

AI CHAMPDANY INDUSTRIES LIMITED

(A TRADING HOUSE recognised by Govt. of India) (Established in 1873)

Pioneer Weaves & Spinners of Natural & Synthetic blended Fabrics & Yarns

CIN : L51909WB1917PLC002767

REGD. OFFICE :

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

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



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

Dated: 14/06/2016

Sub: Audited Financial Result for the Year ended 31st March,2016

Dear Sir(s),

As required under the SEBI(LODR) Regulation 2015, we submit herewith Audited Financial Results for the year ended 31st March, 2016, along with segment Revenue & Results for the year ended 31st March 2016 & Capital Employed as on that date with Statement of Assets & Liabilities as on that date with the Notes there to as approved by the Board of Directors of the Company at its meeting held today i.e on 14th June, 2016.for your kind perusal and records. Statements of impact of Auditor's qualification (Standalone & Consolidated) with Independent Auditors Report (Standalone) & Auditors report on Consolidated Accounts are enclosed herewith for your kind perusal and records.

Thanking you,

Yours faithfully,

For AI Champdany Industries Ltd

B. K. Chowdhury

B. K. Chowdhury

Company Secretary cum Compliance Officer

Part I		Rs in lacs						
	Particulars	Three months ended			Year ended	Year ended	Consolidated Year ended	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Income from Operations							
	a) Net Sales/Income from Operations(net of excise duty)	6,917.22	4,863.48	10,939.22	21,616.47	30,177.64	21,616.47	30,177.64
	b) Other operating Income	24.89	61.02	44.07	310.27	362.68	328.32	369.46
	Total income from operations (net)	6,942.11	4,924.50	10,983.29	21,926.74	30,540.32	21,944.79	30,547.10
2	Expenses							
	a) Cost of materials consumed	2,875.60	3,137.45	3,297.37	10,622.97	11,617.02	10,622.97	11,616.82
	b) Purchase of stock in trade	240.21	-	786.15	256.53	3,502.80	256.53	3,502.80
	c) Changes in Inventories of Finished goods , Work in Progress and stock in trade	1,116.24	(973.91)	3,006.66	202.82	241.76	202.82	241.76
	d) Employee benefits expense	1,377.09	1,765.61	2,251.96	6,180.60	8,398.03	6,180.60	8,398.23
	e) Depreciation and amortisation expense	137.37	125.29	143.92	513.17	561.34	518.61	566.78
	f) Other expenditure	1,158.95	804.31	1,646.32	3,870.02	5674.28	3,887.40	5,694.54
	Total expenses	6,905.46	4,858.75	11,132.38	21,646.11	29,995.23	21,668.93	30,020.93
3	Profit/(Loss) from operations before other income, finance costs & exceptional items (1-2)	36.65	65.75	(149.09)	280.63	545.09	275.86	526.17
4	Other Income	0.10	-	39.69	0.58	40.89	0.58	40.89
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	36.75	65.75	(109.40)	281.21	585.98	276.44	567.06
6	Finance costs	339.23	285.21	347.80	1,273.40	1,234.66	1,273.40	1,234.66
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(302.48)	(219.46)	(457.20)	(992.19)	(648.68)	(996.96)	(667.60)
8	Exceptional items	-	-	-	-	-	-	-
9	Profit/(Loss) from Ordinary Activities before tax (7-8)	(302.48)	(219.46)	(457.20)	(992.19)	(648.68)	(996.96)	(667.60)
10	Tax expense	(239.45)	(62.99)	(128.38)	(449.52)	(235.39)	(449.52)	(235.72)
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10).	(63.03)	(156.47)	(328.82)	(542.67)	(413.29)	(547.44)	(431.88)
12	Extraordinary items (net of tax expense Rs)	-	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(63.03)	(156.47)	(328.82)	(542.67)	(413.29)	(547.44)	(431.88)
14	Adjustment relating to earlier year (Taxes)							
15	Net Profit/(Loss) after Tax (13+14)	(63.03)	(156.47)	(328.82)	(542.67)	(413.29)	(547.44)	(431.88)
16	Paid-up equity share capital (Face value Rs. 5/- per share)	1371.04	1371.04	1371.04	1371.04	1371.04	1371.04	1371.04
17	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year				5,912.01	6,398.51	5,945.62	6,455.37
18(i)	Earning Per Share (before extra ordinary items) of Rs 5 each (not annualized)							
	Basic and Diluted (Rs.)	(0.23)	(0.57)	(1.20)	(1.98)	(1.51)	(2.00)	(1.58)
18(ii)	Earning Per Share (after extra ordinary items) of Rs 5 each (not annualized)							
	Basic and Diluted (Rs.)	(0.23)	(0.57)	(1.20)	(1.98)	(1.51)	(2.00)	(1.58)



