PUDUMJEE

PUDUMJEE PAPER PRODUCTS LTD.
Registered Office

VJ:

23rd July, 2017

The Manager, Listing Department, **National Stock Exchange of India Ltd.,** Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051. **Scrip Code:- PDMJEPAPER**	The Manager, Corporate Relationship Department, **BSE Ltd.,** Phiroze Jeejeebhoy Towers, Dalal Street, MUMBAI – 400 001. **Scrip Code:- 539785**

Dear Sir/Madam,

Subject: Annual Report for the Financial Year 2016-17.

Pursuant to the Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 we have enclosed the Annual Report of the Company for the Financial Year 2016-17 for your information and record.

Thanking you,

Yours Faithfully,

for **Pudumjee Paper Products Limited**

Vinay Jadhav
Company Secretary
Encl.:- As above

Registered Office:
Thergaon, Chinchwad, Pune-411033 Tel: +91-20-30613333, Fax : +91-20-4077 3388
E-Mail : pune@pudumjee.com, sk@pudumjee.com. CIN: U21098PN2015PLC153717
Corporate Office:
Jatia Chambers, 60, Dr. V.B.Gandhi Marg, Kalaghoda. Mumbai-400001 India.
Tel: +91-22-30213333, 22674485, 66339300, Fax: +91-22-22658316.
E-Mail: pudumjee@pudumjee.com Web Site : www.pudumjee.com.

SGS UKAS
SG 11 / 03261
ISO 14001 : 2004
FSC www.fsc.org FSC® C114394
The mark of responsible forestry

PUDUMJEE PAPER PRODUCTS LIMITED

PUDUMJEE

ANNUAL REPORT
2016- 2017

PUDUMJEE PAPER PRODUCTS LIMITED

DIRECTORS :

A. K. JATIA	(Chairman)
V. P. LEEKHA	(Managing Director)
S. K. BANSAL	
V. K. BESWAL	
NANDAN DAMANI	
MRS. MADHU DUBHASHI	
DR. ASHOK KUMAR	(Executive Director)
B. K. KHAITAN	(w.e.f. 28.05.2016)

BANKERS :

STATE BANK OF INDIA

IDBI BANK LIMITED

BANK OF INDIA

KOTAK MAHINDRA BANK LIMITED

THE SARASWAT CO-OPERATIVE BANK LIMITED

AXIS BANK LIMITED

AUDITORS :

KHARE & COMPANY

REGISTERED OFFICE :

THERGAON, PUNE 411 033.

REGISTRAR & TRANSFER AGENTS :

KARVY COMPUTERSHARE PVT. LTD.,

UNIT : PUDUMJEE PAPER PRODUCTS LIMITED,

KARVY SELENIUM TOWER B, PLOT NO. 31 & 32,
GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA,
SERILINGAMPALLY, **HYDERABAD – 500 032.**

DEMAT STOCK CODE :

INE865T01018

EQUITY SHARES ARE LISTED AT :

BSE LTD. AND NATIONAL STOCK EXCHANGE OF INDIA LTD.

NOTICE

The Third Annual General Meeting of the Shareholders of **Pudumjee Paper Products Limited** will be held at the Registered Office of the Company at Thergaon, Pune 411 033 on Saturday, the 22nd day of July, 2017 at 3.00 p.m. (ST) to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 including the Audited Balance Sheet as at 31st March, 2017 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, Auditors thereon.

2) To appoint a Director in place of Mr. Ved Prakash Leekha (DIN: 00048568), who retires by rotation and being eligible, offers himself for re-appointment.

3) To declare a dividend on equity shares of the Company for the year 2016-2017.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, M/s. J. M. Agrawal & Company, Chartered Accountants (Firm Registration No. 100130W), be and are hereby appointed as Auditors of the Company (in place of M/s. Khare & Company, Chartered Accountants, who have expressed their unwillingness to continue as Statutory Auditor of the Company), for the period of five (5) years, to hold office from the conclusion of this (3rd) Annual General Meeting until the conclusion of the Eight (8th) Annual General Meeting of the Company, subject to ratification of the appointment by the Members at every Annual General Meeting, on such remuneration as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee."

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

"RESOLVED THAT pursuant to the provision of Section 143 (8) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, Messrs G. N. Angal & Co., Chartered Accountants (FRN 113250W), be and is hereby appointed as the Branch Auditor of the Company to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company on such terms and conditions including remuneration payable to them, as may be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee".

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to the undernoted subsisting contracts already entered into or to be entered into and further authorized to deal in related party transaction(s) as under:

Sr. No.	Name of the Related Party	Nature of Transaction	Aggregate Amount	Duration of Agreement
1	Pudumjee Pulp & Paper Mills Limited	Leave and License Agreement for accepting portion of 3000 sq.mtrs. Located at Thergaon, Pune -411033 for establishing 132/100 KV sub-station.	License Fee of ₹ 3,22,800 per month plus applicable taxes	4 years and 3 months commencing from 01st November, 2016.
		Arrangement/Contract/ Agreement for Accepting/Providing Inter Corporate Deposits.	Amount remaining outstanding during any financial year shall not exceeding ₹ 6,000 Lacs Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
		Arrangement/Agreement for Sale of tissue papers, Napkins, Towels, etc. at Market based rates	About ₹ 10 lacs for each financial year.	Continuous Arrangement.
		Arrangements for providing the Common Services (such as telephone, electricity, Computer, etc.)	About ₹ 15 lakhs for each financial year on cost basis.	Continuous Arrangement.
2	Pudumjee Industries Limited	Arrangement/Contract/ Agreement for Accepting /Providing Inter Corporate Deposits	Amount remaining outstanding during any financial year shall not exceeding ₹2,500 Lacs Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
		Arrangements for providing the Common Services (such as telephone, electricity, Computer, etc.)	About ₹ 5 lakhs for each financial year on cost basis.	Continuous Arrangement
3	Thacker and Company Limited	Arrangement/Contract/ Agreement for Accepting /Providing Inter Corporate Deposits	Amount remaining outstanding during any financial year shall not exceeding ₹ 2,500 Lacs Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
4	Chem Mach Private Limited	Arrangement/Contract/ Agreement for Accepting /Providing Inter Corporate Deposits	Amount remaining outstanding during any financial year shall not exceeding ₹ 2,500 Lacs Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, deem necessary, and to execute all necessary documents".

7) 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 Sections 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 the conditions laid down in those provisions and the Companies (Acceptance of Deposits) Rules, 2014, to invite and accept deposits from the members of the Company and from the public in general, 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".

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time and to time, the Company hereby approves the remuneration of ₹ 2,50,000/- for Messrs. Y. R. Doshi & Co., Cost Accountants in Practice (FRN 000003), who have been appointed by the Board of Directors of the Company as the Cost Auditors of the Company, to conduct the audit of the Cost Records of the Company relating to "PAPER" for the Financial Year ending 31st March, 2018."

Notes:

1) The Explanatory Statement as required under Section 102 of the Companies Act, 2013 in respect of Items Nos. 4 & 6 to 8 is annexed hereto.

2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

3) The Register of Members and Transfer Books of the Company will be closed from Tuesday, the 11th day of July, 2017 to Saturday, the 22nd day of July, 2017 (both days inclusive).

4) The Dividend, when sanctioned, will be paid on and from 1st August, 2017 to those shareholders whose names stand on the Company's Register of Members as holders of the shares on 22nd July, 2017. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of the shares whose names are appearing in the Register of Members as Beneficial Owner; at the close of business hours on 10th July, 2017 as per the details furnished by the Depositories for this purpose. The payment of Dividend will be subject to the provisions of Section 126 of the Companies Act, 2013.

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

6) Documents referred to in the Notice and the explanatory statement shall be available for inspection by the members at the registered office of the Company on all working days (Monday to Saturday) from

2.00 p.m. to 4.00 p.m. except holidays, upto the date of the Meeting of the Company. The Register of Directors and Key Managerial Personnel and their Shareholdings and Register of Shareholders, are available for inspection at the Registered office of the Company.

7) 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 Participants.

8) Further pursuant to Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Company needs to send the Notice, Annual Report electronically through e-mail addresses as obtained from the Company/ Depositories/ Registrar and Share Transfer Agent to the members.

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

The members who hold shares in physical mode and have not registered their e-mail id can request the Company to receive Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication 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 dematerialised form) or with Karvy Computershare Pvt. Ltd.,(in case of Shares held in physical form).

9) Members/proxies are requested to bring the copies of annual reports to the meeting.

10) Voting through electronic means:

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 Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Annual General Meeting ("remote e-voting") will be provided by Karvy Computershare Pvt. Ltd., appointed for the purpose by the Company as authorised agency. Remote e-voting is optional.

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

A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company / Depositories):

i. Open the e-mail and also open PDF file namely "PPPL E-VOTING PDF"/ "https:// www.evoting@karvy.com" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

ii. Open the internet browser and type the following URL:https://www.evoting@karvy.com.

iii. Click on Shareholder - Login.

iv. if you are already registered with Karvy for e-voting then you can use your existing user ID and password.

v. if you are logging in for the first time, please enter the user ID and password provided in the e-mail as initial password.

vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.

vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.

viii. Select "EVEN" (E-Voting Event Number) of Karvy Computershare Pvt. Ltd. Now you are ready for e-voting as Cast Vote page opens.

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

x. Upon confirmation, the message "Vote cast successfully" will be displayed.

xi. Once the vote on the resolution is cast, the Members shall not be allowed to change it subsequently.

xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail:- savitajyotiassociates05@gmail.com, with a copy marked to evoting@karvy.com.

xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-votinguser manual - Shareholders, available at the downloads section of www.evoting.karvy.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email address are not registered with the Company/ Depositories):

i. Initial password is provided in the enclosed form: EVEN (E-voting Event Number), User ID and password.

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

C. Other Instructions:

i. The Remote e-voting period commences on Wednesday, the 19th July, 2017 (9.00 a.m. IST) and ends on Friday, the 21st July, 2017 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 15th July, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by Karvy Computershare Pvt. Ltd. for voting thereafter. The Member who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast vote again.

ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 15th July, 2017.

iii. Mrs. Savita Jyoti, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

iv. 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.

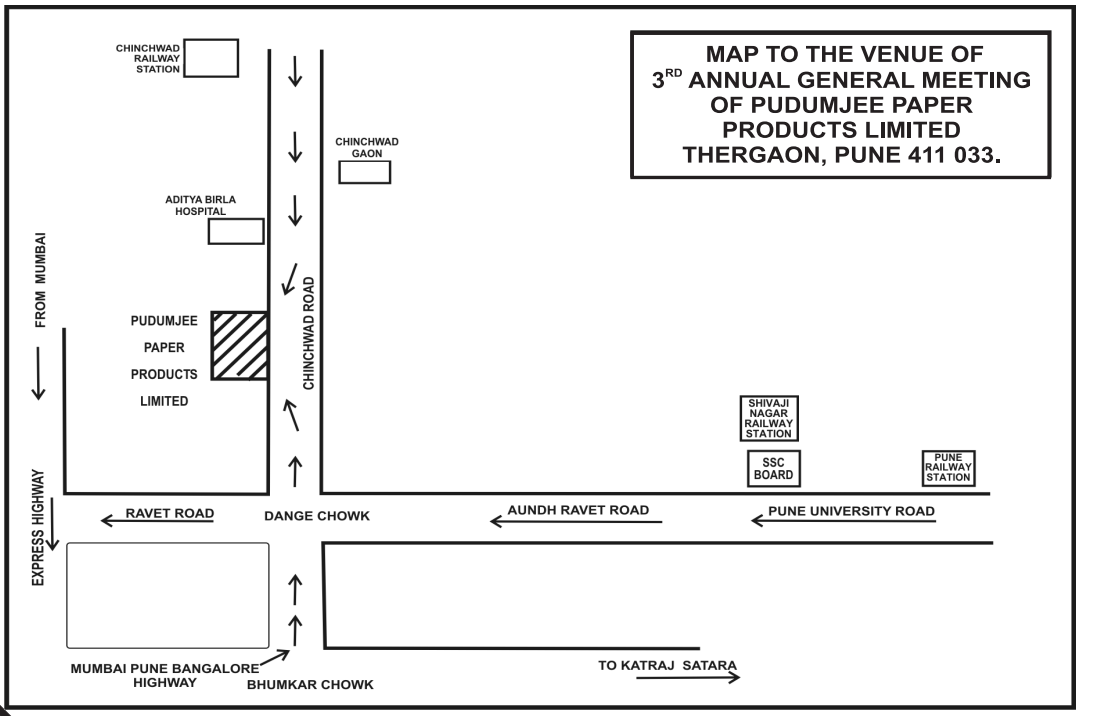
v. The results declared alongwith the Scrutiniser's Report shall be placed on the Company's website www.pudumjee.com and on the website of Karvy - www.evoting.karvy.com and communicated to the Stock Exchanges.

vi. Those shareholders who do not have access to remote e-voting facility may write to Registrar and Share Transfer Agent, M/s. Karvy Computershare Pvt. Ltd. or to the Company for Ballot Paper which after filling up should reach to the Scrutinizer's, Mrs. Savita Jyoti c/o M/s. Karvy Computershare Pvt. Ltd. on or before 18th July, 2017.

By Order of the Board,
Pudumjee Paper Products Limited,

Vinay Jadhav
Company Secretary.

Registered Office:
Thergaon, Pune-411033
Tel: +91-20-30613333,
Fax: +91-20-40773388
CIN: L21098PN2015PLC153717
Web Site : www.pudumjee.com.
20th May, 2017



ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

The following Explanatory Statement sets out all the material facts relating to items of business as mentioned in Serial Nos. 4 & 6 to 8 under Special Business in the accompanying Notice dated 20th May, 2017 convening the Annual General Meeting.

ITEM NO. 4

This explanatory statement is provided though not required as per section 102 of the Companies Act, 2013.

Messrs Khare & Company, Chartered Accountants, have expressed their unwillingness to be continue as statutory auditors of the Company beyond this Annual General Meeting as indicated in their letter dated 20th May, 2017 and consequently it is proposed to appoint M/s. J. M. Agrawal & Company, Chartered Accountants (FRN-100130W), have given their consent to be appointed as Statutory Auditors and have confirmed that their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Their appointment was also recommended by the Audit Committee and the Board of Directors at its meeting held on 20th May, 2017.

None of the Directors, Key Managerial Personnel and their relatives is interested or concerned in the proposed resolution.

The Resolution at Item No. 4 of this Notice is recommended by the Board to be passed as an Ordinary Resolution.

ITEM NO. 6

The provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide that, all material related party transactions shall require approval of the shareholders.

In compliance with the above provisions the agreements already entered into, the transactions to be continued with the parties as specified in the proposed ordinary resolution and proposed agreements / contracts / arrangements to be entered into, are placed for your approval. It may be noted that, related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Pudumjee Pulp & Paper Mills Limited (PPPML), Thacker and Co. Limited (TCL), Pudumjee Industries Limited (PIL) and Chem Mach Private Limited (CMPL) are related parties by virtue of below mentioned criteria:

Name of the Company	Interested Director
Pudumjee Pulp & Paper Mills Limited	Mr. A. K. Jatia - Common Directorship and he alongwith his relatives holds more than 2% of paid up share capital of the Company Mr. S. K. Bansal - Common Directorship Mr. V. P. Leekha - Common Directorship Dr. Ashok Kumar - Common Directorship
Thacker and Co. Limited	Mr. A. K. Jatia - Common Directorship and he alongwith his relatives holds more than 2% of paid up share capital of the Company Mr. S. K. Bansal - Common Directorship
Pudumjee Industries Limited	Mr. A. K. Jatia - He alongwith his relatives holds more than 2% of paid up share capital of the Company
Chem Mach Private Limited	Mr. A. K. Jatia - Common Directorship

None of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, monetarily or otherwise in proposed special resolution.

The Resolution at Item No. 6 of this Notice is recommended by the Board to be passed as an Ordinary Resolution.

ITEM NO. 7

The Board of Directors at their meeting held on 20th May, 2017 approved and recommended the invitation and acceptance of fixed deposits from the members of the Company and from the public in general pursuant to the 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 Companies Act, 2013 and the Rules framed thereunder the Company is required to obtain approval of its shareholders for acceptance of Fixed Deposits from the members of the Company and from the public in general, 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.

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 at Item No. 7 of the Notice is recommended by the Directors to be passed as a Special Resolution.

