST RECEIVED ON TRADE DEBTS	42.97	34.89
	<u>725.84</u>	<u>682.25</u>
	<u>589.63</u>	<u>564.61</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)	<u>589.63</u>	<u>564.61</u>
NOTE '23' - OTHER EXPENSES		
PROCESSING CHARGES	365.86	285.72
FUEL, POWER & WATER	2790.52	2492.39
RENT	5.02	5.00
RATES & TAXES	12.27	12.27
REPAIRS & MAINTENANCE		
Machinery	370.02	292.99
Buildings	3.23	26.09
Others	0.56	1.36
INSURANCE	10.47	5.58
PACKING,CARTAGE,CUTTING,BALING,FREIGHT ETC.	404.30	375.11
DEVELOPMENT & RESEARCH EXPENSES	7.52	6.41
COMMISSION ON SALES	69.14	80.20
DIRECTORS' FEES	0.60	0.41
EXCISE DUTY ON STOCK	5.20	29.89
PROVISION FOR DOUBTFUL DEBTS	-	-
BAD DEBTS	1.10	0.38
LOSS ON SALE /DISCARD OF ASSETS	-	0.03
OFFICE & MISCELLANEOUS EXPENSES	112.39	100.10
	<u>4,158.20</u>	<u>3,713.93</u>
	<u>4151.98</u>	<u>3707.91</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.8)	<u>4151.98</u>	<u>3707.91</u>

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE `24' -

24.1 The value of raw materials consumed

	<u>2014-2015</u> Value (₹. in lacs)	<u>2013-2014</u> Value (₹. in lacs)
Pulp	4,487.21	3,662.78
Waste Paper	4,484.28	4,307.45

24.2 Trade Purchases

Pulp	98.80	184.87
Waste Paper	-	133.20
Others	14.78	66.97

24.3 Value of Direct imports calculated on CIF basis during the financial year

Raw Material	6,874.06	4,831.01
Components & Spare Parts	157.39	197.98
Goods for resale	98.80	63.41

24.4 Expenditure in foreign currency during the financial year on account of

Royalty, know-how, interest, professional consultation, travelling, subscription and periodicals etc.	44.12	41.11
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24.5 Value of raw materials, spares parts and components consumed during the financial year and the percentage thereof

	<u>Value</u> (₹. in lacs)	<u>%</u>	<u>Value</u> (₹. in lacs)	<u>%</u>
Raw Materials :				
Direct Imports	7,292.45	81.28	6,513.00	81.72
Others	1,679.04	18.72	1,457.23	18.28
Total:	<u>8,971.49</u>	<u>100.00</u>	<u>7,970.23</u>	<u>100.00</u>
Spare Parts & Components:				
Direct Imports	182.26	15.75	170.50	17.11
Others	975.13	84.25	826.24	82.89
Total:	<u>1,157.39</u>	<u>100.00</u>	<u>996.74</u>	<u>100.00</u>
	<u>(₹. in lacs)</u>		<u>(₹. in lacs)</u>	

24.6 Remittance In Foreign Currency On Account Of Dividend

Amount Remitted during the year in foreign currencies on account of Dividend to NRI share holders.	Nil	Nil
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NOTE '24' - (Contd.)

	<u>2014-2015</u>	<u>2013-2014</u>
	(₹. in lacs)	(₹. in lacs)
24.7 Export of goods calculated on FOB basis		
Export of goods calculated on FOB basis (Earning in foreign Exchange)	1,254.25	1,218.29
Deemed Exports	—	—
	<u>1,254.25</u>	<u>1,218.29</u>

24.8 DISCONTINUING OPERATIONS

The Company has undertaken restructuring initiatives for demerger of the Paper Manufacturing Business of the Company. The Board of Directors of the Company at its Meeting held on 17th January, 2015 has considered and approved a Scheme of Arrangement (Demerger) between the company, Pudumjee Pulp & Paper Mills Ltd., Pudumjee Hygiene Products Ltd. and Pudumjee Paper Products Ltd. As per the Scheme the Paper Manufacturing Business of the Company would be demerged and transferred to Pudumjee Paper Products Limited. The appointed date in respect of the scheme is 1st April, 2014.

The Paper Manufacturing is the main business segment of the company. The Scheme is subject to requisite approvals, including sanction of the Hon'ble High Court at Mumbai which is pending. Accordingly aforesaid Paper Division has been considered as discontinuing operations.

The operating activities of the Company's discontinuing operations are summarized below:

a. The revenue and expense in respect of the ordinary activities attributable to the discontinuing operation:

Particulars	Year Ended on 31.3.15	Year Ended on 31.3.14
I. Revenue from operations	15,705.15	13,797.71
II. Other Income	138.91	107.50
III. Total Revenue (I +II)	<u>15,844.06</u>	<u>13,905.21</u>
IV. Expenses:		
Cost of materials consumed	9,846.70	8,714.63
Purchase of Stock-in-Trade	113.58	385.04
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	65.70	-552.49
Employee benefit expense	657.64	558.90
Financial costs	589.63	564.61
Foreign Exchange Loss/(Gain)	38.17	48.76
Depreciation and amortization expense	118.27	167.84
Other expenses	4,151.98	3,707.91
Total Expenses	<u>15,581.67</u>	<u>13,595.20</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)	262.39	310.01
VI. Tax expense:		
(1) Current tax	48.39	63.00
(2) Deferred tax	53.15	65.42
VII. Profit(Loss) from the period from Discontinuing operations	<u>160.85</u>	<u>181.59</u>

b. The Net Cash Flows attributable to the discontinuing operations are as follows:

Operating Activities	(1,222.54)	876.62
Investing Activities	126.86	3.54
Financing Activities	1,086.36	(895.07)
Net Cash Inflow/(Outflows)	(9.32)	(14.91)

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

c. The carrying amounts as at 31st March, 2015 of the total assets and liabilities to be disposed of are as follows:

Total Assets	8727.81	7085.13
Total Liabilities	7865.27	6308.00
Net Assets	862.54	777.13

24.9 Payments made to Auditors:	2014-2015	2013-2014
	(₹. in lacs)	(₹. in lacs)
Audit fees	2.75	2.75
Taxation matters	0.60	0.60
Others	1.95	2.45
	5.30	5.80

24.10 To the best of knowledge of the company, none of the creditors are 'Small enterprise' within its meaning under clause (m) of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 & therefore principal amount, interest paid/payable or accrued is NIL.

24.11 Long term Investments in the share capital of companies have been shown at cost although there has been diminution in their value
In view of the long term prospects of these companies no permanent diminution in value is envisaged by the management except to the extent provided for.

24.12 Land admeasuring about 1,400 Sq.Meters has been acquired by Municipal Corporation for road widening purpose in the earlier years. The Company is entitled to TDR with an out side chance of cash compensation, which is yet to be determined and as such this will be included when finally decided since the relevant documentation is yet to be finalised and executed.

24.13 (a) Contingent Liabilities not provided for in respect of:

	AS AT	AS AT
	31.03.2015	31.03.2014
	(₹.in lacs)	(₹.in lacs)
i) Bank Guarantees and Letters of Credit in favour of suppliers of raw materials, spares etc.*	190.97	1,189.06
ii) Guarantee for other Companies *	131.62	111.96
iii) Claims against the Company not acknowledged as debts for excise duty, property tax and commercial claims etc. **	490.94	503.43

* Will not affect the future Profitability.

** May affect the future profitability to the extent indicated, if such liabilities crystallise.

(b) Commitments not provided for in respect of:

i) Estimate of contracts remaining to be executed on capital accounts	-	-
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NOTE '24' - (Contd.)

24.14 Following significant accounting policies have been adopted in preparation and presentation of the financial statements:

- a) Fixed Assets are valued at cost.
- b) Borrowing costs comprising interest etc. relating to projects are capitalised up to the date of its completion and other borrowing costs are charged to Profit & Loss Account in the year of their accrual.
- c) Depreciation on Machinery & Building has been provided on Straight Line Method and on all other Assets on Written Down Value Method till 31.03.2014. The depreciation is provided on all assets based on the useful lives of the assets on straight line method w.e.f.01.04.2014, in accordance with Schedule II of the Companies Act, 2013.
- d) Finished paper stock is valued at lower of cost or market value. All other inventories are valued at lower of cost on first in first out Method or realisable value.
- e) Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair value. Long term investments are stated at cost, less provision for permanent diminution in value, if any.
- f)
 - (i) Contributions to defined contribution schemes, namely, Provident Fund and Superannuation Fund is made at a pre-determined rates and are charged to the Profit & Loss Account.
 - (ii) Contributions to the defined benefit scheme, namely, Gratuity Fund & provision for the remaining Gratuity and for Leave encashment are made on the basis of actuarial valuations made in accordance with the revised Accounting Standard (AS) 15 at the end of each Financial Year and are charged to the Profit & Loss Account of the year.
 - (iii) Actuarial gains & losses are recognized immediately in the Profit & Loss Account.
- g) Foreign Exchange Transactions are recorded at the then prevailing rate. Closing balances of Assets & Liabilities relating to foreign currency transactions are converted into rupees at the rates prevailing on the date of the Balance Sheet. The difference for transactions are dealt with in the Profit & Loss Account.
- h) Revenue recognition is postponed to a later year only when it is not possible to estimate it with reasonable accuracy.
- i) Factors giving rise to any indication of any impairment of the carrying amount of the company's assets are appraised at each balance sheet date to determine and provide /revert an impairment loss following accounting standard AS 28 for impairment of assets.