Particulars	Three months ended			Year ended	Year ended	Consolidated Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
PART II Select Information							
A PARTICULARS OF SHAREHOLDING							
1 Public shareholding							
- Number of shares	12,641,177	12,641,177	12,641,077	12,641,177	12,641,077	12,641,177	12,641,077
- Percentage of shareholding	46.10	46.10	46.10	46.10	46.10	46.10	46.10
2 Promoters and Promoter Group Shareholding							
a) Pledged/Encumbered							
- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Non- encumbered							
- Number of shares	14,779,654	14,779,654	14,779,754	14,779,654	14,779,754	14,779,654	14,779,754
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of shares (as a % of the total share capital of the company)	53.90	53.90	53.90	53.90	53.90	53.90	53.90
B INVESTOR COMPLAINTS	3 months ended 31.03.2016						
Pending at the beginning of the quarter	Nil						
Received during the quarter	Nil						
Disposed off during the quarter	Nil						
Remaining unresolved at the end of the quarter	Nil						



SEGMENTWISE REVENUE, RESULT AND CAPITAL EMPLOYED

Particulars	Three months ended			Year ended		Rs (In lacs)	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015	Consolidated For the Year ended	
	Unaudited	Unaudited	Unaudited	Audited	Audited	31.03.2016	31.03.2015
1 Segment Revenue (Net of Excise Duty)							
a. Jute/ Jute Diversified Products & Services	6,649.15	4,568.97	10,333.09	20,169.69	28,052.61	20,187.74	28,059.31
b. Flax Products	292.96	355.53	650.20	1,757.05	2,487.71	1,757.05	2,487.71
Total	6,942.11	4,924.50	10,983.29	21,926.74	30,540.32	21,944.79	30,547.10
Less: Inter Segment Revenue	-	-	-	-	-	-	-
Net Sales/ Income from Operations	6,942.11	4,924.50	10,983.29	21,926.74	30,540.32	21,944.79	30,547.10
2 Segment Results Profit Before							
Tax & Finance Cost							
a. Jute/ Jute Diversified Products & Services	12.45	18.29	(224.58)	100.61	231.72	95.79	212.80
b. Flax products	24.19	47.46	75.49	180.02	313.37	180.02	313.37
Total	36.65	65.75	(149.09)	280.63	545.09	275.81	526.17
Less :i) Interest	339.23	285.21	347.80	1,273.40	1,234.66	1,273.40	1,234.66
ii)Un-allocable income	0.10	-	39.69	0.58	40.89	0.63	40.89
Profit Before Tax	(302.48)	(219.46)	(457.20)	(992.19)	(648.68)	(996.96)	(667.60)
3 Capital Employed							
(Segment asset - Segment liability)							
a. Jute/Jute Diversified Products & Services	6,231.36	6,556.48	7,379.19	6,231.36	7,379.19	7,068.00	8,220.97
b. Flax Products	2,023.75	2,021.70	1,931.65	2,023.75	1,931.65	2,023.75	1,931.65
c. Unallocated	1,472.18	1,220.71	992.84	1,472.18	992.84	664.37	184.67
Total	9,727.29	9,798.89	10,303.68	9,727.29	10,303.68	9,756.12	10,337.29