ITEM NO. 8

The Company is required under Section 148 of the Companies Act, 2013, to have the audit of its cost records relating to "PAPER" conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of Messrs Y. R. Doshi & Co., the Cost Accountants to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31st March, 2018, at a remuneration of ₹ 2,50,000/-.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors needs to be approved by the members of the Company.

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

The Resolution at Item No. 8 of the Notice is recommended by the Directors to be passed as an Ordinary Resolution.

By Order of the Board,
Pudumjee Paper Products Limited,

Vinay Jadhav
Company Secretary.

Registered Office:
Thergaon, Pune-411033
Tel : +91-20-30613333,
Fax : +91-20-40773388
CIN : L21098PN2015PLC153717
Web Site : www.pudumjee.com.

20th May, 2017

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the 3rd Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL RESULTS:

	2016-2017 (₹ in Lacs)	2015-16 (₹ in Lacs)
The Earning Before Interest, Tax, Depreciation and Amortization	**4,696.91**	3,492.53
Less:		
i) Finance cost	**991.81**	1,688.11
ii) Depreciation	**664.78**	533.46
The net profit before tax	**3,040.32**	1,270.96
Add:		
The balance of Profit brought forward from last year	**1,299.50**	1.12
Total	**4,339.82**	1,272.08
Less:		
Provision for Current Taxation	**700.00**	250.00
Provision/(Saving) for Deferred Taxation	**353.00**	9.00
Dividend on Equity Shares	**–**	94.95
Tax on Dividend (for earlier year)	**1.07**	18.26
Transfer to General Reserve	**200.00**	200.00
Total	**1,254.07**	572.21
Balance proposed to be carried forward to next year's accounts	**3,085.75**	699.87

DIVIDEND:

The Board of Directors recommends the payment of Dividend for the year ended 31st March, 2017 at the rate of ₹ 0.15 per share. If approved, the Equity Dividend shall be paid, subject to the provisions of section 126 of the Companies Act, 2013 to those shareholders whose names stand on the Register of Members on 22nd July, 2017.

The Dividend in respect of shares held in electronic form, will be paid to all those beneficial owners of the shares as per the details furnished by depositories for the purpose at the close of business hours on 10th July, 2017.

OPERATIONS:

The Directors are happy to report that during the year under review the Company has sold 60483 MT of paper which is more by about 23% over quantity sold in previous year, inspite of adverse impact of demonetization particularly in the intervening period on economy in general. The Company has achieved a turnover of about ₹ 543 crores and Earning Before Interest, Depreciation, Tax & Amortisation (EBIDTA) of ₹ 46.97 crores registering an increase of over 10% and 34% respectively over the corresponding figures of last year. The net profit after tax at ₹ 19.87 crores has witnessed a growth by 96% over the last year. The sharp increase in profitability has primarily

been on account of comparatively lower input costs, change in product mix including developing new grades of paper and dynamic market strategy adopted to address changing market conditions. Whilst Paper Division segment which manufactures wide range of Specialty Paper products could get some advantage by adopting appropriate market strategy during and after demonetization period, the Hygiene Products Division which markets converted tissue products under its brand name 'Greenlime' did somewhat suffer due to disruption caused by the said event.

A project for installation of 132/100 KV Sub-station as also a full width Super Calendar Project involving an outlay of about ₹ 30 Crores is in advanced stage of completion and is likely to be completed in the first half of 2017-18. These projects are expected to further supplement efforts of the Company to improve its profitability.

FIXED DEPOSITS:

As informed to you earlier, pursuant to the Scheme of Arrangement and Reconstruction (Demerger) as sanctioned by the Honb'le Bombay High Court, the "Fixed Deposits Liability" was transferred from Pudumjee Pulp & Paper Mills Limited to the Company. Your Company holds fixed deposits accepted from Public with effect from the effective date of the scheme i.e. 1st February, 2016. The repayments of deposits as and when due are being made and all other obligations are regularly met by the Company.

AUDITORS:

i. STATUTORY AUDITORS:

Pursuant to the Section 139 of the Companies Act, 2013 and the Rules made there under a Statutory Auditor can be appointed for the period of 5 years subject to the ratification by shareholders at every Annual General Meeting.

Messrs. Khare & Company (Registration No. F105100W) the Company's Auditors were appointed to hold office till the conclusion of 6th Annual General Meeting at the 2nd Annual General Meeting of the Company.

However, Messrs. Khare & Company Chartered Accountant, have expressed their unwillingness to continue as the Statutory Auditors of the Company beyond ensuing Annual General Meeting as indicated in their letter dated 20th May, 2017.

In view of that, the Board of Director at their meeting held on 20th May, 2017 recommended the appointment of M/s. J. M. Agrawal & Company, Chartered Accountants (Firm Registration No. 100130W) as a Statutory Auditor of the Company, subject to the approval of the shareholders in the ensuing General Meeting for a period of 5 years i.e. from the conclusion of this meeting till the conclusion of the 8th Annual General Meeting of the Company.

The Company has received the consent from the M/s. J. M. Agrawal & Company, Chartered Accountants (Firm Registration No. 100130W) and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act, 2013 and rules made thereunder. The Shareholders will be required to appoint the auditors and fix their remuneration at the ensuing Annual General Meeting.

There is no adverse remark or qualification in the Statutory Auditor's Report 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.

ii. SECRETARIAL AUDITOR:

Pursuant to provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the Board has appointed Mr. I. U. Thakur, Company Secretary, Pune to conduct Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for the financial year 2016-17 is annexed hereto as Annexure No. 1.

There is no qualification in the Secretarial Audit Report.

iii. COST AUDITORS:

The Board of Directors, on the recommendation of Audit Committee, has appointed M/s. Y. R. Doshi & Co., Cost Accountants, Mumbai as Cost Auditor to audit the Cost Accounts of the Company for the financial year 2017-18. As required under the Companies Act, 2013, a resolution seeking Member's approval for the remuneration payable to the Cost Auditors forms part of the Notice convening the Annual General Meeting.

DETAILS OF APPOINTMENT OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

In terms of provisions of the Companies Act, 2013 and the Article of Association of the Company, Mr. Ved Prakash Leekha, Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the applicable provisions of the Companies Act, 2013 and applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MEETINGS:

During the year 6 Board Meetings and 6 Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report, and forms part of this Annual Report. The intervening gap between the Meetings was within permissible period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As required under the provisions of the Companies Act, 2013, the Board of Directors has constituted the Corporate Social Responsibility Committee. The major role of this Committee is to formulate, recommend, implement and monitor the CSR policy and activities to be undertaken by the Company to meet/contribute towards its corporate social responsibility objectives. The Board of Directors at its meeting held on 20th May, 2017 has constituted its CSR Committee. Some of the activities which will be undertaken by the Company itself or through an eligible trust are as under;

a) Education

b) Environment

c) Vocational Development

The CSR committee comprises of the following members:

Sr. No.	Name of the Director	Category	Designation
1	Mr. Nandan Damani	Non Executive, Independent Director	Chairman
2	Mr. V. K. Beswal	Non Executive, Independent Director	Member
3	Mr. B. K. Khaitan	Non Executive, Independent Director	Member
4	Mr. S. K. Bansal	Non Executive, Non Independent Director	Member

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose are provided in Annexure No.2 to this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

A policy on Related Party Transactions has been adopted by the Board of Directors at its meeting held on 14th November, 2015 for determining the materiality of transactions with related parties and dealings with them. The said policy is available at the Company's website at www.pudumjee.com.The Audit Committee reviews all related party transactions quarterly and also as and when felt necessary.

Pursuant to Section 134 (3), 188 (1) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the 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 No. 3.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE:

As required under Companies Act, 2013, a meeting of the Independent Directors was held on 4th February, 2017 to evaluate the performance of the Non-Independent Directors, wherein the evaluation of performance of the Non-Independent Directors, including the Chairman and also of the Board as a whole was made, against pre-defined and identified criteria.

The criteria for evaluation of the performance of the Independent Directors, Chairman and the Board, was finalized by the Nomination and Remuneration Committee in its meeting held on 22nd January, 2016, the said committee has carried out evaluation of the performance of every Director. The said criteria is available at the Company's website at www.pudumjee.com. The Board of Directors at their meeting held on 4th February, 2017 has evaluated the performance of Independent Directors.

While evaluating, the principles and guidelines issued vide circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 of Securities Exchange Board of India dated 5th January, 2017 on Board Evaluation have been taken into account.

FAMILIARISATION PROGRAMME:

The details of programmes for familiarisation of Independent Directors with the Company is available at the Company's website at www.pudumjee.com.

RISK MANAGEMENT POLICY:

In accordance with the requirements of the Act, the Company has adopted and implemented a Risk Management Policy for identifying risks to the Company, procedures to inform Board members about the risk assessment & minimization procedures, monitoring the risk management plan, etc.

VIGIL MECHANISM / WHISTLE BLOWER MECHANISM:

The Company promotes ethical behaviour in all its business activities and has established a vigil mechanism for Directors and Employees to report their genuine concerns.

Pursuant to Section 177 of the Companies Act, 2013 read with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy "Vigil Mechanism / Whistle Blower Policy", wherein the Employees/Directors/Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides safeguards against victimization of Employees, who report under the said mechanism. During the year under review, the Company has not received any complaint under the said mechanism. The said policy is available at the Company's website at www.pudumjee.com.

PARTICULARS OF EMPLOYEES:

As required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the statement giving required details is given in the Annexure No(s). 4 and 4 A to this report.

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

There was no complaint reported under the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 as Annexure No. 5 and forms part of this Report.

REPORT ON CORPORATE GOVERNANCE:

Your Company's philosophy on Corporate Governance, sets the goal of achieving the highest level of transparency

with integrity in all its dealings with its stakeholders including shareholders, employees, lenders and others. A report on Corporate Governance along with a Certificate from the practicing Company Secretary regarding the Compliance of Conditions of Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report as Annexure No.6.

EXTRACT OF ANNUAL RETURN:

Pursuant to sub-section 3 (a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2017 is annexed herewith as Annexure No. 7 to this report.

REMUNERATION POLICY:

In accordance with the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated remuneration policy which inter alia, includes the criteria for determining qualifications, positive attributes and independence of Directors. The said policy may be referred to, at the Company's website i.e., www.pudumjee.com and is annexed hereto and marked as Annexure No. 8.

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.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the company for that period;

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

d) the Directors have prepared the annual accounts on a going concern basis; and

e) the Directors have 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 have 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 would like to express their sincere appreciation of the positive co-operation received from the Bankers, Customers, Vendors and Investors of the Company for their continued support during the year.

The Directors also wish to place on record their deep sense of appreciation for the dedication and contribution made by employees at all levels and look forward to their support in future as well.

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE NO. 1

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To,
The Members,
PUDUMJEE PAPER PRODUCTS LIMITED
Pune

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by PUDUMJEE PAPER PRODUCTS LIMITED (CIN: L21098PN2015PLC153717) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the PUDUMJEE PAPER PRODUCTS 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2017 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not applicable to the Company during the Audit Period

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable to the Company during the Audit Period

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the Audit Period

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable to the Company during the Audit Period

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. On the basis of the information provided by the Company, following laws are also complied with:

A) ENVIRONMENTAL LAWS:

1. The Air (Prevention and Control of Pollution) Act, 1981 & The Air (Prevention and Control of Pollution) Rules,1982
2. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Rules, 1975
3. The Hazardous Wastes (Management, Handling and Tranboundary Movement) Rules, 2008

B) LABOUR LAWS:

1. The Factories Act, 1948
2. The Minimum Wages Act, 1948
3. The Payment of Wages Act, 1936
4. The Employees Provident Fund and Miscellaneous Provisions Act, 1956 and the schemes made thereunder
5. The Payment of Bonus Act, 1965
6. The Payment of Gratuity Act, 1972

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

I 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 notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 Board Meeting were taken unanimously.

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

Signature:

I. U. THAKUR
PRACTICING COMPANY SECRETARY

Place : Pune
Date : 20th May, 2017

FCS:2298 C.P. No:1402

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 Paper Products Limited
Pune

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My examination was limited to the verification of procedures 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.

Signature:

I. U. THAKUR
PRACTICING COMPANY SECRETARY

Place : Pune
Date : 20th May, 2017

FCS:2298 C.P. No:1402

ANNEXURE NO. 2

Particulars of loans given, guarantees/ investments made during the Financial Year 2016-17

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	Amount of loan /security/ acquisition /guarantee (in ₹)	Rate of interest For loans	For acquisitions			
				Number and kind of securities	Natue of Securities	Cost of acquisi-tion If any (In ₹ Per Share/ Units)	Selling price, Per Unit If any (In ₹ Per Share/ Units)
ICD's Given (Loan)	Jalpac Traders & Cont-ractors Private Limited	5,00,00,000 (0)	14.00%	–	–	–	–
	Srilekha Trading Private Limited	5,00,00,000 (0)	14.00%	–	–	–	–
Investments	Reliance Liquid Fund Treasury Plan	78,75,00,000 (11,00,00,000)	– –	– –	Mutual Fund Units	– –	– –
	Reliance Arbitage Advantage Fund	5,00,00,000 (0)	– –	– –	Mutual Fund Units	– –	– –
	Birla Sun Life Cash Plus - Inst. Growth	30,50,00,000 (5,00,00,000)	– –	– –	Mutual Fund Units	– –	– –
	SBI Magnum Insta Cash Fund	13,25,00,000 (0)	– –	– –	Mutual Fund Units	– –	– –
	ICICI Pridential Liquid Fund	41,25,00,000 (7,50,00,000)	– –	– –	Mutual Fund Units	– –	– –
	BNP Paribas Overnight Fund	9,50,00,000 (0)	– –	– –	Mutual Fund Units	– –	– –
	BOI Axa Liquid Fund	7,25,00,000 (0)	– –	– –	Mutual Fund Units	– –	– –
	BOI Axa Treasury Adv. Fund	2,50,00,000 (0)	– –	– –	Mutual Fund Units	– –	– –

Figures in bracket indicates balance as on 31st March, 2017

On Behalf of the Board of Directors,

Place : Mumbai
Date : 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE NO. 3

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.)

1. 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 Limited (PPPML) a related party under Section 2(76)(v).
b)	Nature of contracts/arrangements/transaction	Arrangements for providing the Common Services (such as telephone, electricity, Computer etc.) at cost basis.
c)	Duration of the Contracts/arrangements/ transactions	Continuous arrangement.
d)	Salient terms of contracts or arrangements or transactions including the value if any	1) Monetary value: About ₹ 15 lacs for each financial year.
		2) Nature, material terms and particulars of arrangement: To provide Common Services (such as telephone, electricity, computer, etc.) on cost basis.
e)	Justification for entering into such contracts or arrangements or transactions	To provide common services to the PPPML in mutual interest, for continuance of the day to day commercial operations of the PPPML.
f)	Date(s) of approval by the Board	20th May, 2017
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	The approval of shareholders will be obtained in the 3rd Annual General Meeting of the Company to be held on 22nd July, 2017.

II.

a)	Name(s) of the related parties and nature of relationships	Pudumjee Industries Limited (PIL) a related party under Section 2(76)(v).
b)	Nature of contracts/arrangements/transaction	Arrangements for providing the Common Services (such as telephone, electricity, Computer etc.) at cost basis.
c)	Duration of the Contracts/arrangements/ transactions	Continuous arrangement.
d)	Salient terms of contracts or arrangements or transactions including the value if any	1) Monetary value : About ₹ 5 Lacs for each financial year.
		2) Nature, material terms and particulars of arrangement: To provide Common Services (such as telephone, electricity, computer, etc.) on cost basis.
e)	Justification for entering into such contracts or arrangements or transactions	To provide common services to the PIL in mutual interest, for continuance of the day to day commercial operations of the PIL.
f)	Date(s) of approval by the Board	20th May, 2017
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	The approval of shareholders will be obtained in the 3rd Annual General Meeting of the Company to be held on 22nd July, 2017.