24.15 Computation of basic and diluted Earning Per Share (EPS)

	AS AT		AS AT
	31.03.2015		31.03.2014
(a) Net Profit after tax as per Profit & Loss Account :			
After current and deferred Tax	₹ 166.02 lacs	₹	70.03 lacs
(b) No. of Equity shares of Rs.2/- each :	180.00 lacs		180.00 lacs
(c) Basic EPS			
After current and deferred Tax (a / b)	₹ 0.92	₹	0.39

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

24.16 Depreciation

- (a) The Company has adopted the estimates of the useful lives of the Fixed Assets wef.1 st April,2014 as prescribed under schedule II of the companies Act.2013,as a result the charge of Depreciation for the year is lower by Rs.56.56 lacs.
- (b) Further an amount of Rs.7.26 lacs has been added to the depreciation for the year in respect of the residual value of assets, whose remaining useful lives has become Nil.
- (c) The Company has now adopted straight line method for all the assets instead of written down value method for certain assets.
consequently an amount of Rs.1.13 Lacs has been deducted from depreciation for the year.
- (d) Consequent to these changes the depreciation for the year ended 31 st March 2015 is lower by Rs.50.43 Lacs and profit before and after tax is correspondingly higher by the same amount.

- 24.17 (a) The Deferred Tax Liabilities/ (Deferred Tax Assets) into major components is as under :

	AS AT 31.03.2015 (₹. in lacs)	AS AT 31.03.2014 (₹. in lacs)
In respect of Depreciation	360	347
In respect of allowances and disallowances under various provisions of Income Tax Act.	(141)	(182)
Business Loss	-	(24)
Net Deferred Tax Liability	219	141

- (b) The Deferred Tax Asset in respect of carry forward of losses and tax credit has been worked out on the basis of assessment orders, returns of income filed for subsequent assessment years and estimate of the taxable income for the year ending 31st March, 2015

24.18 Related party disclosures (Accounting Standard 18) :

A) Subsidiary Company

- Pudumjee Hygiene Products Ltd.
- Pudumjee Holding Ltd.

B) Associate Firms/ Companies

- a) Pudumjee Pulp & Paper Mills Ltd.
- b) Pudumjee Plant Laboratories Limited.
- c) Pudumjee Investments and Finance Co.Ltd.
- d) Pudumjee Paper Products Ltd.

C) Key Management personnel

- 1) Mr.G.N.Jajodia
Executive Director
- 2) Mr. Sudhir V. Duppaliwar
Chief Finance Officer
- 3) Mr. J. W. Patil
Deputy Company Secretary

NOTE '24' - (Contd.)

D) Transactions with related Parties

(₹. in lacs)

	2014-2015 (2013-2014)		Maximum during the year	Key Management Personnel
	Subsidiary Companies	Associate Companies/ Firm		
a) i) Interest bearing Inter Corporate Deposits etc.obtained during the year		5373.00 (5,852.00)		
ii) Interest bearing Inter Corporate Deposits etc.given during the year	365.00 (397.25)	163.80 (137.35)		
b) i) Interest paid during the year	–	649.52 (580.09)		
ii) Interest charged during the year	136.27 (105.94)	136.20 (117.64)		
c) Inter Corporate Deposits obtained outstanding including interest Pudumjee Pulp and Paper Mills Ltd.		6,018.04 (4,703.79)		
Pudumjee Paper Products Ltd		96.84 (–)		
d) Intercorporate Deposits Given outstanding including interest. Pudumjee Hygiene Products Ltd.	121.59 (1630.33)	–	1630.33 (1,660.00)	
Pudumjee Holding Ltd.	46.05 (–)		46.05 (–)	
Pudumjee Plant Laboratories Ltd.		1,256.64 (1,076.13)	1,256.64 (921.92)	
e) Sales made during the year	–	16.14 (408.90)		
f) Dividend Received		10.24 (10.24)		
g) Share of Loss from Firm		– (110.84)		
h) Purchases/Processing Charges of goods made during the year		1,622.48 (1660.45)		
i) Reimbursement of common services and purchase of utilities during the year.		335.85 (114.69)		
j) Remuneration paid	– (–)	– (–)		46.93 (18.27)
k) Outstanding as creditor as on 31.03.2014		68.19 (169.42)		
l) Counter Guarantee given to banks for loans to	131.62 (111.96)	– (–)		

(Figures in brackets relate to previous year)

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

24.19 SEGMENT REPORTING (Accounting standard 17)

2014-2015
(2013-2014)
(Rs. in lacs)

Information about business segments.	Paper Manufacturing	Other	-	TOTAL
SEGMENT REVENUE				
From External Customers	15,705.15	16.21	-	15,721.36
	(13,797.71)	(11.15)	(-)	(13,808.86)
From Inter Segments	-	-	-	-
	(-)	(-)	(-)	(-)
Total Revenue	15,705.15	16.21	-	15,721.36
	(13,797.71)	(11.15)	(-)	(13,808.86)
SEGMENT RESULTS	663.42	3.22	-	666.64
	(704.44)	(-8.38)	(-)	(696.06)
Unallocated corporate expenses				-
Operating Profit				666.64
				(696.06)
Interest Expenses				719.12
				(654.46)
Interest Income				319.26
				(260.03)
Dividend Income				10.24
				(10.24)
Income from Partnership Firm (engaged in Real Estate Activity)				-
				(-110.84)
Income Taxes including Deferred Tax				111.00
				(131.00)
Profit from ordinary activities				166.02
				(70.03)
Extra Ordinary Income				-
				(-)
Net Profit as per Profit & Loss Account				166.02
				(70.03)
OTHER INFORMATION				
Total carrying amount of Segment Assets	8,727.81	4,743.17	-	13,470.98
	(7,085.13)	(4,491.91)	(-)	(11,577.04)
Add: Unallocated Corporate Assets				-
Total Assets as per Balance Sheet				13,470.98
				(11,577.04)
Total carrying amount of Segment Liabilities	7,865.27	1,285.53	-	9,150.80
	(6,308.00)	(1,114.29)	(-)	(7,422.29)
Add: Unallocated Corporate Liabilities				4,320.18
				(4,154.75)
Total Liabilities as per Balance Sheet				13,470.98
				(11,577.04)
Capital Expenditure incurred during the year	-	-	-	-
	(-)	(-)	(-)	(-)
Depreciation for the Year	118.27	6.77		125.04
	(167.84)	(6.15)		(173.99)
Other Non Cash Expenditure	1.36	-	-	1.36
	(93.38)	(9.44)	(-)	(102.82)
Sales Revenue by Geographical Segments				
WITHIN INDIA	14,450.90	-	-	14,450.90
	(12,579.42)	(-)	(-)	(12,579.42)
OUTSIDE INDIA	1,254.25	-	-	1,254.25
	(1,218.29)	(-)	(-)	(1,218.29)
	15,705.15	-	-	15,705.15
	(13,797.71)	(-)	(-)	(13,797.71)

i) Paper manufacturing business represents Discontinuing Operations and Other represents continuing operations

ii) The figures in brackets relate to earlier year.

NOTE '24' - (Contd.)

24.20 The following are the disclosures required under revised Accounting Standards (AS) 15 in respect of Employee Benefits :

- a) An amount of Rs.39.44 lacs (Last year Rs.35.84 lacs) has been recognized as an expenses for defined contribution plans by way of Company's contribution to Provident Funds & Super annuation Fund.
- b) The defined benefits plans comprise of Gratuity Plan and Leave Encashment Plan.The Gratuity Plan is partly funded with Life Insurance Corporation of India under its Cash Accumulation Plan.
- c) Expenses recognized during the year and reconciliation of the Assets & Liabilities recognized in Balance Sheet as at 31.03.2015:

	Gratuity (Partly funded) (₹. in lacs)		Leave Encashment (Unfunded) (₹. in lacs)	
	<u>2014-2015</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2013-2014</u>
i) The present value of defined benefit obligations at the commencement of the Year	222.79	241.22	23.18	21.06
ii) Current Service cost	13.54	10.45	4.44	2.53
iii) Interest cost	20.05	17.62	2.09	1.68
iv) Actuarial (Gain)/Loss	13.52	3.69	5.29	4.06
v) Benefits (Paid)	(13.21)	(50.19)	(3.86)	(6.15)
vi) Past Service Cost	-	-	-	-
vii) The present value of defined benefit obligations at the close of the Year	256.69	222.79	31.14	23.18
viii) The fair value of plan assets at the close of the year	95.93	88.09	-	-
ix) The Past service cost not yet recognized	-	-	-	-
x) Expected Return on plan assets	(7.41)	(7.08)	-	-
xi) Written back in Profit & Loss Account	-	-	-	-
Expenses aggregating Rs.51.11 lacs (Last year Rs.33.65 lacs) covered under items (ii),(iii),(iv),(vi) and (x) above have been debited to the Profit & Loss Account under the Head "Salaries,Wages,Bonus,etc.				
d) Actuarial assumptions	2014-2015	2013-2014	2014-2015	2013-2014
i) Rate of interest (per annum)	7.75%	9.00%	7.75%	9.00%
ii) Salary growth (per annum)	7.00%	7.00%	7.00%	7.00%
iii) Withdrawal rate (Per annum)	1.00%	1.00%	1.00%	1.00%
iv) Expected return on Plan Assets	7.75%	8.75%	-	-
v) Mortality rates [LIC(1994.96) ultimate]	-	-	-	-

24.21 The items and figures for the previous year have been recast and regrouped wherever necessary to conform to this year's presentation.