2.DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS:

I

a)	Name(s) of the related parties and nature of relationships	Pudumjee Pulp & Paper Mills Limited (PPPML) a related party under Section 2(76)(v).
b)	Nature of contracts/arrangements/transaction	Sale of tissue papers, Napkins, Towels, etc. at Market based rates
c)	Duration of the Contracts/arrangements/ transactions	Continuous arrangement.
d)	Salient terms of contracts or arrangements or transactions including the value if any	Monetary value : About ₹ 10 Lacs in financial year 2017-18.
e)	Date(s) of approval by the Board	20th May, 2017
f)	Amount paid as advances if any	NIL

II

a)	Name(s) of the related parties and nature of relationships	Pudumjee Pulp & Paper Mills Limited (PPPML) a related party under Section 2(76)(v).
b)	Nature of contracts/arrangements/transaction	Leave and License Agreement to obtain portion of 3000 sq. mtrs. Located at Thergaon, Pune - 411033 for establishing 132/100 KV sub-station.
c)	Duration of the Contracts/arrangements/ transactions	4 years and 3 months commencing from 01st November, 2016.
d)	Salient terms of contracts or arrangements or transactions including the value if any	1) Monetary value : About ₹ 3,22,800 per month. (Plus applicable taxes, if any)
		2) Nature, material terms and particulars of arrange ment: a. Duration of Contract 4 years and 3 months commencing from 01st November, 2016. b. The licensee shall bear and pay all the maintenance charges and other outgoings including all rates, taxes and electricity bills etc.
e)	Date(s) of approval by the Board	05th November, 2016
f)	Amount paid as advances if any	NIL

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE NO. 4

Information as per Section 197 of the Companies Act, 2013 read with the Companies (Appointment & Remuneration) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2017.

Name & Age (Years)	Designation/ Nature of duties	Remuneration		Qualification & Experience (Years)	Date of commencement of employment.	Last employed	
		Gross ₹	Net ₹			Name of the organisation	Position held
Mr. Ved Prakash Leekha (77)	Managing Director	95,41,644	71,14,785	B.E. (Mechanical) (54)	07.03.2000*	Pudumjee Pulp & Paper Mills Limited	Managing Director
Dr. Ahok Kumar (61)	Executive Director$	94,48,438	70,49,246	M.E. (Chemical) P.hD (37)	06.02.2015*	Pudumjee Pulp & Paper Mills Limited	Director

Notes-

(1) Gross remuneration as shown above includes salary, bonus, Company's contribution to Provident fund and Value of medical and other facilities but excludes provision for gratuity. Net remuneration is arrived at after deduction of Income Tax.

(2) The nature and conditions of employment are non contractual. The employee is whole-time Director of the Company during the year.

(3) There is no employee drawing remuneration in excess of the remuneration drawn by the Managing Director/ Whole time Director and who holds himself or along with his/her spouse and dependent children not less than two percent of the equity shares of the Company.

(4) *Employment transferred to the Company from Pudumjee Pulp & Paper Mills Limited pursuant to the Scheme of Arrangement and Reconstruction (Demerger) approved by the Hon'ble Bombay High Court effective from 01st February, 2016 (Appointed date 01.04.2014) and accordingly the respective date of appointment in the Demerged Company has been considered.

(5) $ Appointed as Executive Director with effect from 28th May, 2016. Worked as Chief Executive Officer (Operations) up to 27th May, 2016.

(6) None of the above employees is related to each other.

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE No. 4A- STATEMENT SHOWING THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND SUCH OTHER DETAILS.

NUMBER OF PERMANENT EMPLOYEES OF THE COMPANY : 601

Sr. No.	Name of the Director Chief Financial Officer, Chief Executive Officer, Company Secretary	Designation	Remuneration of each Director Chief Financial Officer, Chief Executive Officer, Company Secretary (in INR)	Median remuneration of the employees* in INR)	Ratio for the financial year between D and E	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	Percentage increase in the median remuneration of employees in the financial year	Average percentile increase already made in the salaries of employees other than the Managerial Personnel	Percentile increase in the Managerial Remuneration
A	B	C	D	E	F	G	H	I	J
1	Mr. Ved Prakash Leekha	Managing Director	95,41,644	3,47,141	27.49	Nil	Nil	Nil	Nil
2	Dr. Ashok Kumar	Executive Director (w.e.f. 28.05.2016)	79,46,819		22.89	Nil			Nil
3	Mr. H. P. Birla	Chief Financial Officer	27,67,525		7.97	–*			–*
4	Mr. Vinay Jadhav	Company Secretary	8,26,631		2.38	–*			–*

Above Remuneration is as per the Remuneration policy adopted by the Company. * Remuneration is not comparable with that of previous year.

On Behalf of the Board of Directors,

Place: Mumbai

Date: 20th May, 2017

A. K. Jatia,

Chairman.

ANNEXURE NO. 5

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

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, 2017.

A CONSERVATION OF ENERGY:

i) Steps taken for utilizing alternate sources of energy:

Lesser consumption apparatus are being used for reducing the power consumption.

ii) Impact of measures taken:

Impact of measures taken above may result in significant savings in power cost depending upon oil prices.

iii) Capital Investment on energy conservation equipments:

Energy conservation is being implemented through the installation of energy saving devices such as Brackets of super calendar etc.

B TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

i)	Efforts made in brief towards Technology absorption, adaptation and Innovation	(a) Replacement of Drive modules with accessories for PM 2 sectional drives with upgraded technology (b) Installation of PM 2 wire & Press new auto guide. (c) Installation of PM 6 Yankee dryer's drive hollow shaft gearbox. (d) Installation of Vaccum control system boxes on wire part- PM 1. (e) Installation of reel packing system at PM 2. (f) Pneumatic expanding shaft for Super Calendar.
ii)	Benefits derived as a result of the above results	(a) Eliminating pope reel drive problem and smooth plant operation and avoid unplanned down time. (b) Reduction in cost of spares and reliable operation. (c) Speed of PM 6 will be increased and productivity will be increased. (d) Auto vacuum on wire part shall contribute better quality of paper grades being produced. Wire life increase and machine runnability will improve. (e) By installing new reel packing machine, reel packing section efficiency increased and better quality of packing to the customer. (f) Utilizing pneumatic expanding shaft for super calendar reduced the finishing losses of Glassine paper.
iii)	Details of Imported Technology	No new technology was imported.
iv)	Expenditure incurred on Research and Development	₹ 131.47 Lacs

C FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned and used were ₹ 1,074 lacs and ₹ 15,796.14 lacs, respectively.

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE NO. 6

REPORT ON CORPORATE GOVERNANCE

The Directors present their Report on Corporate Governance as required by SEBI guidelines and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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, ensuring a high degree of regulatory compliance.

Code of Conduct:

The Company has adopted a Code of Conduct (the Code) for Directors and Senior Management of the company in its meeting held on 14th November, 2015 in terms of the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). The Code of Conduct is available at the Company's website at www.pudumjee.com.

The Board members and Senior Management Personnel have affirmed their Compliance with the code. A declaration to this effect signed by the Managing Director of the Company is attached with the Annual Report.

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 committees and Board.

MANAGEMENT DISCUSSION AND ANALYSIS:

Overview

The Company, mainly belongs to Paper Industry and operates in Specialty Paper segment for Wrapping and Food Grade Packaging Paper, household and Sanitary Paper etc. The Company's manufacturing facilities located at Thergaon, Pune produces wide range of Specialty Papers of varying basis weight and is ably supported by a dedicated team and country wide network of distribution channels. Manufacturing tailor made products of varying properties to suit various applications in a short and committed period of delivery is Company's hallmark. Such applications (with more possibilities for inclusion), can be broadly categorized as 1) Opaque Laminating Base used for Laminating, printing, packaging, Chocolate and Toffee wrapping 2) Glassine for packing of food products soaps etc. 3) Base paper for melamine tableware, Paper for decorative laminates for furniture 4) Bible Printing Paper used in Printing of Bible, Dictionary, Books, pharma leaflets (insert & outserts) 5) Vegetable parchment paper for packing of butter, cheese etc. 6) Kraft paper used as release liner for labels, Interleaving for steel and Glass industry etc. 7) Tissue paper used as napkins, kitchen towel, Toilet rolls products and several others.

The Hygiene Products Division of the Company markets its Away-from-Home converted tissue products such as Bathroom roll, Kitchen towel, Napkins, dispensers etc. under well received brand name 'Greenlime' and mainly focuses on institutional buyers, comprising Luxury Hotels, Airports, Corporate Offices etc.

Company Performance

During the year under review, the Company has achieved turnover of ₹ 543 crores (Previous year ₹ 494 crores) resulting in EBIDTA at ₹ 46.97 crores (Previous year ₹ 34.93 crores) and a Net Profit after tax at ₹ 19.87 crores (Previous year ₹ 10.12 crores).).

Human Resources

The Company has encourages best human resource practices and standards. The policy includes training, progressive and performance driven remuneration, talent retention and some work-life balance programs. The Company believes in offering wide ranging opportunities and experiences to our employees, preparing for challenges and their growth.

The Company employs about 600 employees and the Industrial relations with the employees remained cordial during the year.

Opportunities of the Company

PUDUMJEE is well-known pioneers in the specialty paper products segment and manufactures a wide range of Specialty Papers ranging from Glassine and grease resistance papers, laminating base paper for flexible packaging, packing tissues for precision engineering components and tools etc., Décor paper for furniture and laminates, label release papers, fine papers for printing bible, parchmentine for textile cones, etc. and M.G. Papers for industrial and other applications, Crepe tissues for bathroom, facial and towel applications, etc. More recently products like papers for baking cakes, etc., paper for pharma packaging, saturating paper for application for mosquito repellent, paper for packing surgical instruments etc., have been added to the range..

Whilst the Company has its marketing channels spread throughout the country, its products are also exported to Europe and other countries with potential for gradual increase in it. The growing awareness and consciousness about cleanliness and better hygiene conditions amongst Indian population offers better opportunities for Company's products including converted tissue products.

The Company's manufacturing facilities are currently located at Pune and foreseeing future growth prospects, the Company intends to relocate the facility to Mahad in Maharashtra State in due course which not only offers a much larger area for future expansion with virtually the same locational advantage as being enjoyed but also entitles incentives which Government allows.

Competitive strengths of the Company

- Research & Development.
- Extensive distribution network.
- Strong brand recall.
- Relevant expertise, experienced work force and agile management team.
- Cost efficient sourcing and locational advantage.
- Wide range of Product Portfolio.

Business Strategy of the Company

- Continuous strengthening of in-house R & D set up and products innovation.
- Build stronger ties with the users & prospective customers.

- Standardizing products specification.
- Continuous products improvement and quality optimization.
- Cost reduction.
- Relocation of manufacturing facilities with technology upgradation and expanded capacity.

Concerns and threats

The Company is dependent mainly on bought out fiber for its raw material requirements and majorly imports them from overseas. The price and foreign exchange volatility substantially impacts its working. Dependence on costlier purchased energy due to lack of Co-generation facilities is another challenge, which though is addressed partially by purchase of bilateral power from Power Plants including Wind Turbines, through open access arrangement and installation of 132/100 KV Sub-station, frequently changing Government's policy on levies with a view to discourage such a sourcing does, at times upsets working. The paper industry also faces shortage of talented and experienced workforce due to shortage of good institutes offering technical courses for the pulp and paper industry and general aversion to seeking career in the Industry and working in the shop floor.

Internal Control System and their Adequacy

The Company has adopted internal control procedures commensurate with its size and operations. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the safeguard of the Company's assets so that the main company risks (operational, compliance-related, economic and financial) are properly identified and managed over time. The Board of Directors takes stock of internal control measures taken from time to time.

Environment

The Company is ISO 14001 and Forest Stewardship Council (FSC) certified and its tissue converting unit "Green Seal" certified. The Company is fully conscious of its obligations towards environmental protection and energy conservation and sustainable growth manifests itself through use of recycled paper meeting nearly half of its raw material requirement, recycling of process water in the manufacturing process to reduce water consumption and sourcing renewable wind power to meet part requirements.

Utmost care is taken in compliance of the certified requirements.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. The Company's actual results, achievement might differ materially from those projected in any such forward looking statements.

Board of Directors:

The Board of Directors is composed of a 1 Promoter Director, 1 Whole-time Director (Managing Director), 1 Executive Director, 1 Non Executive Non Independent Director and 4 Non Executive Independent Directors. The Non Executive Chairman and Managing Director conduct the day to day management of the Company subject to the supervision and control of the Board of Directors.

The composition of the Board as on 31st March, 2017 is as under:

Directors	Category	Total number of Directorships in Public Companies as on 31st March, 2017.*	Total number of Membership of Committees as on 31st March, 2017. +	Total number of Chairmanships of Committees as on 31st March, 2017. +
Executive Directors				
Mr. Ved Prakash Leekha	Managing Director	3	Nil	Nil
Dr. Ashok Kumar	Executive Director	2	Nil	Nil
Non-Executive Directors				
Mr. Arunkumar Mahabir Prasad Jatia	Non Executive Chairman	5	5	1
Mr. Surendra Kumar Bansal	Non Independent Director	8	2	Nil
Mr. Nandan Damani	Independent Director	7	4	1
Mr. Vinod Kumar Beswal	Independent Director	4	4	3
Mrs. Madhu Dubhashi	Independent Director	6	5	3
Mr. B. K. Khaitan	Independent Director	6	Nil	Nil

* includes Directorship in other Public companies and Pudumjee Paper Products Limited.

\+ Committees considered are Audit Committee and Stakeholders relationship Committee, including in Pudumjee Paper Products Limited.

\+ Total number of committee membership includes the Chairmanship also.

During the year 2016-2017, Six Board Meetings were held on the following dates :

23-04-2016	28-05-2016	29-07-2016
17-09-2016	05-11-2016	04-02-2017

The 2nd Annual General Meeting (AGM) of the Company was held on 17th September, 2016. 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. Arunkumar Mahabir Prasad Jatia	6	Yes
Mr. Ved Prakash Leekha	5	Yes
Mr. Surendra Kumar Bansal	6	Yes
Mr. Nandan Damani	5	Yes
Mr. Vinod Kumar Beswal	5	Yes
Mrs. Madhu Dubhashi	5	Yes
Mr. B. K. Khaitan (Appointed w.e.f. 28th May, 2016)	1	Yes
Dr. Ashok Kumar (Appointed w.e.f. 28th May, 2016)	4	Yes

Details of Remuneration and sitting fees paid to Directors during the year

(In ₹)

Name of Directors	Sitting fees	Salaries	Perquisites & Benefits	Commission	Total
Mr. Arunkumar Mahabir Prasad Jatia	Nil	Nil	Nil	Nil	Nil
Mr. Ved Prakash Leekha	Nil	73,62,000	21,79,644	Nil	95,41,644
Mr. Surendra Kumar Bansal	Nil	Nil	Nil	Nil	Nil
Mr. Nandan Damani	1,13,000	Nil	Nil	Nil	1,13,000
Mr. Vinod Kumar Beswal	1,15,000	Nil	Nil	Nil	1,15,000
Mrs. Madhu Dubhashi	1,20,000	Nil	Nil	Nil	1,20,000
Mr. B. K. Khaitan	10,000	Nil	Nil	Nil	10,000
Dr. Ashok Kumar	Nil	52,48,438	26,98,381	Nil	79,46,819

- Perquisites include housing/house rent allowance with electricity, gas, medical expenses, leave travel assistance, club fees, accident insurance, contribution to provident and Superannuation fund etc., but exclude provision for gratuity and pension.
- Severance fees, stock options and notice period are not applicable in case of Executive Directors.
- Non-executive Directors' are entitled to regular sitting fees and re-imbursement of expenses incurred for attending each meeting of Board or Committee thereof.
- The details for shares held by Directors as on 31-03-2017 are as under:

  Except Mr. Arunkumar Mahabir Prasad Jatia who holds 42,06,850 equity shares of Re. 1/- each of the Company, none of the other Directors namely Mr. Ved Prakash Leekha, Mr. Surendra Kumar Bansal, Mr. Nandan Damani, Mr. Vinod Kumar Beswal, Mrs. Madhu Dubhashi, Mr. B. K. Khaitan and Dr. Ashok Kumar hold any equity shares of the Company.

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. Ved Prakash Leekha, Managing Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting:

Name of the Director	Mr. Ved Prakash Leekha
DIN	00048568
Age	77 years
Education	B.E. (Mechanical)
Nature of expertise in specific functional areas; decades in Paper Industry	He has a wide and varied experience of over four decades in Paper Industry
Names of other Listed Companies in which the non-executive / executive director holds the directorship	Pudumjee Pulp & Paper Mills Limited
Names of the other Listed Companies membership of Committees of the non-executive / executive Director*	Nil
Shareholding of non-executive / executive Director	Nil

** Includes membership of Audit Committee and Stakeholders Relationship Committee only*

COMMITTEES OF DIRECTORS:

a) Audit Committee:

The Audit Committee was constituted by the Board of Directors at their meeting held on 14th November, 2015. As on 31st March, 2017, the Audit Committee consists of Four Directors of the Company i.e. Three Non Executive Independent Directors and One Non Executive Chairman - Promoter Director, 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:

Mr. Vinod Kumar Beswal - Non Executive Independent Director - Chairman

Mr. Arunkumar Mahabir prasad Jatia - Non Executive chairman - Member

Mr. Nandan Damani - Non Executive Independent Director - Member

Mrs. Madhu Dubhashi - Non Executive Independent Director - Member

The Company Secretary acts as a Secretary to the Audit Committee.

Pursuant to provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations, terms of reference of this Committee are as under:

Role of the Audit Committee:

- To recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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, grant omnibus approvals subject to fulfillment of certain conditions;
- 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;
- 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;
- 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 Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

Review of information by the Audit Committee:

a) management discussion and analysis of financial condition and results of operations;

b) statement of significant related party transactions (as defined by the audit committee), submitted by management;

c) management letters / letters of internal control weaknesses issued by the statutory auditors;

d) internal audit reports relating to internal control weaknesses; and

e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

f) statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

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

Six (6) Meetings of Committee were held during the year 1st April, 2016 to 31st March, 2017 on the following dates:

23-04-2016	28-05-2016	29-07-2016
17-09-2016	05-11-2016	04-02-2017

The attendance at the Meetings were as under:

Sr. No.	Name of the Committee Members	Meetings Attended
1.	Mr. Vinod Kumar Beswal	5
2.	Mr. Arunkumar Mahabir Prasad Jatia	6
3.	Mr. Nandan Damani	5
4.	Mrs. Madhu Dubhashi	5

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was constituted by the Board of Directors at their meeting held on 14th November, 2015. As on 31st March, 2017, the Nomination and Remuneration Committee consisted of Three Directors of the Company i.e. Three Non Executive Independent Directors.

Composition:

Mr. Vinod Kumar Beswal, Non Executive Independent Director - Chairman

Mr. Nandan Damani, Non Executive Independent Director - Member

Mrs. Madhu Dubhashi, Non Executive Independent Director - Member

The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee.

The constitution and the terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations.

Three (3) Meetings of Committee were held during the year 1st April, 2016 to 31st March, 2017 on the following dates:

28-05-2016	29-07-2016	04-02-2017

The attendance at the Meetings were as under:

Sr. No.	Members	Meetings Attended
1.	Mr. Vinod Kumar Beswal	2
2.	Mr. Nandan Damani	2
3.	Mrs. Madhu Dubhashi	3

The detailed policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, of a Director and other matters and policy, relating to the remuneration for the directors, key managerial personnel and other employees is annexed as annexure No. 8 to the directors' report in this annual report.

c) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted by the Board of Directors at their meeting held on 14th November, 2015. As on 31st March, 2017, the Stakeholders Relationship Committee consisted of Three Directors of the Company.

Composition:

Mr. Nandan Damani, Non Executive Independent Director - Chairman

Mr. Arunkumar Mahabir prasad Jatia, Non Executive Chairman - Member

Mr. Surendra Kumar Bansal, Non Executive Director - Member

The Company Secretary act as a Secretary to the Committee.

Its terms of reference include review of complaints of shareholders/investors, Fixed deposit holders 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 2016-2017, the Company received 13 complaints from investors and No complaints were received through SEBI and No Complaint was received through Stock Exchange. The complaints received have been replied to and resolved. No complaints are pending for resolution.

Four (4) Meetings of Committee were held during the year 1st April, 2016 to 31st March, 2017 on the following dates:

28-05-2016	29-07-2016	05-11-2016	04-02-2017

The attendance at the Meetings were as under:

Sr. No.	Name of the Committee Members	Meetings Attended
1.	Mr. Nandan Damani	3
2.	Mr. Arunkumar Mahabirprasad Jatia	4
3.	Mr. S. K. Bansal	4

d) General Body Meetings:

i) Details of Annual General Meetings held during the past three years and the following Special Resolutions were passed:

Financial Year End	Date of Meeting and Venue	Time	Special Resolutions passed
31st March, 2015	18th September, 2015 Thergaon, Pune - 411033	10.00 a.m. (ST)	Approval to the appointment of Mr. V. P. Leekha, as Managing Director of the Company for a period of Five years with effect from 17th January, 2015.
31st March, 2016	17th September, 2016 Thergaon, Pune - 411033	2.30 p.m. (ST)	(i) Approval for the remuneration of Managing Director, Mr. V. P. Leekha (ii) Consent of shareholders for acceptance of fixed deposits from Members and from the Public in general. (iii) Alteration of certain clauses in Articles of Association of the Company. (iv) Approval to the Appointment of and remuneration payable to Dr. Ashok Kumar (DIN: 07111155) as an Executive Director of the Company.

ii) Postal Ballot:
During the year under review, no resolutions were passed through Postal Ballot

COMPANY'S POLICIES:

The Board has adopted the following policies/ programme:

(a) Policy on Related Party Transactions

(b) Whistle Blower Policy/Vigil Mechanism

(c) Criteria For Selection Of Candidates For Senior Management And Members On The Board Of Directors

(d) Code of Practices & Procedures For Fair Disclosure Cum Code of Conduct

(e) Familiarisation programme for Independent Directors

(f) Policy on Board's Diversity

(g) Risk Management Policy

(h) CSR Policy

(i) Archival policy

(j) Policy For Preservation of Documents

(k) Policy on Determination of Materiality for Disclosure(s)

The disclosure in respect of above policies/ programme is available at the website of the Company viz. www.pudumjee.com.

MEETING OF INDEPENDENT DIRECTORS:

As required under Companies Act, 2013 and Listing Regulations, a meeting of the Independent Directors was held on 4th February, 2017, without the attendance of Non-Independent Directors and Members of the Management.

The Independent Directors evaluate the performance of the Non-Independent Directors, wherein the evaluation of performance of the Non-Independent Directors, including the Chairman and also of the Board as a Whole was made, against pre-defined and identified criteria.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND DIRECTORS:

As required under Companies Act, 2013 and Listing Regulations the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

CEO/CFO CERTIFICATION:

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and the CFO of the Company have certified to the Board that Audited Financial Statements for the Financial Year ended 31st March, 2017 do not contain any untrue statement and that these statements represent a true and fair view of the Company's affairs and other matters as specified there under.

DISCLOSURES:

1. **Related Party Transactions:**

   Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transaction and the same is available at the website of the Company viz. www.pudumjee.com. The Audit Committee has granted from time to time, omnibus approval to related party transactions. A Statement of all the Related Party Transaction entered into by the Company, pursuant to the omnibus approval granted was placed before the meeting of Audit Committee for its review.

2. **Details of Non Compliance:**

   Your company has complied with all the requirements of the regulatory authorities. 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 year.

3. **Whistle Blower Policy / Vigil Mechanism:**

   The Company has formulated a policy "Whistle Blower Policy / Vigil Mechanism", wherein the Employees/ Directors/Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides safeguards against victimization of Employees, who report under the said mechanism. We affirm that no director or employee has been denied access to the Audit Committee during financial year 31st March, 2017.

4. **Prevention of Insider Trading:**

   The Company has adopted a detailed Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down Guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautions them of the consequences of violations.

5. **Compliance with Mandatory requirements and Adoption of Non-mandatory requirements:**

   All the Mandatory requirements of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, have been complied with as detailed in this annexure. The Company has also complied Non-mandatory requirements of the Listing Regulations such as: a) Separate posts of Chairman and Managing Director b) unmodified audit opinion.

   The Company has complied with corporate governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. **Risk Management Disclosure:**

   In terms of Listing Regulations, 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.

Means of Communication

The Company has published its quarterly and half yearly results giving the required particulars in the "Financial Express"/"Economic Times" and "Loksatta"/Maharashtra Times (Regional Language). These results are also posted on Company's website www.pudumjee.com.

Management Discussion and Analysis

The Management Discussion and Analysis forms part of the Directors Report and is appearing else where in the Annual Report.

Disclosure of shares lying In the Unclaimed Suspense Account:

Pursuant to Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details in respect of the shares lying in the unclaimed suspense account till 31st March, 2017 is as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 1st April, 2016	681	6,76,355
Number of Shareholders / legal heirs who approached the Company for transfer of shares from the Unclaimed Suspense Account	2	1850
Number of Shareholders / legal heirs to whom the shares were transferred from the Unclaimed Suspense Account upon receipt and verification of necessary documents.	2	1850
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31st March, 2017	679	6,74,505

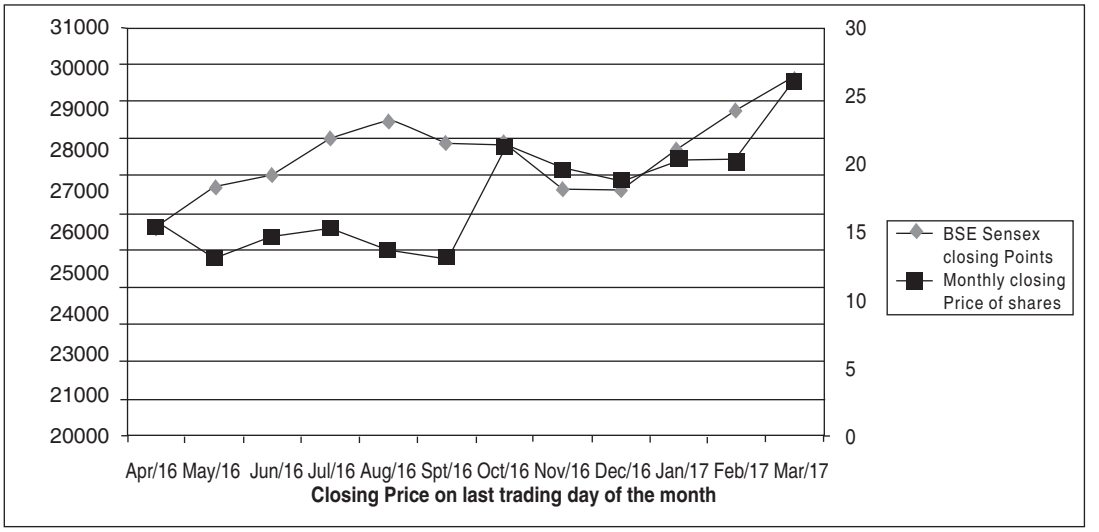
There were no request pending for want of necessary documents from the Shareholders / legal heirs.

Voting rights in respect of the aforesaid 6,74,505 shares held in the Unclaimed Suspense Account will remain frozen till the time such shares are claimed by the concerned Shareholders. Shareholders may get in touch with the Company/ RTA for any further information in this matter.

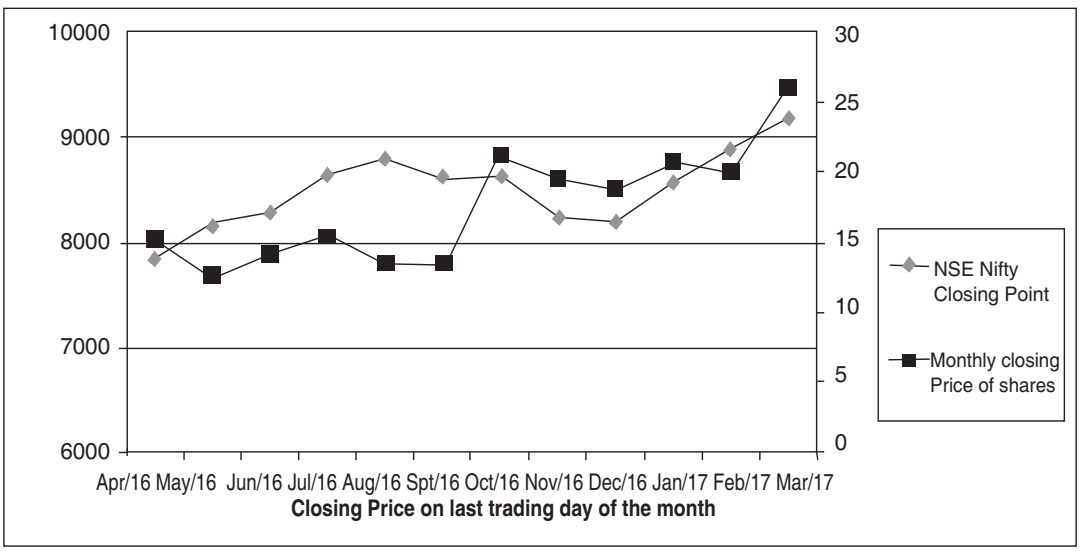
Market share Price Data: (In ₹)

Month/Index	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
Month	High Price	Low Price	Close Price	High Price	Low Price	Close Price
April - 2016	16.95	13.65	15.40	16.95	13.05	15.15
May- 2016	16.20	12.46	12.90	16.45	12.35	12.60
June- 2016	15.00	12.21	14.44	15.00	12.20	14.10
July- 2016	16.90	13.55	15.05	16.95	13.30	15.30
August- 2016	15.80	12.60	13.50	15.25	12.50	13.50
September- 2016	15.12	12.50	13.11	14.95	12.00	13.40
October- 2016	23.00	13.00	21.14	22.80	13.10	21.05
November- 2016	25.00	16.00	19.51	25.80	13.70	19.55
December- 2016	22.80	17.90	18.75	22.90	17.15	18.80
January-2017	23.60	18.95	20.20	23.70	18.00	20.70
February-2017	22.00	19.40	20.15	21.90	19.10	20.00
March-2017	28.40	18.55	26.00	28.30	18.10	25.95

Stock Performance in comparison: to BSE Sensex



Stock Performance in comparison: to NSE NIFTY



Shareholding pattern and distribution pattern of shares as at 31st March, 2017:

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			1-5000	11,949	99,70,613
Individual /Hindu Undivided Family	42,07,350	4.43	5001- 10000	418	31,30,830
Bodies Corporate	4,78,52,562	50.40	10001- 20000	219	31,55,985
Trust	94,65,101	9.97	20001- 30000	72	18,18,794
Individuals (Non-Resident Individuals / Foreign Individuals)	19,85,000	2.09	30001- 40000	39	13,68,615
PUBLIC SHAREHOLDING			40001- 50000	11	4,97,817
Mutual Funds / UTI	462	0	50001- 100000	32	23,26,673
Financial Institutions/Banks	3,331	0	100001 & Above	36	7,26,80,673
NBFC Registered with RBI	201	0			
Insurance Companies	462	0			
Bodies Corporate	61,23,527	6.45			
Individuals	2,43,60,885	25.66			
Non resident Indians	8,68,987	0.91			
Clearing Members	82,132	0.09			
GRAND TOTAL	**9,49,50,000**	**100.00**	**GRAND TOTAL**	**12,776**	**9,49,50,000**

Dematerialization of Shares and Liquidity as on 31st March, 2017

Physical Form : 2.30%

Dematerialized Form : 97.70%

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 33.11%.

General Shareholders' Information:

i) Date, time and venue of Annual General Meeting	Saturday, 22nd July, 2017 at 3.00 p.m. Registered Office of the Company at Thergaon, Pune 411 033.
ii) Financial Year	1st April to 31st March
iii) Date of Book Closure	From Tuesday, 11th July, 2017 to Saturday, 22nd July, 2017
iv) Dividend Payment Date	01st August, 2017
v) Board Meeting for Consideration of unaudited results for first three quarters	Within 45 days from the end of the each quarter
vi) Listing on Stock Exchanges and Scrip code/ Symbol: a) BSE Ltd. Phiroze Jeejibhoy Towers 25th Floor, Dalal Street, Mumbai 400 001. b) 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.	 539785 PDMJEPAPER
vii) NSDL and CDSL Demat stock code	INE865T01018
viii) E-mail ID for Investor Complaints	investors.relations@pudumjee.com
ix) Any other inquiry:	The Company Secretary, Pudumjee Paper Products Limited Thergaon, Pune 411 033. Tel. : 91-20-30613333 Fax. : 91-20-40773388 E-mail : vinay.jadhav@pudumjee.com
x) Plant Location	Thergaon, Pune 411 033.
xi) Corporate Identification Number	L21098PN2015PLC153717
xii) Registrars & Share Transfer Agents:	Karvy Computer share Pvt. Ltd., Karvy Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032. Tel. : 91-40-44655000 Fax : 91-40-23420814 E-mail: einward.ris@karvy.com

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) the details are as under: The Shareholders/investors can approach M/s Karvy Computer share Pvt. Ltd. at any of its service centres through out the country for any of their queries relating to share transfer, dividend etc. (Note: Shareholders holding shares in Electronic Mode should address all correspondence to their respective Depository Participants).