SIGNATURES TO NOTES 1 TO 24

As per our Report of date attached

On behalf of the Board

For KHARE & CO.,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

PUDUMJEE INDUSTRIES LIMITED

AOC-1

Statement containing salient features of the Financial statement of
Subsidiaries/Associate Companies /Joint Ventures

Part "A" - Subsidiaries:

Sr. No.	Particulars	Information	
1.	Name of Subsidiary	Pudumjee Hygiene Products Limited	Pudumjee Holding Limited
2.	Reporting period for the subsidiary concerned, if different from the Holding Company's reporting period.	31.03.2015	31.03.2015
		₹ in Lacs	₹ in Lacs
3.	Share Capital	3,000	5
4.	Reserves and Surplus	(2,396.01)	(4.38)
5.	Total Assets	1,330.54	46.90
6.	Total Liabilities	1,330.54	46.90
7.	Investments	4.00	45.00
8.	Turnover	4,840.78	0.16
9.	Profit before taxation	3.94	(1.35)
10.	Provision for taxation	--	--
11.	Profit after taxation	3.94	1.35
12.	Proposed dividend	Nil	Nil
13.	Percentage of shareholding	100%	100%

Part "B" - Associates and Joint ventures:

Name of associate/Joint Ventures	Pudumjee Plant Laboratories Limited (Associate)
Latest Audited Balance sheet date	31.03.2015
Shares of Associate/Joint Ventures held by the company on the year end.	
Nos	6,75,000
Amount of investment in Associates/Joint Ventures	₹ 60 Lacs
Extent of Holding %	27.11%
Description of how there is significant influence.	
Reasons why the associate/joint venture is not consolidated	
Net worth attributable to shareholding as per latest Attributable Balance Sheet	
Profit/Loss for the year	
Considered in consolidation	
Not considered in Consolidation	

For KHARE & COMPANY
Chartered Accountants

Y. P. SHUKLA
Proprietor

Place: Mumbai
Date: 18th May, 2015

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

On Behalf of the Board

G. N. JAJODIA
Executive Director

R. C. SARAF
Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
PUDUMJEE INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of PUDUMJEE INDUSTRIES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for 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; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

PUDUMJEE INDUSTRIES LIMITED

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

- (a) We did not audit the financial statements / financial information of Pudumjee Hygiene Products Ltd subsidiary, whose financial statements / financial information reflect total assets of ₹ 1330.52 lacs as at 31st March, 2015, total revenues of ₹ 4840.78 lacs and net cash flows amounting to ₹12.69 lacs for the year ended on that date, as considered in the consolidated financial statements. . These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.
- (b) We have audited the financial statements / financial information of Pudumjee Holding Ltd . another subsidiary reflect total assets of ₹ 46.90 lacs as at 31st March, 2015, total revenues of ₹ 0.16 lac and net cash flows amounting to ₹ 0.07 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 0.51 for the year ended 31st March, 2015 as considered in the consolidated financial statements, in respect of Pudumjee Paper Products Ltd associates, whose financial statements / financial information have been audited by us. And our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based on such audited financial statements / financial information.
- (c) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

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, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, 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, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Note to the consolidated financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Khare and Company
Chartered Accountants
(FRN 105100W.)

Signature
(Y. P. Shukla)
(Proprietor)
(Membership No. 016203)

Place of Signature : Mumbai
Date : 18th May 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

As stated in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our Auditors' report of even date the following statement is based on the comments in the Auditors' report on the standalone financial statements the holding company, associate company, subsidiary company audited by us and a subsidiary company audited by another statutory auditor, for the year ended 31st March, 2015.

- i.
 - a) The Holding Company, a subsidiary company and associate company have maintained proper records showing full particulars including quantitative details and situation of fixed assets, However, another subsidiary company does not have fixed assets;
 - b) As explained to us, the Holding Company a subsidiary company and associate company have physically verified the fixed assets by the respective managements at the end of the year. It has been reported to us that, no material discrepancies have been noticed on such verification. However another subsidiary company does not have fixed assets;
- ii.
 - a) It is reported that, the respective managements of the Holding Company, a subsidiary company and associate company have physically verified the inventories at the end of the year However another subsidiary company does not have inventories;
 - b) In the opinion of respective statutory auditors and according to the information and explanations given to them, the procedures of physical verification of inventories followed by the respective managements of the Holding Company, its subsidiary company and associate company are reasonable and adequate in relation to the size of the Company and the nature of their business;
 - c) The Holding Company, subsidiary company and associate company have maintained proper records of inventories and as explained to us there were no material discrepancies noticed on physical verification of inventory as compared to the book records;
- iii. The Holding Company has granted unsecured loans covered in the register maintained under Section 189 of the Companies Act, 2013 wherein the balance of principal amount and interest recoverable as at the year end is ₹ 1258 Lacs. Associate company has granted unsecured loans covered in the register maintained under section 189 of the Companies Act, 2013, wherein the balance of principal amount and interest recoverable as at the year end is ₹ 96.84 lacs.
 - a) The receipt of the principal amounts and interest thereon is also regular;
 - b) There are no overdue amounts in respect of loans given by the respective companies;
- iv. In their opinion and according to the information and explanations obtained by the statutory auditors of the Holding company, its subsidiary companies and associate company, there are adequate internal control procedures commensurate with the size of the respective companies and the nature of their business for the purchase of inventories, fixed assets and also for the sale of goods and services. There are no continuing failure to correct major weaknesses in the internal control system in any of these companies;
- v. The Holding company, its subsidiary companies and associate company have not accepted any deposits from the public;
- vi. We have broadly reviewed the records maintained by the Holding Company pursuant to the order made by the Central Government for the maintenance of Cost records under Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However no detailed examination of such accounts and records have been carried out by us. For subsidiary companies and associate company the Central Government has not prescribed the maintenance of cost records for the products and services of the Company;

- vii. a) According to the information and explanation given to the statutory auditors of the Holding Company, its subsidiary companies and associate company undisputed statutory dues including Provident Fund, Employees State insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other outstanding statutory dues have been regularly deposited during the year with the appropriate authorities;

There are no undisputed statutory dues as referred above as on 31st March, 2015 outstanding for a period of more than six months from the date they become payable;

- b) The disputed Statutory dues referred above in respect of Holding Company aggregating ₹ 397.12 lacs that have not been deposited on account of disputes and matters pending before appropriate authorities are as under:-

S. No	Nature of the Dues	Forum where the dispute is Pending	Amount ₹ in lacs
1	Excise Duty	CESTAT Mumbai (Department's Appeal)	151.78
2	Service Tax	CESTAT	3.36
3	Service Tax	Dy. Commissioner (Central Excise)	0.34
4	Service tax	Assistant Commissioner (Central Excise)	50.83
5	Custom Duty	Supreme Court (Deptt. Appeal)	8.00
6	Sale Tax	High Court M. P.	182.81

- c) The Holding Company, its subsidiary companies and associate company have no amounts required to be transferred to Investor Education and Protection Fund in accordance with the provisions of section 125 of the Companies Act, 2013 and rules made there under;
- viii. The Holding Company and associate company have no accumulated losses and has not incurred cash loss during the year under report and the immediately preceding financial years also. However both the subsidiary companies have accumulated losses at the end of the financial year not less than fifty percent of its net worth, and they have incurred Cash Loss during the year and also in the immediately preceding financial years also;
- ix. According to the information and explanations given to us, the Holding Company, its subsidiary companies and associate company have not made any default in repayment of dues to financial institutions or banks. The Holding company, its subsidiary companies and associate company have no outstanding debentures.
- x. The Holding Company has given a corporate guarantee for loan taken by its subsidiary company from a Bank and according to the information and explanations given to us, the terms and conditions of such guarantee is not prejudicial to the interest of the Company;
- xi. According to the information and explanations given to us, the Holding Company, its subsidiary companies and associate company have not taken any term loans during the year;
- xii. To the best of our knowledge and belief, and according to the information and explanations given to us by the respective managements, no fraud on or by the Holding Company, its subsidiary companies and associate company has been noticed or reported during the course of our audit.