Listing fees:

Listing fees for the year 2017-2018 have been paid in full to 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.

Certificate of Compliance:

The Certificate of Compliance with requirements of Corporate Governance by the Company, issued by Mr. I. U. Thakur, Company Secretary is annexed.

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

DECLARATION BY THE MANAGING DIRECTOR REGARDING AFFIRMATION OF CODE OF CONDUCT

To

The Members of Pudumjee Paper Products Limited

I, Ved Prakash Leekha, Managing Director of Pudumjee Paper Products Limited, declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Codes of Conduct for the year ended 31st March, 2017.

V. P. LEEKHA,
Managing Director

Place: Mumbai
Date : 20th May, 2017

CORPORATE GOVERNENCE REPORT

To,
The Members of
PUDUMJEE PAPER PRODUCTS LIMITED

We have examined the compliance with conditions of Corporate Governance by PUDUMJEE PAPER PRODUCTS LIMITED, for the year ended on 31st March, 2017, as stipulated in Regulation 34(3) read with Schedule V of the SEB1 (Listing Obligation and Disclosure Requirements) Regulations. 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementation thereof, as adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

I U THAKUR
COMPANY SECRETARY
CP-1402: Membership Number-2298

PUNE
DATE: 13th May, 2017

ANNEXURE NO. 7

FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March 2017
[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:	L21098PN2015PLC153717
ii)	Registration Date	14/01/2015
iii)	Name of the Company	Pudumjee Paper Products 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.: +91-20-30613333 Fax: +91-20-40773388
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad - 500 032. Tel. : 91-40-44655000 Fax : 91-40-23420814

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:

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
		Not Applicable			

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 01-04-2016				No. of Shares held at the end of the year 31-03-2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters**									
(1)	**Indian**									
a)	Individual/HUF	1,36,72,051	400	1,36,72,451	14.40	42,07,350	0	42,07,350	4.43	(9.97)
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.	3,68,52,965	1,09,99,597	4,78,52,562	50.40	4,78,52,562	0	4,78,52,562	50.40	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	94,65,101	0	94,65,101	9.97	9.97
	Sub-total (A) (1):-	**5,05,25,016**	**1,09,99,997**	**6,15,25,013**	**64.80**	**6,15,25,013**	**0**	**6,15,25,013**	**64.80**	**0.00**
(2)	**Foreign**									
a)	NRIs - Individuals	19,85,000	0	19,85,000	2.09	19,85,000	0	19,85,000	2.09	0.00
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	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2):-	**19,85,000**	**0**	**19,85,000**	**2.09**	**19,85,000**	**0**	**19,85,000**	**2.09**	**0.00**
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**5,25,10,016**	**1,09,99,997**	**6,35,10,013**	**66.89**	**6,35,10,013**	**0**	**6,35,10,013**	**66.89**	**0.00**
B	**Public Shareholding**									
1)	**Institutions**									
a)	Mutual Funds	0	462	462	0.00	0	462	462	0.00	0.00
b)	Banks / FI	2,358	973	3,331	0.00	2,358	973	3,331	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	462	462	0.00	0	462	462	0.00	0.00
g)	FIIs	0	0	0	0.00	0	0	0	0.00	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
j)	Foreign Portfolio Investors	67,500	0	67,500	0.07	0	0	0	0.00	(0.07)
	Sub-total (B)(1):-	69,858	1,897	71,755	0.07	2,358	1,897	4,255	0.00	(0.07)
2)	**Non-Institutions**									
a)	Bodies Corp.									
i)	Indian	65,99,038	65,064	66,64,102	7.02	61,04,588	18,939	61,23,527	6.45	(0.57)
ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹1 lacs.	1,69,22,728	21,66,611	1,90,89,339	20.10	1,73,97,113	20,78,668	1,94,75,781	20.51	0.41
ii)	Individual shareholders holding nominal share capital in excess of ₹1 lacs.	47,61,815	0	47,61,815	5.02	48,85,104	0	48,85,104	5.15	0.13
c)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Non resident Indians	7,05,106	92,961	7,98,067	0.84	7,76,951	92,036	8,68,987	0.91	0.07
	Clearing Members	51,720	1,341	53,061	0.06	80,791	1,341	82,132	0.09	0.03
	NBFC	1	0	1	0.00	201	0	201	0.00	0.00
	Trust	0	1,847	1,847	0.00	0	0	0	0	0.00
	Sub-total (B)(2):-	**2,90,40,408**	**23,27,824**	**3,13,68,232**	**33.04**	**2,92,42,390**	**21,89,087**	**3,14,31,477**	**33.11**	**0.07**
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	2,91,10,266	23,29,721	3,14,39,987	33.11	2,92,44,748	21,90,984	3,14,35,732	33.11	0.00
C	**Shares held by Custodian for GDRs & ADRs**	0	0	0	0	0	0	0	0.00	0.00
	Grand Total (A+B+C)	**8,16,20,282**	**1,33,29,718**	**9,49,50,000**	**100.00**	**9,27,57,119**	**21,92,881**	**9,49,50,000**	**0**	**0.00**

(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.	Arunkumar Mahabir Prasad Jatia	9,63,273@	1.01	0	0	0	0	(1.01)
2.	Arunkumar Mahabirprasad Jatia	42,06,850	4.43	0	42,06,850	4.43	0	0.00
3.	Arun Kumar Mahabirprasad Jatia	41,77,199*	4.40	0	0	0	0	(4.40)
4.	Vrinda Jatia	9,92,500	1.05	0	9,92,500	1.05	0	0.00
5.	Vasudha Jatia	9,92,500	1.05	0	9,92,500	1.05	0	0.00
6.	Yashvardhan Jatia Pudumjee Investment &	43,24,729	4.55	0	100	0	0	(4.55)
7.	Finance Company Limited	17,75,605	1.87	0	17,75,605	1.87	0	0.00
8.	Thacker and Company Limited	1,29,15,362	13.60	0	1,29,15,362	13.60	0	0.00
9.	Suma Commercial Private Limited	1,03,09,452	10.86	0	1,03,09,452	10.86	0	0.00
10.	Fujisan Technologies Limited	3,94,056	0.42	0	3,94,056	0.42	0	0.00
11.	Chem Mach Private Limited	47,14,192	4.96	0	47,14,192	4.96	0	0.00
12.	Pudumjee Industries Limited	1,68,13,769	17.71	0	1,68,13,769	17.71	0	0.00
13.	Pudumjee Hygiene Products Limited	20,000	0.02	0	20,000	0.02	0	0.00
14.	Pudumjee Holding Limited	2,25,000	0.24	0	2,25,000	0.24	0	0.00
15.	Pudumjee Pulp & Paper Mills Limited	6,85,526	0.72	0	6,85,526	0.72	0	0.00
16.	Yashvardhan Jatia Trust (Arun Kumar Mahabir Prasad Jatia, Gautam N Jajodia, Trustees of The Trust)	0	0	0	94,65,101	9.97	0	9.97

@ These shares held by Mr. Arunkumar Mahabirprasad Jatia in capacity of executors of the will of Shri Mahabirprasad Jatia

*These shares held by Mr. Arunkumar Mahabirprasad Jatia being executor of the will of Smt. Poonam Jatia.

(iii) Change in Promoters' Shareholding

	Shareholding at beginning of the year (01-04-2016)		Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease				Cumulative Shareholding during the year		At the End of the year (31-03-2017)	
Name of the Promoter	No. of Shares	% of total shares of the Company	Increase / Decrease	Reasons for change	No. of shares increase / decrease	Date of change in shareholding D/M/Y	No. of shares	% of total shares of the Company	No. of Shares	% of Shares held
Arunkumar Mahabir Prasad Jatia	9,63,273@	1.01	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the Promoter Group of the Company)	9,63,273	21/03/2017	0	0.00	0	0.00
Arunkumar Mahabir prasad Jatia	41,77,199*	4.40	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the Promoter Group of the Company)	41,77,199	21/03/2017	0	0.00	0	0.00
Yashvardhan Jatia	43,24,729	4.55	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the Promoter Group of the Company)	43,24,629	21/03/2017	100	0.00	100	0.00
Yashvardhan Jatia Trust Arun Kumar Mahabir Prasad Jatia, Gautam N Jajodia, Trustees of The Trust)	0	0	Increase	Acquisition of Shares	94,65,101	21/03/2017	94,65,101	9.97	94,65,101	9.97

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

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

For Each of the Top 10 Shareholders		Shareholding at beginning of the year (01-04-2016)		Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease			Cumulative Shareholding during the year	
Sr. No.	Name of the Shareholders Shares	No. of shares of the Company	% of total for change	Reasons change in	Date of shares shareholding D/M/Y	No of shares increasing/ decreased	No. of Shares	% of total of the Company
1	HALAN PROPERTIES PRIVATE LIMITED	30,97,500	3.26	At the End of the Year	31/03/2017	---	30,97,500	3.26
2	MANJU GAGGAR	6,82,650	0.72	At the End of the Year	31/03/2017	---	6,82,650	0.72
3	HANUMAN PRASAD BIRLA	5,55,045	0.58	At the End of the Year	31/03/2017	---	5,55,045	0.58
4	SANJAY M JATIA	4,49,997	0.47	At the End of the Year	31/03/2017	---	4,49,997	0.47
5	NANDKISHORE AGARWAL	3,35,327	0.35	At the End of the Year	31/03/2017	---	3,35,327	0.35
6	GAYATRI GAGGAR	3,31,616	0.35	At the End of the Year	31/03/2017	---	3,31,616	0.35
7	MUKTILAL GANULAL PALDIWAL	3,21,700	0.34	Increase	23/09/2016	6,100	3,27,800	0.34
				Increase	30/09/2016	893	3,28,693	0.34
				At the End of the Year	31/03/2017	---	3,28,693	0.34
8	SARWANKUMAR DEVIDUTT SARAF HUF	2,88,115	0.30	At the End of the Year	31/03/2017	---	2,88,115	0.30
9	SUPERWAYS INVESTMENT AND FINANCE PRIVATE LIMITED	2,67,463	0.28	At the End of the Year	31/03/2017	---	2,67,463	0.28
10	SHIRIN R PUDUMJEE	2,43,882	0.26	At the End of the Year	31/03/2017	---	2,43,882	0.26

(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		Shareholding At the End of the year during 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. Arunkumar Mahabir	42,06,850	4.43	-----	-----	42,06,850	4.43
		9,63,273@	(1.01)@	9,63,273)	(1.01)	------	------
		41,77,199	(4.40)*	(41,77,199)	(4.40)	------	------
2	Mr. Ved Prakash Leekha	-----	-----	-----	-----		-----
3	Mr. Surendra Kumar Bansal	-----	-----	-----	-----	-----	-----
4	Mr. Nandan Damani	-----	-----	-----	-----	-----	-----
5	Mr. Vinod Kumar Beswal	-----	-----	-----	-----	-----	-----
6	Mrs. Madhu Dubhashi	-----	-----	-----	-----	-----	-----
7	Mr. B. K. Khaitan	-----	-----	-----	-----	-----	-----
8	Dr. Ashok Kumar	-----	-----	-----	-----	-----	-----
9	Mr. H. P. Birla	5,55,045	0.58	-----	-----	5,55,045	0.58
10	Mr. Vinay Jadhav	-----	-----	-----	-----	-----	-----

@ These shares held by Mr. Arunkumar Mahabir Prasad Jatia in capacity of executors of the will of Shri Mahabir Prasad Jatia

*These shares held by Mr. Arunkumar Mahabir Prasad Jatia being executor of the will of Smt. Poonam Jatia.

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	153869177	390713844	56128727	334347000	935058748
ii) Interest due but not paid	0	0	0	493552	493552
iii) Interest accrued but not due	103798	0	1447638	10109325	11660761
Total (i+ii+iii)	**153972975**	**390713844**	**57576365**	**344949877**	**947213061**
Changes in indebtedness during the financial year					
Addition	7781335357	16600000	304317162	15238501	8117491020
Reduction	7873521400	102297062	361221115	91840877	8428880454
Net Change	**(92186043)**	**(85697062)**	**(56903953)**	**(76602376)**	**(311389434)**
Indebtedness at the end of the year					
i) Principal amount	61786932	305016782	1	253109000	619912715
ii) Interest due but not paid	0	0	0	542107	542107
iii) Interest accrued but not due	0	0	672411	14696394	15368805
Total (i+ii+iii)	**61786932**	**305016782**	**672412**	**268347501**	**635823627**

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	
		Mr. Ved Prakash Leekha (Managing Director)	Dr. Ashok Kumar (Executive Director) w.e.f. 28.05.2016
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	73,62,000	52,48,438
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	12,96,204	18,06,146
	(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)	8,83,440	8,92,235
	Total (A)*	**95,41,644**	**79,46,819**
	Ceiling as per the Act (I)	**₹ 2,40,00,000/-**	**₹ 2,40,00,000/-**

B. Remuneration to other directors:

(In ₹)

Particulars of Remuneration and Name of the Directors	Name of other Directors				Total Amount
	Mr. Nandan Damani	Mr. V. K. Beswal	Mrs. Madhu Dubhashi	Mr. B. K. Khaitan (Since 28th May, 2016)	
1 Independent Directors					
Fee for attending board / committee meetings	1,13,000	1,15,000	1,20,000	10,000	3,58,000
Commission	–	–	–	–	–
Others, please specify	–	–	–	–	–
Total (1)	**1,13,000**	**1,15,000**	**1,20,000**	**10,000**	**3,58,000**
2 Name of the Non - Executive Directors					
Other Non-Executive Directors	**Mr. Arunkumar Mahabirprasad Jatia**	**Mr. Surendra Kumar Bansal**			
Fee for attending board /committee meetings	–	–	–	–	–
Commission	–	–	–	–	–
Others, please specify	–	–	–	–	–
Total (2)	–	–	–	–	–
Total (B)=(1+2)	**1,13,000**	**1,15,000**	**1,20,000**	**10,000**	**3,58,000**
Ceiling limit as per Act being Maximum sitting fees at ₹ 1 Lac per Meeting (II)	**20,00,000**	**16,00,000**	**16,00,000**	**5,00,000**	**–**

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	Chief Financial Officer	Company Secretary	
	NA	Mr. Hanuman Prasad Birla	Mr. Vinay Jadhav	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	23,76,000	8,26,631	32,02,631
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	3,91,525	NIL	3,91,525
(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	67,595	NIL	67,595
Total	NIL	**28,35,120**	**8,26,631**	**36,61,751**

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	-	-	-	-	-

On Behalf of the Board of Directors,

Place: Mumbai
Date: 20th May, 2017

A. K. Jatia,
Chairman.

ANNEXURE NO. 8

CRITERIA FOR SELECTION OF CANDIDATES FOR SENIOR MANAGEMENT AND MEMBERS ON THE BOARD OF DIRECTORS

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 14th November, 2015 constituted the 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 the 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 posses the positive attributes such as Leadership, Industrial or Business Advisory 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 posses 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 appropriate experience both in terms of quality and time 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 posses the positive attributes such as leadership skills, decision making skills, integrity, 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 work force. The Company follows a compensation mix or 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 Remuneration Committee and Board subject to the approval by the members and are effective from April 1 each year. The Remuneration Committee decides on the commission if any payable to Executive Chairman out of profits for the financial year and within the ceiling prescribed by the Companies Act based on the performance of the Company as well as that of the incumbent.

The Company pays sitting fees of ₹ 10,000 per meeting or as may be fixed from time to time to its Directors for attending the meetings of the Board and ₹ 10,000/5,000 for meetings of the Committee of the Board. The Company also reimburses the out of pocket expenses incurred by the Directors for attending the meetings.

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Pudumjee Paper Products Ltd.,

We have audited the accompanying standalone financial statements of Pudumjee Paper Products Ltd., ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 wherein are incorporated the accounts of Hygiene Products Division not visited by us but audited by other branch auditors.

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 there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the

Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

We have relied on the financial statements of Branch auditors. These financial statements have been audited by other auditor, whose report have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of the Hygiene products division, is based solely on the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 (" 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls our financial reporting of the company and operating effectiveness of such controls, refer to our separate report in Annexure 'B' and

(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 25.14 (a) (ii)];

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures to its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company and the Hygiene products division [Refer Note 25.23];

For **KHARE & COMPANY**
Chartered Accountants
FRN 105100W

Place of Signature: Pune

Dated 20th May, 2017.

Y. P. Shukla
Proprietor
Membership No. 16203

ANNEXURE A 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, 2017.