For KHARE & CO.
Chartered Accountants
FRN 105100W

Y P SHUKLA
Proprietor
Membership No. 16203

Mumbai
Dated 18th May, 2015

PUDUMJEE INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at	As at
		31/03/2015	31/03/2014
		(₹. in lacs)	(₹. in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	360.00	360.00
(b) Reserves and Surplus	2	1,560.28	1,639.15
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	6,163.53	4,799.46
(b) Deferred tax liabilities (Net)		219.00	141.00
(c) Other Long-term Liabilities	4	52.59	58.62
(d) Long term provisions	5	175.73	146.67
(3) Current Liabilities			
(a) Short-term borrowings	6	1,253.99	494.57
(b) Trade payables	7	1,851.92	1,999.65
(c) Other current liabilities	8	5.24	191.50
(d) Short-term provisions	9	33.99	34.01
Total		11,676.27	9,864.63
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	2,159.42	2,296.88
(ii) Intangible assets		112.25	133.34
(iii) Capital work-in-progress		3.99	7.17
(b) Non-current investments	11	316.67	267.16
(c) Long term loans and advances	12	1,634.03	1,480.96
(2) Current assets			
(a) Inventories	13	4,438.11	2,920.07
(b) Trade receivables	14	2,616.95	2,415.66
(c) Cash and Bank Balances	15	98.42	89.66
(d) Short Term Loans & Advances	16	296.43	253.73
Total		11,676.27	9,864.63

OTHER NOTES AS PER NOTE 24

On behalf of the Board

For **KHARE & CO.**,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Year Ended	Year Ended
		31.03.2015 (₹. in lacs)	31.03.2014 (₹. in lacs)
I. Revenue from operations	17	21,478.04	19,162.36
Less : Excise Duty		952.99	840.92
Net Revenue from Operations		20,525.05	18,321.44
II. Other Income	18	182.96	155.28
III. Total Revenue (I + II)		20,708.01	18,476.72
IV. Less: Revenue of Discontinuing Operation		20,532.12	18,324.35
V. Revenue from Continuing Operations (III-IV)		175.89	152.37
VI. Expenses:			
(1) Cost Of Materials Consumed	19	9,846.70	8,714.63
(2) Trade Purchases		4,381.67	4,227.02
(3) Changes in Inventories of Finished Goods, Work-in-Process and Stock in Trade	20	86.43	(388.88)
(4) Employees' Cost	21	860.23	731.39
(5) Finance Cost	22	762.71	720.52
(6) Foreign Exchange Loss		38.17	48.76
(7) Depreciation	10	169.03	208.78
(8) Share of Loss/(Profit) in a Partnership Firm		-	110.84
(9) Other Expenses	23	4,529.92	4,156.75
Total Expenses		20,674.86	18,529.81
VII. Less: Expenses of Discontinued Operations		20,516.70	18,271.56
VIII. Expenses of Countinued Operations (VI-VII)		158.16	258.25
IX. Profit/(Loss) before exceptional and extraordinary items and tax of Continuing Operations (V-VIII)		17.73	(105.88)
X. Exceptional items/Extraordinary Items		-	-
XI. Profit/(Loss) before tax of continuing operations (IX-X)		17.73	(105.88)
XII. Tax expense:			
(1) Current tax		6.61	-
(2) Deferred tax		2.85	2.58
XII. Profit/(Loss) for the Year of Continuing Opertations (XI-XII) - (A)		8.27	(108.46)
XIV. Profit before tax for the period from discontinuing operations (See Note 24.9)		15.42	52.79
XV. Prior Period Income of Discontinuing Operations		(0.43)	2.79
XVI. Tax Expense of discontinuing operations			
1) Current Tax		48.39	63.00
2) Deferred Tax		53.15	65.42
XVI. Profit/(Loss) for the year from Discontinuing Operations (XIV + XV - XVI) - (B)		(86.55)	(72.84)
XVII. Profit/(Loss) for the year (A+B)		(78.28)	(181.30)
XI. Earning per equity share:(Face Value Rs.2/- per Share)			
Basic & Diluted		(0.43)	(1.02)
(See note No.24.2)			

OTHER NOTES AS PER NOTE 24

On behalf of the Board

For **KHARE & CO.**,
Chartered Accountants**G. N. JAJODIA**
Executive Director**Y. P. SHUKLA**
Proprietor**J. W. PATIL**
Deputy Company Secretary**S. V. DUPPALIWAR**
Chief Financial Officer**R. C. SARAF**
DirectorPlace : Mumbai
Dated : 18th May, 2015Place : Mumbai
Dated : 18th May, 2015

PUDUMJEE INDUSTRIES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	2014-2015 (₹ In lacs)	2013-2014 (₹ In lacs)
A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before Taxation & Prior Period items	33.15	(53.09)
Adjustments For :		
Depreciation	169.03	208.78
Interest and Financial Charges (Considered Separately)	810.74	759.76
Loss on Sale of Assets	-	0.03
Provision for Doubtful Debts	27.00	56.00
Other Income (Considered Separately)	(154.14)	(130.48)
Share of (Profit)/Loss of Partnership Firm	-	110.84
	852.63	1,004.93
	885.78	951.84
Operating Profit before Working Capital Changes		
(Increase)/Decrease in Inventories	(1,518.04)	(259.36)
(Increase)/Decrease in Debtors	(227.97)	319.46
(Increase)/Decrease in Advances	(238.04)	86.77
Increase /(Decrease) in Liabilities	(172.60)	(43.87)
	(2,156.65)	103.00
Cash(Used in) Generated from operations	(1,270.87)	1,054.84
Income Tax (paid) / Refund Received (Net)	28.68	(29.13)
Cash flow before Extraordinary items	(1,242.19)	1,025.71
(Expenses) /Income of earlier years	(0.43)	2.79
Net Cash(used in)/from Operating Activities	(1,242.62)	1,028.50
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase Of Fixed Assets	(7.30)	(111.74)
Sale Proceeds Of Fixed Assets	-	26.51
Interest Received	115.08	92.16
Dividend Received	10.24	10.24
Proceeds from refund of Investment	-	1.00
Share of Profit/(Loss) of Partnership Firm	-	(110.84)
Investment in Pudumjee Paper Products Ltd.	(49.51)	
Share in profit of Associate Company	0.51	
Net Cash(used in)/from Investing Activities	69.02	(92.67)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of long term borrowings (Net)	1,233.68	(331.77)
Proceeds/(Repayment) of Short term borrowings (Net)	759.42	145.65
Payment of Interest	(810.74)	(759.76)
Net Cash(used in)/from Financing Activities	1,182.36	(945.88)
Net change in cash & Cash Equivalents (A+B+C)	8.76	(10.05)
Cash & Cash Equivalents (Opening Balance)	89.66	99.71
Cash & Cash Equivalents (Closing Balance)	98.42	89.66

Note: Figures in brackets represent Cash Outflows.

NOTES AS PER NOTE "24"

As per our report of date attached

For **KHARE & CO.**,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

**NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

NOTE '1' - SHARE CAPITAL	AS AT 31.03.2015	AS AT 31.03.2014
AUTHORISED	(₹. in lacs)	(₹. in lacs)
12,50,00,000 Equity Shares of Rs. 2/- each	<u>2,500.00</u>	<u>2,500.00</u>
	<u>2,500.00</u>	<u>2,500.00</u>

ISSUED, SUBSCRIBED AND FULLY PAID UP

1,80,00,000 Equity Shares of Rs. 2/- each	<u>360.00</u>	<u>360.00</u>
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1.1 The reconciliation of the number of Equity shares outstanding :

Particulars	AS AT 31.03.2015	AS AT 31.03.2014
	No. of Shares	No. of Shares
Equity Shares at the beginning and end of the year	<u>18,000,000</u>	<u>18,000,000</u>

1.2 The details of Shareholders holding more than 5% shares

Name of the Shareholder	AS AT 31.03.2015		AS AT 31.03.2014	
	No. of Shares	% held	No. of Shares	% held
Pudumjee Investment & Finance Co.Ltd.	3,945,790	21.92	3,945,790	21.92
Thacker & Co.Ltd.	2,520,210	14.00	2,520,210	14.00
Pragya Reality Developers	999,995	5.55	999,995	5.55
Mr.Arunkumar M.Jatia	929,000	5.16	-	-
Pudumjee Pulp & Paper Mills Ltd.	956,725	5.32	956,725	5.32

NOTE '2' - RESERVES & SURPLUS

GENERAL RESERVE	AS AT 31.03.2015		AS AT 31.03.2014	
	(₹. in lacs)		(₹. in lacs)	
As per last Balance Sheet	1,400.00		1,360.00	
Add: Transfer from Capital Subsidy Reserve	<u>-</u>	1,400.00	<u>40.00</u>	1,400.00
SHARE PREMIUM ACCOUNT				
As per last Balance sheet		1,197.48		1,197.48
CAPITAL RESERVE (I)				
On Reissue of forfeited shares		0.44		0.44
CAPITAL RESERVE (II)				
On Consolidation of Associate Company				
Transfer from Profit & Loss Account		0.51		-
RESERVE FOR DOUBTFUL DEBTS		0.23		0.82
(see Note 5)				
SURPLUS IN PROFIT & LOSS ACCOUNT				
Balance in Profit & Loss Account	(959.59)		(778.29)	
Profit/(Loss) for the year	<u>(78.28)</u>		<u>(181.30)</u>	
	<u>(1,037.87)</u>		<u>(959.59)</u>	
Transferred to Capital Reserve	(0.51)	(1,038.38)	-	(959.59)
		<u>1,560.28</u>		<u>1,639.15</u>

NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)