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.In our opinion the periodicity of verification is reasonable;

c) According to the information and explanations given to us, the title deeds of immovable property are in the name of the Company;

ii It is reported that, the inventories have been physically verified by the management at the end of the year 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 given unsecured loans to a company covered in the register maintained under Section 139 of the Companies Act, 2013,

a) In our opinion, the terms and conditions of the loans given are not prima facie prejudicial to the interest of the company;

b) The company to whom loans have been given by the Company are regularly repaying the principal amounts and interest thereon wherever applicable as stipulated;

c) There are no overdue amounts in respect of the loans given by the Company;

iv In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans and investments made;

v The Company has not accepted any deposits from public. The Company has repaid those deposits which were due and claimed during the year. The Company has complied with the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 and other relevant provisions of the Companies Act, 2013 and rules framed thereunder;

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 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been so made and maintained. However no detailed examination of such accounts and records have been carried out by us;

vii a) According to the information and explanations given to us and on the basis of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities.

According to the information and explanations given to us there are no undisputed statutory dues referred above as on 31st March 2017 outstanding for a period of more than six months from the date they became payable;

b) According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 307.00 lacs that have not been deposited on account of disputes and matters pending before appropriate authorities are as under:

Sr. No.	Nature of the Dues	Forum where the dispute is Pending	Amount ₹ in lacs
1	Excise	High Court, Mumbai (Dept's Appeal)	20.96
2	Excise	CESTAT (Dept's Appeal)	60.05
3	Excise	Service Tax Asst. Comm. Mahad	3.89
4	Excise	CESTAT Dy. Commissioner (Central Excise)	151.78
5	Customs	CESTAT	68.32
6	Customs	Asst.Commissioner Customs, Goa	2.00

viii According to the information and explanations given to us, the Company has not made any default in repayment of loans or borrowings to financial institutions, banks or to Government. The Company does not have any outstanding debentures;

ix The Company has not raised money by way of initial public offer or further public offer however, it has raised money by way of term loans from banks, and according to the information and explanations given to us, the term loans were applied for the purposes for which they were obtained;

x 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 or on the Company by its officers or employees has been noticed or reported during the course of our audit;

xi According to the information and explanations given to us, and based on our examinations of records of the company, Managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V of the Companies Act, 2013.

xii Since the Company does not fall into the category of a Nidhi Company, this clause is not applicable to the Company;

xiii According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and have been disclosed in the financial statement as required by the applicable accounting standards;

xiv According to the information and explanations given to us and based on our examinations of records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;

xv According to the information and explanations given to us and based on our examinations of records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him during the year;

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

For **KHARE & COMPANY**
Chartered Accountants
FRN 105100W

Place of Signature: Pune

Dated 20th May, 2017.

Y. P. Shukla
Proprietor
Membership No. 16203

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 2(f) 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, 2017.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Pudumjee Paper Products Ltd. ('the Company') as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control

over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KHARE & COMPANY**
Chartered Accountants
FRN 105100W

Place of Signature: Pune

Dated 20th May, 2017.

Y. P. Shukla
Proprietor
Membership No. 16203

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	**949.50**	949.50
(b) Reserves and Surplus	2	**21,545.44**	19,540.00
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	**5,349.62**	6,553.59
(b) Deferred tax liabilities (Net)		**1,558.37**	1,205.37
(c) Other Long-term Liabilities	4	**403.81**	365.68
(d) Long term provisions	5	**1,229.79**	1,023.04
(3) Current Liabilities			
(a) Short-term borrowings	6	**1,133.19**	2,947.40
(b) Trade payables	7	**6,923.94**	7,945.81
(c) Other current liabilities	8	**1,713.02**	2,124.69
(d) Short-term provisions	9	**356.20**	298.89
	Total	**41,162.88**	42,953.97
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	**11,156.38**	9,302.10
(ii) Intangible assets		**7,819.64**	7,893.90
(iii) Capital work-in-progress		**4,930.69**	6,671.35
(b) Non-current investments	11	**141.52**	–
(c) Long term loans and advances	12	**720.33**	974.28
(2) Current assets			
(a) Current investments	13	**2,358.49**	–
(b) Inventories	14	**5,330.53**	10,083.00
(c) Trade receivables	15	**6,192.19**	5,928.68
(d) Cash and Bank Balances	16	**853.06**	423.00
(e) Short term loans & Advances	17	**1,660.05**	1,677.66
	Total	**41,162.88**	42,953.97

OTHER NOTES AS PER NOTE '25'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

V. K. BESWAL
Director

VINAY JADHAV
Company Secretary

H. P. BIRLA
Chief Financial Officer

On behalf of the Board,

A. K. JATIA
Chairman

DR. ASHOK KUMAR
Executive Director

Mumbai, Dated : 20th May, 2017

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

	Note No.	2016-2017 (₹ in Lacs)	2015-2016 (₹ in Lacs)
I. a) Revenue from operations	18	**54,389.27**	49,471.79
Less : Excise Duty		**3,005.36**	2,542.59
Net Revenue from Operations		**51,383.91**	46,929.20
II. Other Income	19	**256.29**	774.75
III. Total Revenue (I + II)		**51,640.20**	47,703.95
IV. Expenses:			
(1) Cost of Materials Consumed	20	**25,320.65**	24,240.98
(2) Trade Purchases		**4,762.62**	5,500.93
(3) Changes in Inventories of Finished Goods, Work-in-Process and Stock in Trade	21	**1,888.70**	(855.36)
(4) Employees' Cost	22	**3,881.80**	3,719.88
(5) Finance Cost	23	**991.81**	1,688.11
(6) Depreciation and Amortization	10	**664.78**	533.46
(7) Other Expenses	24	**10,806.01**	11,604.99
Total Expenses		**48,316.37**	46,432.99
V. Profit before Exceptional and Extraordinary items and tax (III-IV)		**3,323.83**	1,270.96
VI. Exceptional items/Extraordinary items			
Provision for Impairment of Assets		**283.51**	–
VII. Profit before tax (V-VI)		**3,040.32**	1,270.96
VIII. Tax expense:			
(1) Current tax		**700.00**	250.00
(2) Deferred tax		**353.00**	9.00
		1,053.00	259.00
IX. Profit for the Year (VII-VIII)		**1,987.32**	1,011.96
X. Earning per equity share:(Face value ₹ 1 per share)			
(1) Basic		**2.09**	1.07
(2) Diluted		**2.09**	1.07

OTHER NOTES AS PER NOTE '25'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

V. K. BESWAL
Director

VINAY JADHAV
Company Secretary

H. P. BIRLA
Chief Financial Officer

On behalf of the Board,

A. K. JATIA
Chairman

DR. ASHOK KUMAR
Executive Director

Mumbai, Dated : 20th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

		2016-2017 (₹ in Lacs)		2015-2016 (₹ in Lacs)
A. Cash Flow from Operating Activities				
Net profit before Taxation		**3,040.32**		1,270.96
Adjustments for :				
Depreciation	**664.78**		533.46	
Interest & Financial charges	**869.89**		1,532.87	
Loss on sale of Fixed Assets	**29.40**		–	
Provision for Bad & Doubtful debts	**16.71**		–	
Other income	**(98.41)**		(564.61)	
		1,482.37		1,501.72
Operating profit before Working Capital Changes		**4,522.69**		2,772.68
(Increase)/Decrease in Inventories	**4,752.47**		(1,744.61)	
(Increase)/Decrease in Debtors	**(253.33)**		(109.66)	
(Increase)/Decrease in Advances	**1.78**		104.39	
Increase/(Decrease) in Liabilities	**(594.46)**		953.43	
		3,906.46		(796.45)
Cash Generated from Operations		**8,429.15**		1,976.23
Income Tax (paid)/Refund Received (Net)		**(599.28)**		(482.99)
Cash Flow before Extraordinary Items		**7,829.87**		1,493.24
Exceptional item		**283.51**		–
Net cash from Operating Activities		**8,113.38**		1,493.24
B Cash flow from Investing Activities				
Purchase of Fixed Assets		**(1,947.76)**		(850.73)
Sale Proceeds of Fixed Assets etc.		**930.86**		54.55
Investment in Preference shares / Mutual Funds etc.		**(2,500.01)**		–
Change in Loans & Advances		**275.86**		(275.86)
Interest Received		**163.12**		575.18
Dividend Received		**68.07**		2.26
Net cash from / (used) in Investing Activities		**(3,009.86)**		(494.60)
C Cash flow from Financing Activities				
Proceeds from Borrowings		**169.59**		5,784.21
Repayment of Borrowings		**(3,801.61)**		(5,384.20)
Payment of Interest		**(946.49)**		(1,764.56)
Payment of Dividend		**(94.95)**		–
Net cash from / (used) in Financing Activities		**(4,673.46)**		(1,364.55)
Net change in Cash & Cash Equivalents (A+B+C)		**430.06**		(365.91)
Add :Cash & Cash Equivalents (Opening Balance)		**423.00**		4.74
Add :Amount adjusted pursuant to scheme of arrangement		**–**		784.17
Cash & Cash Equivalents (Closing Balance)		**853.06**		423.00

Note: 1) Previous year cash flow include transactions of demerged undertakings.

2) Figures in brackets represent cash outflows.

OTHER NOTES AS PER NOTE '25'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

V. K. BESWAL
Director

VINAY JADHAV
Company Secretary

H. P. BIRLA
Chief Financial Officer

On behalf of the Board,

A. K. JATIA
Chairman

DR. ASHOK KUMAR
Executive Director

Mumbai, Dated : 20th May, 2017

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
NOTE '1' - SHARE CAPITAL		
AUTHORISED		
10,00,00,000 Equity Shares of ₹ 1/- each	**1,000.00**	1,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
9,49,50,000 Equity Shares of ₹ 1/- each	**949.50**	949.50

1.1 The reconciliation of the number of Equity shares outstanding :-

Particulars	AS AT 31.03.2017 No. of Shares	AS AT 31.03.2016 No. of Shares
Equity Shares at the beginning of the year	**9,49,50,000**	5,00,000
Equity Shares issued, subscribed & fully paid up during the year	**–**	9,44,50,000
Equity Shares at the end of the year	**9,49,50,000**	9,49,50,000

1.2 9,44,50,000 shares have been allotted on 17/2/2016 for consideration other than cash pursuant to the scheme of Arrangement sanctioned by Bombay High Court.

1.3 The details of Shareholders holding more than 5% shares

Name of the Shareholder	AS AT 31-03-2017		AS AT 31-03-2016	
	No. of Shares	**% held**	No. of Shares	% held
Pudumjee Industries Limited	**1,68,13,769**	**17.71**	1,68,13,769	17.71
Thacker and Co.Ltd.	**1,29,15,362**	**13.60**	1,29,15,362	13.60
Suma Commercial Pvt. Ltd.	**1,03,09,452**	**10.86**	1,03,09,452	10.86
Yashvardhan Jatia Trust	**94,65,101**	**9.97**	–	–

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
NOTE '2' - RESERVES & SURPLUS				
GENERAL RESERVE				
As per last Balance Sheet	**200.00**		–	
Add: Transfer from Profit & Loss Account	**200.00**		**200.00**	
		400.00		200.00
SHARE PREMIUM ACCOUNT				
As per last Balance Sheet		**95.00**		95.00
CAPITAL RESERVE				
As per last Balance Sheet		**17,945.50**		–
On issue of shares pursuant to Scheme of Arrangement		**–**		17,945.50
RESERVE FOR DOUBTFUL DEBTS (See Note '5')		**19.19**		–
SURPLUS IN PROFIT AND LOSS ACCOUNT				
Balance in Profit & Loss Account brought forward		**1,299.50**		1.12
Add : Net profit after Tax from 1.4.2014 to 31.3.2015 in respect of businesses transferred to the company pursuant to the Scheme of Arrangement		**–**		599.63
		1,299.50		600.75
Add :				
Profit for the Year		**1,987.32**		1,011.96
AMOUNT AVAILABLE FOR APPROPRIATIONS		**3,286.82**		1,612.71
APPROPRIATIONS :				
Proposed Dividend on Equity Shares (Free of Tax)	–		94.95	
Tax on Proposed Dividend	**1.07**		18.26	
(Relates to earlier year ₹ 1.07 lacs)				
Transfer to General Reserve	**200.00**		200.00	
		201.07		313.21
		3,085.75		1,299.50
		21,545.44		19,540.00

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
NOTE '3' - LONG TERM BORROWINGS		
(A) Secured Borrowings		
FROM BANKS		
TERM LOAN (Security : First charge on the Assets at mahad specifically purchased therefrom.) (See Note (a) below)	**–**	81.94
TERM LOAN (Security : Pari passu first charge on Plant & Machinery at pune.)* (See Note (b) below)	**375.00**	875.00
TERM LOAN (Security : Pari passu first charge on Plant & Machinery at pune.)* (See Note (c) below)	**1,499.60**	2,000.00
FROM OTHERS		
TERM LOAN (Secured by vehicle purchased therefrom) (See Note (d) below)	**132.66**	–
TERM LOAN (Security :Vehicles purchased therefrom) (See Note (e) below)	**6.22**	14.75
Total (A)	**2,013.48**	2,971.69

Notes:

(a) Excluding ₹ Nil (Last year ₹ 427.78 Lacs) shown under "Current maturities of Long Term Debt"under Note No.8.
Repayble in 18 equal quartely installments beginning with 04.02.2012.

(b) Excluding ₹ 500.00 lacs (Last year ₹ 500.00 Lacs) shown under "Current maturities of Long Term Debt"under Note No.8.
Repayble in 20 equal quartely installments beginning with 16.01.2014.

(c) Excluding ₹ 500.40 (Last year Rs.Nil) shown under "Current maturities of Long Term Debt"under Note No.8.
Repayble in 12 equal quartely installments beginning with 30.04.2017.

(d) Excluding ₹ 27.76 lacs (Last year ₹ Nil) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayble in 60 Monthly installments beginning with 31.1.2017.

(e) Excluding ₹ 8.53 lacs (Last eyar ₹ 7.67 lacs) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayble in 59 Monthly installments beginning with 10.1.2014.

(f) There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.

*Security: i) Also pari passu first charge on land & building of the company at Mahad. ii) First charge on Land & Buildings at Pune of Pudumjee Pulp & Paper Mills Ltd, till its release upon creation of charge over company's Land & Building at Mahad.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
(B) Unsecured Borrowings		
Fixed Deposits from Public/Shareholders * (See Note (a) below)	**2,457.93**	2,506.83
Deposit		
From Others	**21.31**	8.13
Deferred Sales Tax Liability (See Note (b) below)	**856.90**	1,066.94
Total (B)	**3,336.14**	3,581.90
Total Long term borrowings (A) + (B)	**5,349.62**	6,553.59

Notes :

(a) Excluding (i) ₹ Nil (Last year ₹ 35.21 Lacs) being deposits for 1 year shown under "Short Term Borrowings" under Note No 6, and (ii) ₹ 41.15 lacs (Last year ₹ 763.37 lacs)shown under "Current maturities of Long Term Fixed Deposits"under Note No.8.

(b) Excluding ₹ 210.04 lacs (Last year ₹ 195.22 Lacs) shown under "Current maturities of "Long Term Unsecured Debts" under Note No. 8.

(c) There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.

* Repayble after 2 years and 3 years from the date of acceptance of each Deposits.

NOTE '4' - OTHER LONG TERM LIABILITIES

Sundry Creditors	**403.81**	365.68
	403.81	365.68

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
NOTE '5' - LONG TERM PROVISIONS				
Provision for Impairment of Fixed Assets transferred to the company pursuant the the Scheme of Arrangement		**1,397.26**		1,397.26
Transferred from Profit and Loss Account				
Provision for impairment		**283.51**		–
		1,680.77		1,397.26
Less : Deducted per contra From Fixed Assets		**1,680.77**		1,397.26
		–		–
Provision for Doubtful Debts & Advances	**700.24**		744.82	
	700.24		744.82	
Less : Provision Written Back	**13.99**		44.58	
Less : Debts & Advances considered Doubtful per contra	**667.06**		700.24	
	19.19		–	
Less : Surplus provision shown under Reserves & Surplus	**19.19**		–	
		–		–
Provision for Gratuity		**1,125.44**		935.53
Provision for Pension		**104.35**		87.51
		1,229.79		1,023.04
NOTE '6' - SHORT TERM BORROWINGS				
(A) Secured Borrowings from Bank				
Cash Credit repayable on demand (Security : (i) hypothecation of stocks, stores and book debts and second charge on plant & machinery of the Company at its Pune Plant and Land & Building at Mahad (on pari passue basis)(ii) also by second charge on land & building at Pune of Pudumjee Pulp & Paper Mills Ltd., and Pudumjee Industries Ltd.,till their release and corporate guarantee of Pudumjee Industries Limited.		**617.87**		1,542.38
Total (A)		**617.87**		1,542.38

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
(B) Unsecured Borrowings				
OTHER SHORT TERM LOANS & ADVANCES				
Intercorporate Deposits -Associates	–		775.03	
- Others	6.73	6.73	76.60	851.63
Fixed Deposits	–		35.21	
Others Borrowings/Deposits	508.59	508.59	518.18	553.39
Total (B)		515.32		1,405.02
Total short term borrowings (A) + (B)		1,133.19		2,947.40

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	3,311.58		4,298.19	
Sundry Creditors	3,612.36	6,923.94	3,647.62	7,945.81
		6,923.94		7,945.81

NOTE '8' - OTHER CURRENT LIABILITIES

Current Maturities of Long Term Debts:				
Fixed Deposits	41.15		763.37	
Secured Debts	1,036.69		935.45	
Unsecured Debts	210.04	1,287.88	195.22	1,894.04
Unclaimed dividend		2.06		–
Unclaimed Matured Fixed Deposits		32.01		38.06
Unclaimed Interest On Fixed Deposits		2.44		4.06
Interest on Loans accrued but not due on borrowings		152.38		107.07
Creditors for Capital Goods		3.95		11.70
Advances from Customers		136.27		67.15
Other payables		96.03		2.61
		1,713.02		2,124.69

NOTE '9' - SHORT TERM PROVISIONS

Provision for Taxation		126.58		–
(Less : Advance Tax etc.)				
Provision for Leave Encashment		229.62		203.94
Proposed Dividend (See note 25.18)		–		94.95
		356.20		298.89

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

NOTE '10' - TANGIBLE FIXED ASSETS (At Cost)

(₹ in Lacs)

TYPE OF ASSETS	Cost upto 31.03.2016	Additions/ Transfers during the year	Deductions/ Transfers during the year	**Balance Cost upto 31.03.2017**	Depreciation Amortisation upto 31.03.2016	**Depreciation/ Amortisation for the year**	Depreciation on sold/Transfer of Assets and on deductions written back	**Depreciation/ Amortisation Balance as on 31.03.2017**	Provision for Impairment	**Net Book Value as on 31.03.2017**	Net Book Value as on 31.03.2016
TANGIBLE ASSETS											
Land - Leasehold	1,201.44	135.15	–	**1,336.59**	64.45	16.62	–	**81.07**	–	**1,255.52**	1,136.99
Buildings	277.13	2,227.18	–	**2,504.31**	23.30	74.70	–	**98.00**	–	**2,406.31**	253.83
Machinery	26,266.51	126.11	11.24	**26,381.38**	18,588.99 *	440.71	3.18	**19,026.52**	283.51	**7,071.35**	7,677.52
Laboratory Equipments	74.65	4.18	–	**78.83**	31.69	5.38	-	**37.07**	–	**41.76**	42.96
Furniture & Fixtures	617.11	23.07	0.65	**639.53**	551.28	16.99	0.29	**567.98**	–	**71.55**	65.83
Vehicles	234.76	216.88	6.30	**445.34**	109.79	31.64	5.98	**135.45**	–	**309.89**	124.97
Total (A)	28,671.60	2,732.57	18.19	**31,385.98**	19,369.50	586.04	9.45	**19,946.09**	283.51	**11,156.38**	9,302.10
INTANGIBLE ASSETS											
Goodwill on Demerger ***	7,793.05	–	–	**7,793.05**	–	–	–	**–**	–	**7,793.05**	7,793.05
Product Branding	179.75	–	–	**179.75**	107.86	71.89	–**	**179.75**	–	–	71.89
Computer Software	163.85	2.99	–	**166.84**	141.80	5.54	–	**147.34**	–	**19.50**	22.05
Other Intangible Assets	13.92	1.49	–	**15.41**	7.01	1.31	–	**8.32**	–	**7.09**	6.91
Total (B)	8,150.57	4.48	–	**8,155.05**	256.67	78.74	–	**335.41**	–	**7,819.64**	7,893.90
Total (A+B)	36,822.17	2,737.05	18.19	**39,541.03**	19,626.17	664.78	9.45	**20,281.50**	283.51	**18,976.02**	17,196.00
Previous year	28,693.92	8,204.29	76.04	**36,822.17**	19,163.90	533.46	71.19	**19,626.17**	–	**17,196.00**	9,530.02

*Includes depreciation on long life spares ₹ 7.44 Lacs (Previous year ₹ Nil)

**The carrying amount of ₹ 71.90 lacs of the 'intangible assets product branding has been fully amortized during the year based on review of the useful life of the assets at Nil in conformity with the Accounting Standard.

***Includes ₹ 237.39 for expenses on scheme of Arrangement.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

			AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
NOTE `11' - NON CURRENT INVESTMENTS					
LONG TERM INVESTMENTS (AT COST)					
TRADE INVESTMENTS : (EQUITY) (Unquoted)					
14,15,176	(Last year Nil) Shares of Sai Wardha Power Generation Limited of ₹ 10/- each fully paid		**141.52**		–
			141.52		–
Aggregate amount of unquoted investments- Cost			**141.52**		–
NOTE '12' - LONG TERM LOANS & ADVANCES					
(Unsecured, Considered good, unless otherwise stated)					
Prepaid Expenses			**21.13**		28.54
Advance Income Tax			**334.12**		279.99
Security Deposits			**92.93**		79.32
Loans & Advances to Subsidiary/Associate Companies			**–**		275.86
Others Advances		**309.63**		346.80	
Less :	Provision for Doubtful Advances deducted per contra	**37.48**	**272.15**	36.23	310.57
			720.33		974.28
NOTE `13' - CURRENT INVESTMENTS					
CURRENT INVESTMENTS					
TRADE INVESTMENTS : (EQUITY)					
CURRENT INVESTMENTS IN MUTUAL FUNDS (unquoted)					
(EACH VALUED AT LOWER OF COST OR FAIR VALUE)					
72,403	(Last Year Nil) Units of Reliance Liquid Fund. of ₹1000/- each fully paid		**1,106.86**		–
5,00,013	(Last Year Nil) Units of Birla Sun Life Cash Plus Fund. of ₹ 100/- each fully paid		**500.99**		–
7,50,129	(Last Year Nil) Units of ICICI Prudential Liquid Fund of ₹ 100/- each fully paid		**750.64**		–
			2,358.49		–
Aggregate amount of unquoted investments- Cost			**2,358.49**		–

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
NOTE `14' - INVENTORIES				
Raw material (At cost)		**1,728.52**		4,618.98
Raw material in Transit (At Cost)		**436.95**		–
Work-in-process (At cost)		**468.47**		371.52
Finished Paper	**1,461.42**		3,378.08	
Hygiene Products	**255.51**	**1,716.93**	324.50	3,702.58
(At lower of cost or market value.)				
Stores, Spare Parts Etc.(At Cost)		**968.62**		1,388.46
Stores, Spare Parts Etc.in Transit (At Cost)		**10.13**		–
Loose Tools (At Cost)		**0.91**		1.46
		5,330.53		10,083.00
NOTE '15' - TRADE RECEIVABLES (Unsecured)				
Debts outstanding for a period exceeding six months from due date				
Considered Good	**27.09**		170.19	
Considered Doubtful	**614.29**		649.58	
	641.38		819.77	
Other Debts				
Considered Good	**6,165.10**		5,758.49	
Considered Doubtful	–		5.59	
	6,806.48		6,583.85	
Less: Provision for Doubtful Debts deducted per contra	**614.29**	**6,192.19**	655.17	5,928.68
		6,192.19		5,928.68
NOTE '16' - CASH & BANK BALANCES				
Cash on hand as per books		**12.49**		9.24
Deposit with Bank for Margin Money (with maturity beyond 12 months)		**207.09**		9.58
On other Deposit account with Bank		**120.60**		214.49
On other accounts with Banks		**481.98**		176.12
Cheques on hand		**28.84**		13.57
Unpaid Dividends account with Banks		**2.06**		–
		853.06		423.00

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)		AS AT 31.03.2016 (₹ in Lacs)
NOTE `17' - SHORT TERM LOANS & ADVANCES				
(Unsecured, Considered Good,other than related parties)				
Prepaid Expenses		**74.05**		61.18
Security Deposits		**9.40**		2.70
Inter Corporate Deposits		**0.96**		–
Interest Accrued				
On Banks & Other Deposits		**5.23**		0.04
Capital Advances		**152.88**		89.87
Advance Income Tax for Current year (Less Provision for Current year Tax)		**3.91**		29.83
Advances to employees of the Company		**9.61**		25.00
Advances recoverable in cash or in kind				
Balance with Government Authorities	**880.24**		1,259.62	
Advances to Suppliers	**369.92**		91.40	
Sundry Advances	**169.14**		126.86	
	1,419.30		1,477.88	
Less : Provision for Doubtful Advances deducted per contra	**15.29**	**1,404.01**	8.84	1,469.04
		1,660.05		1,677.66

NOTES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

		Year Ended 31.03.2017 (₹ in Lacs)		Year Ended 31.03.2016 (₹ in Lacs)
NOTE '18' - REVENUE FROM OPERATIONS				
PAPER	**48,813.82**		42,009.59	
Less : Excise Duty	**3,004.23**	**45,809.59**	2,541.60	39,467.99
TRADE SALE		**5,378.78**		6,090.25
MISCELLANEOUS SALES	**120.66**		116.17	
Less : Excise Duty	**1.13**	**119.53**	0.99	115.18
PROCESSING AND OTHER CHARGES		**–**		1,143.91
OTHER OPERATING REVENUE		**76.01**		111.87
		51,383.91		46,929.20
NOTE '19' - OTHER INCOME				
DIVDENDS				
Others		**67.53**		2.26
MISCELLANEOUS INCOME		**5.25**		10.32
INTEREST RECEIVED FROM DEBTORS		**121.92**		155.24
INTEREST RECEIVED FROM OTHERS		**30.19**		512.65
PROFIT ON SALE/TRANSFER OF FIXED ASSETS /INVESTMENT (NET)		**0.54**		49.70
SUNDRY CREDIT BALANCES WRITTEN BACK		**30.86**		44.58
		256.29		774.75
NOTE '20' - COST OF MATERIAL CONSUMED				
CONSUMPTION OF RAW MATERIALS		**20,896.64**		20,302.03
CONSUMPTION OF STORES,COLOURS AND CHEMICALS ETC.		**4,424.01**		3,938.95
		25,320.65		24,240.98
NOTE '21' - CHANGE IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE				
STOCK AT COMMENCEMENT				
Finished Paper	**3,378.08**		2,262.21	
Hygiene Products	**324.50**		410.51	
Work-in-Process				
- Pulp	**14.50**		34.79	
- Paper	**357.02**	**4,074.10**	511.23	3,218.74
STOCK AT CLOSE				
Finished Paper	**1,461.42**		3,378.08	
Hygiene Products	**255.51**		324.50	
Work-in-Process				
- Pulp	**11.57**		14.50	
- Paper	**456.90**	**2,185.40**	357.02	4,074.10
		1,888.70		(855.36)

NOTES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

		Year Ended 31.03.2017 (₹ in Lacs)		Year Ended 31.03.2016 (₹ in Lacs)
NOTE '22' - EMPLOYEES' COST				
SALARIES,WAGES,BONUS etc.				
Salaries,Wages,gratuity & Bonus		**3,454.72**		3,293.66
Contribution to Provident & Other Funds(Including Administrative Charges)		**280.01**		277.41
Employees State Insurance		**4.38**		3.49
Workmen & Staff Welfare Expenses		**142.69**		145.32
		3,881.80		3,719.88
NOTE '23' - INTEREST & FINANCIAL COST				
Interest on borrowings	**800.25**		1,473.88	
Other financial charges	**191.56**	**991.81**	214.23	1,688.11
		991.81		1,688.11
NOTE '24' - OTHER EXPENSES				
PROCESSING CHARGES		**15.28**		346.58
FUEL, POWER & WATER		**7,192.82**		7,372.34
RENT		**127.97**		76.46
RATES & TAXES		**74.37**		47.99
REPAIRS & MAINTENANCE				
Machinery	**1,176.47**		1,175.02	
Buildings	**114.17**		74.78	
Others	**11.89**	**1,302.53**	89.37	1,339.17
INSURANCE		**53.53**		56.27
PACKING,CARTAGE,CUTTING		**1,023.14**		943.45
DEVELOPMENT & RESEARCH EXPENSES		**127.29**		110.07
COMMISSION ON SALES		**294.23**		219.51
DIRECTORS' FEES		**3.58**		1.65
EXCISE DUTY ON STOCK		**(123.07)**		81.25
FOREIGN EXCHANGE LOSS / (GAIN)		**(139.28)**		206.80
LOSS ON SALE/TRANSFER OF ASSETS (NET)		**29.40**		–
BAD DEBTS & ADVANCES WRITTEN OFF		**60.17**		64.18
PROVISION FOR DOUBTFUL DEBTS		**16.71**		–
OFFICE & MISCELLANEOUS EXPENSES		**747.34**		739.27
		10,806.01		11,604.99

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

NOTES :- Quantitative Information of the Company as under		Year Ended 2016-2017 Value (₹ in Lacs)	Year Ended 2015-2016 Value (₹ in Lacs)
25.01	**The value of raw materials consumed**		
	Pulp	**17,615.64**	16,279.79
	Waste Paper	**3,281.00**	4,022.25
25.02	**Trade Purchases**		
	Pulp	**101.10**	882.53
	Hygiene Products	**4,423.99**	4,555.47
	Others	**252.06**	62.93
25.03	**Value of direct imports calculated on CIF basis during the financial year**		
	Raw Material	**14,621.29**	15,693.62
	Components & Spare Parts	**836.12**	623.45
	Capital Goods	**1.51**	30.64
	Trade Goods	**265.44**	307.13
25.04	**Expenditure in foreign currency during the financial year on account of**		
	Royalty, know-how, interest, professional consultation, travelling, subscription and periodicals etc.	**71.78**	50.24

25.05 Value of raw materials, spare parts and component consumed during the financial year and the percentage thereof

	Year Ended 2016-2017		Year Ended 2015-2016	
	Value (₹ in Lacs)	**%**	Value (₹ in Lacs)	%
Raw Materials :				
Direct Imports	**18,178.68**	**86.99**	16,381.21	80.69
Others	**2,717.96**	**13.01**	3,920.83	19.31
Total :	**20,896.64**	**100.00**	20,302.04	100.00
Spare Parts & Components :				
Direct Imports	**1,120.17**	**20.96**	733.80	15.19
Others	**4,224.93**	**79.04**	4,097.50	84.81
Total :	**5,345.10**	**100.00**	4,831.30	100.00

25.06	**Export of goods calculated on FOB basis**		
	Export of goods calculated on FOB basis (Earning in foreign Exchange)	**1,074.00**	751.43
	Deemed Exports	**26.86**	13.58
		1,100.86	765.01
25.07	**Earnings in Foreign Exchange**		
	Royalty, Knowhow, Professional and consultation fees,Interest and dividend etc. (Earning in foreign Exchange)	–	–

NOTE '25' - (Contd.)

25.08 Salary, Wages, gratuity and bonus (Note '20') does not include a sum of ₹ 126.12 lacs (Previous year ₹ 95.22 Lacs) transferred to other accounts.

25.09 a) The company has leasehold land and building at Mahad Dist.Raigad. The leasehold land, colony and buildings are shown under Tangible Fixed Assets Schedule (Note No.10) and is appropriately amortized and depreciated for the year and Machinery and all other assets together with related expenditure have been shown under Capital work-in-progress.

b) In view of the Mahad project having been temporarily deferred, the borrowing and other recurring costs (net) incurred for the year aggregating to ₹ 276.37 lacs (Previous Year ₹ 204.36 lacs) have been treated as revenue expenditure and charged to the Profit & Loss account for the year under the respective heads.

25.10 In view of current power supply arrangement made through Open Access and with the proposed installation of 132 KV substation making the power available to Company at a significantly lower price, the economic viability of the power generating set together with the boiler has been impaired in view of the higher cost of power generated by it. Consequently an amount of ₹ 283.51 Lacs being provision for impairment determined on the basis of estimated recoverable value of the Power Generating Set and Boiler is charged to profit and loss account.