	AS AT 31.03.2015 (₹. in lacs)	AS AT 31.03.2014 (₹. in lacs)
NOTE '3' - LONG TERM BORROWINGS		
Unsecured Borrowings		
Deposits from Associates	<u>6,163.53</u>	<u>4,799.46</u>
Total	<u>6,163.53</u>	<u>4,799.46</u>
NOTE '4' - OTHER LONG TERM LIABILITIES		
Sundry Creditors	<u>52.59</u>	<u>58.62</u>
	<u>52.59</u>	<u>58.62</u>
NOTE '5' - LONG TERM PROVISIONS		
Provision for Diminution in value of Long term Investments		
As per Last Balance Sheet	<u>60.00</u>	<u>60.00</u>
	<u>60.00</u>	<u>60.00</u>
Less : Deducted per contra from Investment	<u>60.00</u>	<u>60.00</u>
	-	-
Provision for Doubtful Debts & Advances		
As per last Balance Sheet	210.86	154.86
Add: Provided During the Year	<u>27.00</u>	<u>56.00</u>
	<u>237.86</u>	<u>210.86</u>
Less : Debts & Advances considered Doubtful per contra	<u>237.63</u>	<u>210.04</u>
	<u>0.23</u>	<u>0.82</u>
Less : Surplus provision shown under Reserves & Surplus	<u>0.23</u>	<u>0.82</u>
	-	-
Provision for Gratuity	<u>175.73</u>	<u>146.67</u>
	<u>175.73</u>	<u>146.67</u>

**NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)**

	AS AT <u>31.03.2015</u> (₹. in lacs)	AS AT <u>31.03.2014</u> (₹. in lacs)
NOTE '6' - SHORT TERM BORROWINGS		
A) Secured Borrowings from Bank		
Cash Credit repayable on demand (Secured by hypothecation of stock, stores and book debts and second charge on fixed assets of the company ranking pari passu among the consortium banks.)	1,200.85	432.68
B) Unsecured Borrowings from Others		
Other Deposits	<u>53.14</u>	<u>61.89</u>
Total	<u><u>1,253.99</u></u>	<u><u>494.57</u></u>
Note (a) : There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.		
NOTE '7' - TRADE PAYABLE		
Acceptances	631.89	955.22
Sundry Creditors	<u>1,220.03</u>	<u>1,044.43</u>
	<u><u>1,851.92</u></u>	<u><u>1,999.65</u></u>
NOTE '8' - OTHER CURRENT LIABILITIES		
Current Maturities of :		
Long Term Secured Debts	-	130.39
Unclaimed dividend	0.78	0.78
Interest on Loans accrued but not due on Borrowings	0.80	0.11
Advances from Customers	<u>3.66</u>	<u>60.22</u>
	<u><u>5.24</u></u>	<u><u>191.50</u></u>
NOTE '9' - SHORT TERM PROVISIONS		
Provision for Tax (Advance Tax)	2.85	10.84
Provision for Leave Encashment	<u>31.14</u>	<u>23.17</u>
	<u><u>33.99</u></u>	<u><u>34.01</u></u>

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015
(Contd.)

NOTE '10' - FIXED ASSETS (At Cost)

(₹. in lacs)

TYPE OF ASSETS	Cost upto 31.3.2014	Additions/ Transfers during the Year	Deductions/ Transfers during the Year	Balance upto 31.03.2015	Depreciation upto 31.3.2014	Depreciation for the year	Depreciation on sold Assets and on deductions written back	Depreciation Balance as on 31.03.2015	Net Book Value as on 31.03.2015	Net Book Value as on 31.3.2014
TANGIBLE ASSETS										
OWN ASSETS :										
Land - Freehold	7.10	-	-	7.10	-	-	-	-	7.10	7.10
Building	269.90	-	1.93	267.97	183.38	12.15	1.93	193.60	74.37	86.52
Machinery	3,938.44	1.84	-	3,940.28	1,873.85	103.32	-	1,977.17	1,963.11	2,064.59
Furniture & Fixtures	156.53	3.04	-	159.57	119.28	17.91	-	137.19	22.38	37.25
Vehicles	15.03	-	-	15.03	2.67	0.34	-	3.01	12.02	12.36
Sub-Total	4,387.00	4.88	1.93	4,389.95	2,179.18	133.72	1.93	2,310.97	2,078.98	2,207.82
LEASED ASSETS :										
Machinery (Given on lease)	147.62	-	-	147.62	58.56	8.62	-	67.18	80.44	89.06
Total (A)	4,534.62	4.88	1.93	4,537.57	2,237.74	142.34	1.93	2,378.15	2,159.42	2,296.88
INTANGIBLE ASSETS										
Computer Software	48.78	4.82	-	53.60	31.50	7.42	-	38.92	14.68	17.28
Trade Mark	12.62	0.78	-	13.40	4.41	1.29	-	5.70	7.70	8.21
Product Branding	179.75	-	-	179.75	71.90	17.98	-	89.88	89.87	107.85
Total (B)	241.15	5.60	-	246.75	107.81	26.69	-	134.50	112.25	133.34
Total (A) + (B)	4,775.77	10.48	1.93	4,784.32	2,345.55	169.03	1.93	2,512.65	2,271.67	2,430.22
Previous year	4,716.67	114.74	55.64	4,775.77	2,165.87	208.78	29.10	2,345.55	2,430.22	2,550.80

**NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)**

	<u>AS AT</u> <u>31.03.2015</u> (₹. in lacs)	<u>AS AT</u> <u>31.03.2014</u> (₹. in lacs)	
NOTE '11' - NON CURRENT INVESTMENTS			
LONG TERM INVESTMENTS (AT COST)			
TRADE INVESTMENTS : (Equity)			
Investments In Associates;			
34,12,850	Equity shares of Pudumjee Pulp & Paper Mills Ltd. of Rs. 2/- each fully paid (quoted)	267.16	267.16
6,75,000	Equity shares of Pudumjee Plant Laboratories Ltd. of Rs. 10/- each. fully paid (unquoted)	60.00	60.00
2,45,000	(Last Year Nil) Equity Shares of Pudumjee Paper Products Ltd. of Re.1/- each fully paid (unquoted)	49.51	-
		<hr/> 376.67	<hr/> 327.16
Less :	Provision for Diminution in value of Long term Investments, deducted per contra	60.00	60.00
		<hr/> 316.67 <hr/>	<hr/> 267.16 <hr/>
Aggregate amount of quoted investments			
Cost		267.16	267.16
Market Value		761.07	387.36
Aggregate amount of unquoted investments			
Cost		109.00	60.00

NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)

	AS AT 31.03.2015 (₹. in lacs)	AS AT 31.03.2014 (₹. in lacs)
NOTE '12' - LONG TERM LOANS & ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Prepaid Expenses	3.32	4.74
Security Deposits	39.94	56.75
Loans & Advances to Associates	1,256.64	1,076.13
Advance Income Tax (Less Provision for Tax)	33.98	75.34
Others Advances	304.07	271.01
Less: Provision for Doubtful Advances deducted per contra	3.92	3.01
	<u>300.15</u>	<u>268.00</u>
	<u>1,634.03</u>	<u>1,480.96</u>
NOTE '13' - INVENTORIES		
Raw material (At cost)	2,486.34	959.99
Raw material in Transit (At Cost)	20.69	7.88
Work-in-process (At cost)	155.96	233.14
Finished Paper (At lower of cost or market value.)	784.65	759.15
Finished Paper in Transit (At lower of cost or market value.)	-	14.02
Trade Goods (At Cost)	410.51	431.24
Stores, Spare Parts Etc. (At Cost)	579.94	514.56
Loose Tools (At Cost)	0.02	0.09
	<u>4,438.11</u>	<u>2,920.07</u>
NOTE '14' - TRADE RECEIVABLES (Unsecured)		
Debts outstanding for a period exceeding six months from due date		
Considered Good	12.71	17.49
Considered Doubtful	233.71	207.03
	<u>246.42</u>	<u>224.52</u>
Other Debts		
Considered Good	2,604.24	2,398.17
	<u>2,850.66</u>	<u>2,622.69</u>
Less : Provision for Doubtful Debts deducted per contra	233.71	207.03
	<u>2,616.95</u>	<u>2,415.66</u>
	<u>2,616.95</u>	<u>2,415.66</u>

**NOTES ANNEXED TO AND FORMING PART OF THE
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015 (Contd.)**

	AS AT	AS AT
	31.03.2015	31.03.2014
	<u>(₹. in lacs)</u>	<u>(₹. in lacs)</u>
NOTE '15' - CASH & BANK BALANCES		
Cash on hand as per books	5.83	4.30
On other accounts with Banks	43.10	23.18
Cheques on hand	23.18	47.98
Deposit with Bank for Margin Money (with maturity beyond 12 months Rs15.26 lacs, previous year Rs.11.60 Lacs)	15.26	11.60
On other Deposit Account with Bank (with Maturity beyond 12 months Rs.0.35 lac Previous Rs.0.32 lacs)	10.27	1.82
Unpaid Dividends with Banks	0.78	0.78
	<u>98.42</u>	<u>89.66</u>

NOTE '16' - SHORT TERM LOANS & ADVANCES

(Unsecured, Considered Good Other than Related parties)

Prepaid Expenses	11.27	19.06
Security Deposit	–	1.00
Advances to employees of the Company	2.06	1.72
Balance with Government Authorities	164.32	105.91
Advances to Suppliers	48.63	47.12
Sundry Advances	70.15	78.92
	<u>296.43</u>	<u>253.73</u>

PUDUMJEE INDUSTRIES LIMITED

**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

	YEAR ENDED		YEAR ENDED	
	31.03.2015		31.03.2014	
	(₹. in lacs)		(₹. in lacs)	
NOTE '17' - REVENUE FROM OPERATIONS				
PAPER	16,472.84		14,170.03	
Less : Excise Duty	<u>952.77</u>	15,520.07	839.70	13,330.33
TRADE SALE		4,939.58		4,917.67
MISCELLANEOUS SALES	26.82		32.44	
Less : Excise Duty	<u>0.22</u>	26.60	1.22	31.22
OTHER OPERATING REVENUE		<u>38.80</u>		42.22
NET REVENUE FROM OPERATIONS		<u>20,525.05</u>		<u>18,321.44</u>
DISCONTINUING OPERATIONS		<u>20,525.05</u>		<u>18,321.44</u>
(Included in above) (Refer Note No.24.9)				
NOTE '18' - OTHER INCOME				
DIVIDENDS				
Others		10.24		10.24
SHARE OF PROFIT IN ASSOCIATE COMPANY		0.51		-
MISCELLANEOUS INCOME		28.82		24.80
INTEREST RECEIVED FROM OTHERS		<u>143.39</u>		120.24
		<u>182.96</u>		<u>155.28</u>
DISCONTINUING OPERATIONS		<u>7.07</u>		<u>2.91</u>
(Included in above) (Refer Note No.24.9)				
NOTE '19' - COST OF MATERIAL CONSUMED				
CONSUMPTION OF RAW MATERIALS		8,971.49		7,970.23
CONSUMPTION OF STORES COLOURS, CHEMICALS etc.		<u>875.21</u>		744.40
		<u>9,846.70</u>		<u>8,714.63</u>
DISCONTINUING OPERATIONS		<u>9,846.70</u>		<u>8,714.63</u>
(Included in above) (Refer Note No.24.9)				
NOTE '20' - CHANGES IN INVENTORIES OF FINISHED GOODS				
WORK-IN-PROCESS AND STOCK-IN-TRADE				
STOCK AT COMMENCEMENT				
Finished Paper	773.17		323.11	
Trade Goods (At Cost)	431.24		594.85	
Work-in-Process				
- Pulp	23.02		30.03	
- Paper	<u>210.12</u>	1,437.55	100.68	1,048.67
STOCK AT CLOSE				
Finished Paper	784.65		773.17	
Trade Goods (At Cost)	410.51		431.24	
Work-in-Process				
- Pulp	29.55		23.02	
- Paper	<u>126.41</u>	1,351.12	210.12	1,437.55
		<u>86.43</u>		<u>(388.88)</u>
DISCONTINUING OPERATIONS		<u>86.43</u>		<u>(388.88)</u>
(Included in above) (Refer Note No.24.9)				

**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015 (Contd.)**

	YEAR ENDED <u>31.03.2015</u> (₹. in lacs)	YEAR ENDED <u>31.03.2014</u> (₹. in lacs)
NOTE '21' - EMPLOYEES' COST		
SALARIES, WAGES, BONUS etc.		
Salaries, Wages, Gratuity & Bonus	789.46	667.26
Contribution to Provident & Other Funds (Including Administrative Charges)	49.97	44.94
Employees State Insurance	0.16	0.47
Workmen & Staff Welfare Expenses	20.64	18.72
	<u>860.23</u>	<u>731.39</u>
	<u>860.23</u>	<u>724.03</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.9)		
NOTE '22' - INTEREST & FINANCIAL COST		
INTEREST ON BORROWINGS	759.04	695.01
OTHER FINANCIAL CHARGES	51.70	64.75
	<u>810.74</u>	759.76
LESS : INTEREST RECEIVED ON TRADE DEBTS	48.03	39.24
	<u>762.71</u>	<u>720.52</u>
	<u>626.48</u>	<u>602.86</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.9)		
NOTE '23' - OTHER EXPENSES		
PROCESSING CHARGES	365.86	285.72
FUEL, POWER & WATER	2790.52	2492.39
RENT	78.66	72.33
RATES & TAXES	12.27	12.27
REPAIRS & MAINTENANCE		
Machinery	370.02	292.99
Buildings	3.23	26.09
Others	1.82	2.15
INSURANCE	14.89	9.11
PACKING,CARTAGE,CUTTING,BALING,FREIGHT ETC.	478.82	455.20
DEVELOPMENT & RESEARCH EXPENSES	7.52	6.41
COMMISSION ON SALES	69.19	80.35
BAD DEBTS & ADVANCES WRITTEN OFF	1.10	0.69
DIRECTORS' FEES	0.60	0.41
EXCISE DUTY ON STOCK	5.20	29.89
PROVISION FOR DOUBTFUL DEBTS	27.00	56.00
LOSS ON SALE /DISCARD OF ASSETS	-	0.03
OFFICE & MISCELLANEOUS EXPENSES	303.22	334.72
	<u>4,529.92</u>	<u>4,156.75</u>
	<u>4,523.38</u>	<u>4,150.53</u>
DISCONTINUING OPERATIONS (Included in above) (Refer Note No.24.9)		

**NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED
BALANCE SHEET AS AT AND THE CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 2015.**

NOTE '24'

24.1 Following significant accounting policies have been adopted in preparation and presentation of the financial statements :

- a) Investments are classified into current and long term investments. Current Investments are stated at lower of cost and fair value. Long Term Investments are stated at cost, less provision for permanent diminution in value, if any.
- b) Finished goods are valued at lower of cost or market value. All other inventories are valued at cost based on First In,First Out method.
- c) Fixed Assets are valued at cost.
- d) Borrowing costs comprising interest etc. relating to project are capitalised up to the date of its completion and other borrowing costs are charged to profit and loss account in the year of their accrual.
- e) Depreciation on Machinery & Building has been provided on Straight Line Method and on all other assets on Written Down Value method till 31.03.2014. The depreciation is provided on all assets based on the usefull lives of the assets on streight line method w.e.f 01.04.2014, in accordance with Schedule II of the Companies Act, 2013
- f) (i) Contributions to defined contribution schemes,namely,Provident Fund and Superannuation Fund is made at a pre-determined rates and are charged to the Profit & Loss Account.
(ii) Contributions to the defined benefit scheme,namely,Gratuity Fund & provision for the remaining Gratuity and for Leave encashment are made on the basis of actuarial valuations made in accordance with the revised Accounting Standard (AS) 15 at the end of each Financial Year and are charged to the Profit & Loss Account of the year.
(iii) Actuarial gains & losses are recognized immediately in the Profit & Loss Account.
- g) Revenue recognition is postponed to a later year only when it is not possible to estimate it with reasonable accuracy.
- h) Foreign currency transactions are recorded at the then prevailing rate. Closing balances of assets and liabilities relating to foreign currency transactions are converted into Rupees at the rates prevailing on the date of the Balance Sheet. The difference for transactions are dealt with in the Profit and Loss Account of the year.
- i) Factors giving rise to any indication of any impairment of the carrying amount of the assets are appraised at each balance sheet date to determine and provide /revert an impairment loss following accounting standard AS-28 for impairment of assets.

		AS AT 31.03.2015	AS AT 31.03.2014
24.2	Basic & Diluted EPS:		
a)	Net profit/(Loss) after tax as per Profit & Loss Account After current and deferred Tax	₹ (77.85) Lacs	(184.09) Lacs
b)	Number of Equity Shares outstanding during the year	180 Lacs	180 Lacs
c)	Basic & Diluted EPS: After current and deferred Tax (a / b)	₹ (0.43)	(1.02)

NOTE '24' (Contd.)

24.3 a) Break up of Deferred Tax Liabilities / (Deferred Tax Assets) into major components is as under:

	AS AT <u>31.03.2015</u> (₹ in lacs)	AS AT <u>31.03.2014</u> (₹ in lacs)
In respect of Depreciation	360	347
In respect of allowances and disallowances under various provisions of Income Tax Act.	(141)	(182)
Business Loss	-	(24)
Net Deferred Tax Liability	<u>219</u>	<u>141</u>

- b) The Deferred Tax Asset in respect of carry forward of losses has been worked out on the basis of assessment orders, returns of income filed for subsequent assessment years and estimate of the taxable income for the year ending 31st March, 2015
- c) No Deferred Tax Asset has been recognised in respect of losses of subsidiary companies in view of prevailing circumstances.