Details of Impaired Assets (₹ in Lacs)

Machinery	Cost	Depreciation Up to 31.3.2017	WDV	Recoverable Value	Impairment Loss
D.G.Set	1601.75	1,281.18	320.57	47.59	272.98
WHR Boiler	81.04	68.10	12.94	2.41	10.53
	1,682.79	1,349.28	333.51	50.00	283.51

25.11 Interest amounting to ₹ Nil (Previous year ₹ 9.72 Lacs) and salaries & wages amounting to ₹ 12.01 Lacs (Previous year ₹ 2.07 lacs), Rates & Taxes and Professional fees ₹ 26.93 lacs (Previous year Nil) and Rent ₹ 16.14 lacs (Previous year Nil) have been capitalised during the year to Machinery under installation.

25.12 Payments made to Auditors :

	Year Ended 2016-2017 (₹ in Lacs)	Year Ended 2015-2016 (₹ in Lacs)
Audit fees	**9.00**	4.00
Taxation matters	**1.00**	0.10
Others	**4.25**	1.80
	14.25	5.90

25.13 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.

NOTE '25' - (Contd.)

		AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
25.14	a) Contingent Liabilities not provided for in respect of :		
	i) Bank Guarantees and Letters of Credit in favour of suppliers of raw materials, spares etc.*	**3,251.55**	1,949.11
	ii) Claims against the Company not acknowledged as debts for excise duty, property tax and commercial claims etc. **	**831.54**	852.69
	* 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) Estimates of contracts remaining to be executed on capital account	**623.13**	1,078.04

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

a) These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

b) Goodwill is tested for impairment at every year end and provision, if any, will be charged to Profit & Loss Account.

c) Intangible Assets comprising of Product Branding/ Trademarks are amortized equally over a period of 10 years unless otherwise reviewed.

d) Fixed Assets are valued at cost.

e) Borrowing costs comprising interest etc. relating to projects unless deferred, 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.

f) Depreciation on Machinery & Building has been provided on Straight Line Method and that on the other Assets on Written Down Value method till 31-03-2014. The depreciation is provided on all the assets based on the useful lives of the assets on straight line method since then, in accordance with schedule II of the Companies Act, 2013. In conformity with the revised Accounting Standard "Property Plant & Equipment" (AS 10) spares having longer life than 12 months aggregating ₹ 76.91 have been identified, capitalized (including unused lying in capital work in progress) and are depreciated when used over their estimated life as evaluated by technical personnel. Lease hold land is amortised based on period of residual lease.

g) Finished goods 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.

h) 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.

i) (i) Contributions to defined contribution schemes, namely, Provident Fund and Supernnuation Fund is made at a pre-determined rates and are charged to the Profit & Loss Account.

NOTE '25' - (Contd.)

(ii) Contributions to the defined benefit scheme,namely,Gratuity Fund & provision for the remaining Gratuity, Pension 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.

j) 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.

k) Lease arrangement where the risks and rewards incidential to ownership of an assets substantially vest with the lessor, are recognised as operating leases,. Lease rentals under operating leases are recognised in the statement of Profit & Loss.

l) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Sales are recognized when significant risk and rewards of ownership of the goods have passed to the buyer which coincides with delivery/transfer and are recorded net of trade discounts. Interest income is recognized on time basis taking into account the amount outstanding and the applicable rate.

m) 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.

n) Contingent Liabilities are not recognized, but are disclosed in the notes based on substantial degree on estimation. Contingent Assets are neither recognized nor disclosed in the financial statements.

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

	AS AT 31.03.2017	AS AT 31.03.2016
Basic/Diluted EPS :		
(a) Net Profit after tax as per Profit & Loss Account : After current and deferred Tax	**₹ 1,987.32 lacs**	₹1,011.96 lacs
(b) No. of Equity shares of ₹ 1/- each :	**949.50 lacs**	949.50 lacs
(c) Basic EPS After current and deferred Tax (a/b)	**₹ 2.09**	₹ 1.07

25.17 (a) The Deferred Tax Liabilities / (Deferred Tax Assets) into major components are as under :

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
In respect of Depreciation	**2,314.70**	1,750.20
In respect of allowances and disallowances under various provisions of Income Tax Act.	**(756.33)**	(544.83)
Net Deferred Tax Liability	**1,558.37**	1,205.37

(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 taxable income for the year ending 31st March, 2017.

NOTE '25' - (Contd.)

25.18 A dividend at the rate of ₹ 0.15 (per equity share of ₹ 1 fully paid) for the year 2016-17 aggregating to ₹ 142.42 lakhs has been recommended by the Board of Directors for declaration at the ensuing Annual General Meeting. A corporate tax on such dividend amounting to ₹ 28.99 would become payable upon declaration of the dividend by the said Annual General Meeting and not provided in the accounts in conformity with the Accounting standard (AS 4) as revised.

25.19 Related party disclosures (Accounting Standard 18) :

A) Associate Firms / Companies

a) Pudumjee Industries Limited.
b) Pudumjee Plant Laboratories Limited.
c) Pudumjee Hygiene Products Limited.
d) Pudumjee Holding Limited.
e) Pudumjee Investment & Finance Co.Ltd.
f) Pudumjee Pulp & Paper Mills Limited.
g) G: Corp Township Private Limited.

B) Key Management Personnel

Shri. V. P. Leekha
Managing Director

Dr.Ashok Kumar
Executive Director

Shri. H. P. Birla
Chief Financial Officer

Shri. Vinay Jadhav
Company Secretary

NOTE '25' - (Contd.)

C) Transactions with related Parties
(Excluding inter Companies transactions on demerger)

		2016-17 (2015-2016) (₹ in Lacs)		
		Associate Companies	Maximum during the year	Key Management Personnel
a)	Interest bearing Inter Corporate Deposits lent during the year	**–** (844.81)		
b)	Interest charged during the year	**37.43** (1.97)		
c)	Inter Corporate Deposits /Advances etc. outstanding receivable as at 31st March, 2017 including interest			
	Pudumjee Industries Limited	**–** (275.86)	– (275.86)	
d)	Interest bearing Inter Corporate Deposits taken during the year	**2,949.73** (1,781.71)		
e)	Interest Paid during the year	**–** (12.65)		
f)	Inter Corporate Deposits payable as at 31st March, 2017 including interest			
	Pudumjee Pulp & Paper Mills Limited	– (775.03)		
	Pudumjee Hygine products Limited	**21.31** (8.13)		
g)	Amount Payable as at 31st March, 2017 Pudumjee Pulp & Paper Mills Limited	**25.85** (–)		
h)	Sales made during the year	**1.13** (-)		
i)	Purchases made during the year	**236.02** (181.87)		
j)	Rent Paid	**83.14** (19.37)		
k)	Reimbursement of common services and utilities during the year.	**2.47** (1.69)		
l)	Remuneration	– (–)	– (–)	**245.28** (152.71)

Note:The figures in bracket relate to earlier year.

NOTE '25' - (Contd.)

25.20 SEGMENT REPORTING (Accounting standard 17)

Information about business segments.	**Paper Manufacturing**	**Hygiene Division**	**2016-17 (2015-2016) (₹ in Lacs) Total**
SEGMENT REVENUE	**46,358.28**	**5,025.63**	**51,383.91**
	(41,684.76)	(5,244.44)	(46,929.20)
SEGMENT RESULTS (After Exceptional Items)	**3,843.72**	**(9.88)**	**3,833.84**
	(2,174.17)	(50.21)	(2,224.38)
Unallocated corporate expenses			**212.92** (149.69)
Operating Profit			**3,620.92** (2,074.69)
Interest Expenses			**800.25** (1,473.88)
Interest Income			**152.12** (667.89)
Dividend Income			**67.53** (2.26)
Other Income			–
Provision for Current Tax Written Back			–
Profit Before Tax			**3,040.32** (1,270.96)
Income Taxes including Deferred Tax			**1,053.00** (259.00)
Profit from ordinary activities			**1,987.32** (1,011.96)
Net Profit as per Profit & Loss Account			**1,987.32** (1,011.96)
OTHER INFORMATION			
Total carrying amount of Segment Assets	**37,029.19**	**1,289.46**	**38,318.65**
	(40,947.23)	(1,421.01)	(42,368.24)
Add: Unallocated Corporate Assets	**2,840.27**	**3.96**	**2,844.23**
			(585.73)
Total Assets as per Balance Sheet	**39,869.46**	**1,293.42**	**41,162.88**
	(40,947.23)	(1,421.01)	(42,953.97)
Total carrying amount of Segment Liabilities	**9,061.17**	**116.67**	**9,177.84**
	(8,890.78)	(617.97)	(9,508.75)
Add: Unallocated Corporate Liabilities	**30,808.29**	**1,176.75**	**31,985.04**
	–	–	(33,445.22)
Total Liabilities as per Balance Sheet	**39,869.46**	**1,293.42**	**41,162.88**
	(8,890.78)	(617.97)	(42,953.97)

NOTE '25' - (Contd.)

25.20 SEGMENT REPORTING (Accounting standard 17)

Information about business segments.	Paper Manufacturing	Hygiene Division	Total
	2016-17		
	(2015-2016)		
	(₹ in Lacs)		
Capital Expenditure incurred during the year	**1,946.30**	**1.46**	**1,947.76**
(Excluding Assets transferred on Demerger)	(899.26)	(6.49)	(905.75)
Depreciation for the Year	**584.05**	**80.74**	**664.79**
	(503.69)	(29.77)	(533.46)
Other Non Cash Expenditure	–	–	–
	–	–	–
Sales Revenue by Geographical Segments			
WITHIN INDIA	**45,284.28**	**5,025.63**	**50,309.91**
	(40,933.33)	(5,244.44)	(46,177.77)
OUTSIDE INDIA	**1,074.00**	**–**	**1,074.00**
	(751.43)	–	(751.43)
	46,358.28	**5,025.63**	**51,383.91**
	(41,684.76)	**(5,244.44)**	**(46,929.20)**

i) The Paper segment relates to manufacture and marketing of Paper, processing activity. Hygiene division segment relates to marketing and distribution of Hygiene and other Products.

ii) The figures for previous year are shown in bracket.

25.21 The Company had entered into lease/ leave & license agreements (including leave & license agree ment pursuant to the scheme) for commercial use on terms and conditions as specified in their agreements for period ranging from 11 months to 10 years by placing refundable deposits. In respect of these agreements the future minimum lease/ rental payment is as under :

Particulars	Total (₹ in Lacs)	
	31-03-2017	31-03-2016
i) not later than one year	**154.21**	110.98
ii) later than one year and not later than five years	**449.17**	352.91
iii) later than five years	**38.36**	118.46

All such lease payments for the year are recognized in Profit & Loss Account as rent paid.

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

a) An amount of ₹ 230.01 lacs (Last year ₹ 198.29 lacs) has been recognized as an expense 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 setup & shared by Pudumjee Pulp and Paper Mills Limited and Pudumjee Industries Limited, pending transfer of fund to company setup fund.
In addition, a pension / Family pension liability on the basis of actuarial valuation has been provided in respect of one director of the company.The pension payable will crystalise on his leaving service & family pension after his death to his spouse. The actuary has assumed rate of interest at 8% p.a.in the valuation of pension / family pension liability & the LIC annuitants mortality (2006-08) ultimate table.

NOTE '25' - (Contd.)

c) Expenses recognized during the year and reconciliation of the Assets & Liabilities recognized in Balance Sheet as at 31.03.2017 :

		Gratuity (Partly funded) (₹ in Lacs)		Leave Encashment (Unfunded) (₹ in Lacs)	
		Year Ended 2016-2017	Year Ended 2015-2016	**Year Ended 2016-2017**	Year Ended 2015-2016
	The present value of defined benefit obligations at the commencement of the Year	**1,171.50**	**–**	**203.93**	–
i)	Obligation transferred pursuant to the scheme of Arrangement	**–**	1,096.97	**–**	167.18
ii)	Current Service cost	**88.85**	73.37	**19.22**	25.94
iii)	Interest cost	**93.66**	85.02	**16.33**	12.96
iv)	Actuarial (Gain)/Loss	**117.80**	60.44	**22.32**	31.38
v)	Benefits (Paid)	**(144.21)**	(144.30)	**(32.18)**	(33.53)
vi)	Past Service Cost	**–**	–	**–**	–
vii)	The present value of defined benefit obligations at the close of the Year	**1,327.60**	1,171.50	**229.62**	203.93
viii)	The fair value of plan assets at the close of the year	**202.16**	235.96	**–**	–
ix)	The Past service cost not yet recognized	**–**	–	**–**	–
x)	Expected return on plan assets	**19.47**	(18.05)	**–**	–

Expenses aggregating ₹ 377.65 lacs (Last year ₹ 271.06 lacs) covered under items (ii),(iii),(iv),(vi) and (x) above have been debited to the Profit & Loss Account under Salary & Wages, Bonus etc.

d) Actuarial assumptions:

	Year Ended 2016-17			Year Ended	Year Ended	Year Ended
	Directors 15 days	**Others 7/15 Days**	**Hygiene Division**	**2015-2016**	**2016-2017**	**2015-2016**
i) Rate of interest (per annum)	**7.50%**	7.25%	7.50%	8.00%	**7.50%**	8.00%
ii) Salary growth (per annum)	**7.00%**	8.00%	7.50%	7.00%	**7.00%**	7.00%
iii) Withdrawal rate (Per annum)	**1.00%**	1.00%	1.00%	1.00%	**1.00%**	1.00%
iv) Expected return on Plan Assets	**8.25%**	8.25%	–	8.50%	**–**	–
v) Mortality rates: Indian Assured Lives (2006-08)	**Ultimate**	**Ultimate**	**Ultimate**	**Ultimate**	**Ultimate**	**Ultimate**

NOTE '25' - (Contd.)

25.23 Disclosure of the details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, required as per Notification G.S.R.308 (E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs.

	Amount in Rs.		
	Specified Bank Notes (SBNs)	**Other denomination notes**	**Total**
Closing cash in hand as on 08.11.2016	14,82,500	2,80,503	**17,63,003**
(+) Permitted receipts	24,500	13,84,805	**14,09,305**
(-) Permitted payments	–	6,36,679	**6,36,679**
(-) Amount deposited in Banks	15,07,000	12,275	**15,19,275**
Closing cash in hand as on 30.12.2016	–	10,16,354	**10,16,354**

25.24 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 '25'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

V.K.BESWAL
Director

VINAY JADHAV
Company Secretary

H. P. BIRLA
Chief Financial Officer

On behalf of the Board,

A. K. JATIA
Chairman

DR. ASHOK KUMAR
Executive Director

Mumbai, Dated : 20th May, 2017

FORM MGT-11

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 member (s) : **PUDUMJEE PAPER PRODUCTS LIMITED CIN: L21098PN2015PLC153717,**
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 3rd Annual General Meeting of the company, to be held on the Saturday, the 22nd day of July, 2017 at 3.00 p.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 of Directors & Auditors	☐
2.	Appointment of Director retiring by rotation	☐
3.	Declaration of Dividend	☐
4.	Appointment of Auditors	☐
5.	Appointment of Branch Auditor	☐
6.	Consent to the subsisting contracts already entered/to be entered into with Related Party(ies)	☐
7.	Consent for acceptance of fixed deposits from Public/ Members	☐
8.	Approval to the remuneration of Cost Auditors	☐

P. T. O.

Signed this……day of ……..2017.

Signature of shareholder

Affix Revenue Stamp

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.



PUDUMJEE PAPER PRODUCTS LIMITED
Registered Office: Thergaon, Pune - 411 033.
Tel: +91-20-30613333, **Fax:** +91-20-40773388
CIN: L21098PN2015PLC153717,
Website : www.pudumjee.com, **E-mail:** sk@pune.pudumjee.com

ATTENDANCE SLIP

Please complete and sign this attendance slip and hand over at the entrance of the meeting hall.

1. Name and Registered Address of the sole / first named Shareholder :

2. Name(s) of the Joint Shareholder(s) if any :

3. Name of Proxy (if any) :

4. Registered Folio No./DPID & Client ID No. :

5. Number of Shares held :

I hereby record my presence at the 3rd Annual General Meeting of the Company at its Registered Office at Thergaon, Pune 411 033, at 3.00 p.m. (ST) on Saturday, the 22nd day of July, 2017.

Signature of the Member/Proxy

COURIER / REGD. POST

If undelivered, please return to :

Pudumjee Paper Products Limited
Thergaon, Pune - 411 033.

PRABODHI
2447593