24.4 Related Party Disclosures (Accounting Standard 18)

a) **Associate Companies / Firms**

Pudumjee Pulp & Paper Mills Ltd.
Pudumjee Plant Laboratories Ltd.
Pudumjee Investments and Finance Co.Ltd.
Pudumjee - G. Corp. Developers
Pudumjee Paper Products Ltd.

b) **Key Management Personnel**

- 1) Mr. G.N.Jajodia
Executive Director
- 2) Mr. Sudhir V. Duppaliwar
Chief Finance Officer
- 3) Mr. J. W. Patil
Dy. Company Secretary

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' (Contd.)

c) Transactions with related Parties	<u>2014-2015</u> (2013-2014)	Maximum during the year	Key Management personnel
	<u>Associate Companies/Firm</u>		
a) i) Interest bearing Inter Corporate Deposits etc. obtained during the year	5,373.00 (5,852.00)		
ii) Interest bearing Inter Corporate Deposits etc. given during the year	163.80 (137.35)		
b) i) Interest paid during the year	649.52 (580.09)		
ii) Interest charged during the year	136.20 (117.64)		
c) Inter corporate deposits etc. receivable/payable including interest.			
Pudumjee Pulp & Paper Mills Ltd. (payable)	6,018.04 (4,703.79)		
Pudumjee Paper Products Ltd.	96.84 (-)		
d) Inter corporate deposits Given outstanding including interest			
Pudumjee Plant Laboratories Ltd.	1,256.64 (1,076.13)	1,256.64 (921.92)	
e) Sales made during the year	16.14 (408.90)		
f) Dividend Received	10.24 (10.24)		
g) Share of Loss from Firm	-		
	(110.84)		
h) Purchases/Processing charges of goods made during the year	1,622.48 (1,660.45)		
i) Reimbursement of common services and purchase of utilities during the year.	335.85 (114.69)		
j) Remuneration paid	-		46.93
	(-)		(18.27)
k) Outstanding as Creditor as on 31.3.15	68.19		
Pudumjee Pulp and Paper Mills Ltd.	(169.42)		

(Figures in brackets relate to previous year)

NOTE '24' - (Contd.)

24.5 Segment Reporting (Accounting Standard 17)

Information about business segments.	PAPER MANU- FACTURING	HYGIENE AND OTHER PRODUCTS	OTHERS	2014-2015
				(2013-2014) (₹ in Lacs) TOTAL
SEGMENT REVENUE				
From External Customers	15,705.15 (13,797.71)	4,819.90 (4,523.73)	28.77 (24.31)	20,553.82 (18,345.75)
From Inter Segments	- (-)	- (-)	- (-)	- (-)
Total Revenue	15,705.15 (13,797.71)	4,819.90 (4,523.73)	28.77 (24.31)	20,553.82 (18,345.75)
SEGMENT RESULTS				
Unallocated corporate expenses	663.42 (704.44)	(80.22) (-115.93)	7.33 (-5.46)	590.53 (583.05)
Operating Profit				590.53 (583.05)
Interest Expenses				759.04 (695.01)
Interest Income				191.42 (159.48)
Dividend Income				10.24 (10.24)
Income from Partnership Firm (engaged in Real Estate Activity)				- (-110.84)
Income Taxes including Deferred Tax				111.00 (131.00)
Profit from ordinary activities				(77.85) (-184.08)
Extra Ordinary Income				- (-)
Net Profit as per Profit & Loss Account				- (-)
OTHER INFORMATION				
Total carrying amount of Segment Assets	8,606.22 (6,954.80)	1,250.08 (1,331.89)	1,819.97 (1,577.94)	11,676.27 (9,864.63)
Add: Unallocated Corporate Assets				- (-)
Total Assets as per Balance Sheet				11,676.27 (9,864.63)
Total carrying amount of Segment Liabilities	7,865.27 (6,308.00)	604.96 (443.19)	1,285.76 (1,114.29)	9,755.99 (7,865.48)
Add: Unallocated Corporate Liabilities				1,920.28 (1,999.15)
Total Liabilities as per Balance Sheet				11,676.27 (9,864.63)

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

24.5 Segment Reporting (Accounting Standard 17)

	PAPER MANU- FACTURING	HYGIENE AND OTHER PRODUCTS	OTHERS	2014-2015 (2013-2014) (₹ in Lacs) TOTAL
Information about business segments.				
Capital Expenditure incurred during the year	1.36 (93.38)	9.12 (9.25)	- (12.11)	10.48 (114.74)
Depreciation for the Year	118.27 (167.84)	35.37 (24.76)	15.39 (16.18)	169.03 (208.78)
Other Non Cash Expenditure				- (-)
Sales Revenue by Geographical Segments				- (-)
WITHIN INDIA	14,450.90 (12,579.42)	4,819.90 (4,523.73)	- (-)	19,270.80 (17,103.15)
OUTSIDE INDIA	1,254.25 (1,218.29)	- (-)	- (-)	1,254.25 (1,218.29)
	15,705.15 (13,797.71)	4,819.90 (4,523.73)	- (-)	20,525.05 (18,321.44)

(I) Paper manufacturing business and Hygiene & Other Products represents Discontinuing Operations. Other represents continuing operations.

(ii) The figures in brackets relate to earlier year.

24.6 Following are the disclosures required under revised Accounting Standards (AS) 19 in respect of Operating Lease :-

- a 1. A Subsidiary Company had entered into lease agreements for commercial as well as for residential premises on usual terms and conditions for period ranging from 11 months to 10 years by placing refundable deposits. In respect of this agreement the future minimum lease payment is as under:

Particulars	Warehouse & Administrative	
	31-Mar-2015	31-Mar-2014
i) not later than one year	₹ 53.85 lacs	₹ 48.07 lacs
ii) later than one year and not later than five years	₹ 117.89 lacs	₹ 25.18 lacs
iii) later than five years	₹ 109.20 lacs	NIL

2. All such lease payments are recognized in Profit & Loss Account as rent paid.

- b A Subsidiary Company has entered into lease agreement in terms of which it has given plant and machinery on lease on the usual terms and conditions and such payments received have been recognized in the Profit & Loss Account. Rs.12.56 lacs (Last year Rs.13.16 lacs)

NOTE '24' - (Contd.)

24.7 Office & Miscellaneous expenses includes remuneration of all statutory auditors.

	<u>2014-2015</u>	<u>2013-2014</u>
	(₹ In lacs)	(₹ In lacs)
Audit fees	3.24	3.24
Taxation matters	0.70	0.70
Others	2.03	2.53
	<u>5.97</u>	<u>6.47</u>

24.8 Depreciation

- (a) The company has adopted the estimates of the useful lives of the Fixed Assets w.e.f. April 2014 as prescribed under schedule II of the companies Act 2013, as a result the charge of depreciation for the year is lower by Rs.55.78 lacs.
- (b) Further an amount of Rs. 8.55 lacs has been added to the depreciation for the year in respect of the residual value of assets remaining useful lives has become Nil.
- (c) The company has now adopted straight line method for all the assets instead of written down value method for certain assets consequently an amount of Rs.1.11 Lacs has been deducted from depreciation for the year.
- (d) Consequent to these changes the depreciation for the year ended 31st March 2015 is lower by Rs. 48.34 Lacs and profit before and after tax is correspondingly higher by the same amount.

24.9 DISCONTINUING OPERATIONS

The Company has undertaken restructuring initiatives for demerger of the Paper Manufacturing Business of the Company. The Board of Directors of the Company at its Meeting held on 17th January, 2015 has considered and approved a Scheme of Arrangement (Demerger) between the company, Pudumjee Pulp & Paper Mills Ltd., Pudumjee Hygiene Products Ltd. and Pudumjee Paper Products Ltd. As per the Scheme the Paper Manufacturing Business of the Company would be demerged and transferred to Pudumjee Paper Products Limited. The appointed date in respect of scheme is 1st April, 2014.

The Paper Manufacturing is the main business segment of the company. The Scheme is subject to requisite approvals, including sanction of the Hon'ble High Court at Mumbai which is pending. Accordingly aforesaid Paper Division has been considered as discontinuing operations.

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

The operating activities of the Company's discontinuing operations are summarized below:

a. The revenue and expense in respect of the ordinary activities attributable to the discontinuing operation :

Particulars	Year Ended on 31.3.15	Year Ended on 31.3.14
I. Revenue from operations	20,525.05	18,321.44
II. Other Income	<u>7.07</u>	<u>2.91</u>
III. Total Revenue (I +II)	<u>20,532.12</u>	<u>18,324.35</u>
IV. Expenses:		
Cost of materials consumed	9,846.70	8,714.63
Purchase of Stock-in-Trade	4,381.67	4227.02
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	86.43	(388.88)
Employee benefit expense	860.23	724.03
Financial costs	626.48	602.86
Foreign Exchange Loss/(Gain)	38.17	48.76
Depreciation and amortization expense	153.64	192.61
Other expenses	<u>4,523.38</u>	<u>4,150.53</u>
Total Expenses	<u>20,516.70</u>	<u>18,271.56</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)	15.42	52.79
VI. Tax expense:		
(1) Current tax	48.39	63.00
(2) Deferred tax	<u>53.15</u>	<u>65.42</u>
VII. Profit(Loss) from the period from Discontinuing operations	<u>(86.12)</u>	<u>(75.63)</u>
Prior Period Income	(0.43)	2.79
VII. Profit(Loss) from the period from Discontinuing operations	(86.55)	(72.84)

b. The Net Cash Flows attributable to the discontinuing operations are as follows:

Operating Activities	(1050.65)	1045.57
Investing Activities	(14.97)	(70.22)
Financing Activities	1072.81	(982.43)
Net Cash Inflow/(Outflows)	7.19	(7.08)

c. The carrying amounts as at 31st March, 2015 of the total assets and liabilities to be disposed of are as follows:

Total Assets	9856.30	8286.62
Total Liabilities	8470.23	6751.19
Net Assets	1386.07	1535.43

24.10 Land admeasuring about 1,400sq.Meters has been acquired by Municipal Corporation for Road Widening purpose in the earlier years. The Parent Company is entitled to TDR with an outside chance of cash compensation ,which is yet to be determined and as such this will be included when finally decided since the relevent documentation is yet to be finalised and executed.

NOTE '24' - (Contd.)

- 24.11 a. The investment in Pudumjee Pulp & Paper Mills Ltd. Is accounted for in accordance with AS-13 and not under equity method under AS 23 in view of extent and nature of holding.
- b. The Investment in Pudumjee Paper Products Ltd.is accounted for in accordance with AS-23 following proportionate consolidation.

24.12 a Details of Subsidiary / Associate Companies:

Name of the Company	Country of Incorporation	Proportion of Ownership interest	Minority Interest	Financial Accounting Year ended
I) Subsidiary Companies				
a) Pudumjee Hygiene Products Ltd.	India	100 %	Nil	31.03.2015
b) Pudumjee Holding Ltd.	India	100 %	Nil	31.03.2015
II) Associate Companies / Firms				
a) Pudumjee Pulp & Paper Mills Ltd.	India	8.32 %	N.A.	31.03.2015
b) Pudumjee Plant Laboratories Ltd.	India	27.11 %	N.A.	31.03.2015
c) Pudumjee Investments and Finance Co.Ltd.	India	Nil	N.A.	31.03.2015
d) Pudumjee Paper Products Ltd.	India	45 %	N.A.	31.03.2015
e) Pudumjee - G.Corp.Developers.	India	Nil	N.A.	31.03.2015

- b i) Subsidiary Company Pudumjee Hygiene Products Ltd.have incurred losses of Rs.243.02 lacs (Previous year Rs.254.08 lacs) & Pudumjee Holding Ltd.Rs.1.35 Lacs (Previous year Rs.0.04 Lac) for the year ending 31st Mar,2015 which has been appropriately dealt with in these consolidated financial statements.

- ii) Since the parent company has made full provision for its investment in Pudumjee Plant Laboratories Ltd the loss suffered by latter has been ignored while consolidating the accounts in accordance with the accounting standard AS- 23.

c Financial information of subsidiary companies of the parent company

	Pudumjee Hygiene Products Ltd.		Pudumjee Holding Ltd.	
	31.3.2015 (₹ in lacs)	31.3.2014 (₹ in lacs)	31.3.2015 (₹ in lacs)	31.3.2014 (₹ in lacs)
i) Share Capital	3,000.00	1,500.00	5.00	5.00
ii) Reserves	(2,396.01)	(2,152.57)	(4.38)	(3.03)
iii) Total Assets	1,330.52	1,420.95	46.90	2.08
iv) Total Liabilities	1,330.52	1,420.95	46.90	2.08
v) Investments	4.00	—	45.00	—
vi) Turnover	4,819.90	4,523.73	—	—
vii) Profit/(Loss) Before Taxation	243.03	(254.08)	(1.35)	(0.04)
viii) Provision for Taxation	—	—	—	—
ix) Profit/(Loss) After Taxation	243.03	(254.08)	(1.35)	(0.04)
x) Proposed Dividend	—	—	—	—

PUDUMJEE INDUSTRIES LIMITED

NOTE '24' - (Contd.)

d Minority Interests in all subsidiaries, Associates. (Investments as per the equity method)

Name of the entity in the	Net Assets i.e. total Assets minus total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹ in lacs)	As % of Consolidated profit or loss	Amount (₹ in lacs)
1	2	3	4	5
Parent Subsidiaries (Indian)				
1) Pudumjee Hygiene Products Ltd.	31.45%	603.97	315.50%	(246.97)
2) Pudumjee Holding Ltd.	0.03%	0.62	1.72%	(1.35)
Foreign	N.A.	N.A.	N.A.	N.A.
Associates (Investment as per the equity method) (Indian)				
1) Pudumjee Paper Products Ltd.	5.27%	101.02	-0.14%	0.11
Foreign	N.A.	N.A.	N.A.	N.A.
Minority Interests in all subsidiaries	N.A.	N.A.	N.A.	N.A.
Joint Ventures (as per proportionate consolidation/ investment as per the equity method)	N.A.	N.A.	N.A.	N.A.
TOTAL		705.61		(248.21)

24.13 (a) Contingent Liabilities not provided for in respect of :

	AS AT 31.03.2015 (Rs. In lacs)	AS AT 31.03.2014 (Rs. In lacs)
(i) Bank Gurantees and Letter of credit in favour of suppliers of raw materials, Spares etc.*	190.97	1,189.06
(ii) Claims against the Companies not acknowledged as debts for excise duty, property tax, and commercial claims etc.**	490.94	503.43
* Will not affect the future profitability.		
** May affect the future profitability to the extent indicated if such liabilities crystallize.		
(b) Cmmittments not provided for in respect of: Estimate of contracts remaining to be executed on Capital A/cs.	-	-

24.14 The following are the disclosures required under revised Accounting Standards (AS) 15 in respect of Employee Benefits :

- a) An amount of Rs.35.84 lacs (last year Rs.35.64 lacs) has been recognized as an expenses for defined contribution plans by way of Company's contribution to Provident Funds & Super annuation Fund.
- b) The defined benefits plans comprise of Gratuity Plan and Leave Encashment Plan. The Gratuity Plan is partly funded with Life Insurance Corporation of India under its Cash Accumulation Plan.

NOTE '24' - (Contd.)

- c) Expenses recognized during the year and reconciliation of the Assets & Liabilities recognized in Balance Sheet as at 31.03.2015 :

	2014-2015		2013-2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Partly funded (Rs. in lacs)	(Unfunded) (Rs. in lacs)	Partly funded (Rs. in lacs)	(Unfunded) (Rs. in lacs)
i) The present value of defined benefit obligations at the commencement of the Year	234.32	23.28	250.85	21.06
ii) Current Service cost	16.65	4.44	13.09	2.53
iii) Interest cost	21.09	2.09	18.41	1.68
iv) Actuarial (Gain)/Loss	15.78	5.29	2.16	4.06
v) Benefits Paid	(10.23)	(3.86)	(50.19)	(6.15)
vi) Past Service Cost	—	—	—	—
vii) The present value of defined benefit obligations at the close of the Year	271.65	31.14	234.32	23.18
viii) The fair value of plan assets at the close of the year	95.93	—	88.09	—
ix) The Past service cost not yet recognized	—	—	—	—
x) Expected Return of Plan Assets	(7.41)	—	(7.08)	—
ix) Written back in Profit & Loss Account	—	—	—	—

Expenses aggregating ₹ 57.93 lacs (last year ₹.35.55 lacs) under items (ii),(iii),(iv),(vi) and (x) above have been debited to the Profit & Loss Account under the Head "Salaries,Wages,Bonus etc."

- d) Actuarial assumptions

	2014-2015		2013-2014	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
i) Rate of interest (per annum) Parent Co.	7.75%	7.75%	9.00%	9.00%
Subsidiary Co-	7.75%	—	9.00%	—
ii) Salary growth (per annum) Parent Co-	7.00%	7.00%	7.00%	7.00%
Subsidiary Co-	6.50%	—	6.00%	—
iii) Withdrawal rate (Per annum)	1.00%	1.00%	1.00%	1.00%
iv) Expected return on Plan Assets	7.75%	—	8.75%	—
v) Mortality rates [LIC(1994.96) ultimate]	—	—	—	—

24.15 The items and figures for the previous year have been recast and regrouped wherever necessary to conform to this years presentation.

As per our report of date attached

On behalf of the Board

For **KHARE & CO.**,
Chartered Accountants

G. N. JAJODIA
Executive Director

Y. P. SHUKLA
Proprietor

J. W. PATIL
Deputy Company Secretary

S. V. DUPPALIWAR
Chief Financial Officer

R. C. SARAF
Director

Place : Mumbai
Dated : 18th May, 2015

Place : Mumbai
Dated : 18th May, 2015

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules,2014]

Name of the Company : **PUDUMJEE INDUSTRIES LIMITED**
CIN:L74999MH1999PLC013394

Registered office : **THERGAON, PUNE 411 033.**

Name of the member (s) :	
Registered address :	
E-mail Id :	
Folio No./ Client Id/DPID :	

I/We, being the member (s) of Shares of the above named company, hereby appoint,

1. Name :

Address :

E-mail Id :

Signature : or failing him

2. Name :

Address :

E-mail Id :

Signature : or failing him

3. Name :

Address :

E-mail Id :

Signature :

as my/ our proxy to attend and vote (on a poll) for me/ us and on our behalf at the 50th Annual General Meeting of the company, to be held on the Monday, the 21st day of September, 2015 at 9.00 a.m. (ST) at the Registered Office of the Company at Thergaon, Pune 411 033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No(s). (Please tick (✓) at appropriate box below)

- | | | | |
|---|--------------------------|--|--------------------------|
| 1. Adoption of Accounts & Reports | <input type="checkbox"/> | 4. Appointment of Director in place of Ms. Vasudha Jatia | <input type="checkbox"/> |
| 2. Appointment of Director retiring by rotation | <input type="checkbox"/> | 5. Revision in the Remuneration of Executive Director | <input type="checkbox"/> |
| 3. Appointment of Auditor | <input type="checkbox"/> | 6. Consent for acceptance of Fixed Deposits from Members | <input type="checkbox"/> |

Signed this.....day of2015.

Signature of shareholder



Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

COURIER / REGD. POST

If undelivered, please return to :

Pudumjee Industries Ltd.,
Thergaon, Pune – 411 033.