AI CHAMPDANY INDUSTRIES LIMITED
STATEMENT OF ASSETS & LIABILITIES

	Rs in lacs			
	As at	As at	Consolidated as at	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Unaudited	Audited	Audited	Audited
A EQUITY AND LIABILITIES				
1.Shareholders' Fund				
a)Share Capital	1,991.76	1,991.76	1,991.76	1,991.76
b)Reserves and Surplus	7,735.53	8,311.92	7,764.37	8,345.53
Sub total -shareholders' fund	9,727.29	10,303.68	9,756.13	10,337.29
2.Non - Current Liabilities				
a) Long Term Liabilities	1,995.00	980.00	1,995.00	980.00
b)Other Long Term Liabilities	1,613.34	2,436.46	1,613.34	2436.46
Sub total- Non Current Liabilities	3,608.34	3,416.46	3,608.34	3,416.46
3.Current Liabilities				
a)Short Term Borrowings	8,059.04	9,722.53	8,059.04	9722.53
b)Trade Payables	3,928.87	5,463.45	3,930.27	5458.85
c)Other Current Liabilities	2,776.15	2,367.51	2,782.83	2371.61
d)Short Term Provisions	526.41	444.73	526.41	442.66
Sub total- Current Liabilities	15,290.47	17,998.22	15,298.55	17,995.65
TOTAL-EQUITY AND LIABILITIES	28,626.10	31,718.36	28,663.02	31,749.40
B ASSETS				
1 Non - Current Assets				
a)Fixed Assets				
i) Tangible Assets	7,853.44	8,073.97	8,682.03	8,906.95
ii) Intangible Assets	-	-	6.31	7.36
iii) Capital Work In Progress	1,310.12	1,312.25	1,310.12	1,312.25
b) Non Current Investments	843.72	843.72	33.47	33.47
c)Deferred Tax Asset (Net)	600.82	151.30	600.82	151.30
Sub total- Non current assets	10,608.10	10,381.24	10,632.75	10,411.33
2.Current Assets				
a)Inventories	13,530.66	14,597.78	13,530.66	14,597.78
b)Trade Recievables	2,135.90	3,918.16	2,144.64	3,918.16
c)Cash and Cash Equivalents	458.10	508.28	458.36	508.35
d)Short Term Loans and Advances	1,893.34	2,312.90	1,896.61	2313.78
Sub total- Current Assets	18,018.00	21,337.12	18,030.27	21,338.07
TOTAL- ASSETS	28,626.10	31,718.36	28,663.02	31,749.40



Notes:-

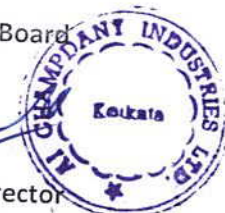
1. Yarn Unit and Libra Carpet Unit located at Choudwar, District Cuttack, Odisha, Yarn and Weaving Unit at Konnagar continued to be under suspension of work. Due to very low productivity, temporary suspension of work had to be declared at Weaving Unit, Rishra w.e.f. 23 May 2015 continuing till date, Anglo-India Jute Mill (Middle Mill) from 26 May 2015 to 13 September 2015, Yarn Unit Rishra from 20 June 2015 continuing till date with intermittent small operations in between. Due to severe Raw Jute shortage and low productivity Wellington Jute Mill also had to temporarily suspend operations from 26 March 2016 which is continuing till date.
2. As approved by way of special Resolution passed by shareholders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo-India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f. 01.05.2016 to M/s P & A Distilleries Private Limited (subsequently name changed to Anglo-India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).
3. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.
4. The company operates in two business segments viz. Jute & Jute Diversified products & Services and Flax Products. Therefore in terms of Accounting Standard 17 of the ICAI, result for the above two segments have been given as required under Accounting Standard.
5. Figures for the previous year are reclassified / re-arranged / wherever necessary as per the format revised by SEBI in conformity with the schedule III to the Companies Act 2013.
6. The above result have been reviewed by the Audit Committee & approved by the board at its meeting held on 14 June 2016.
7. The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

Kolkata
Date:- 14 June 2016



On Behalf of the Board

N Pujara
Managing Director



INDEPENDENT AUDITOR'S REPORT

To the Members of AI Champdany Industries Limited Report on the Financial Statements for the Year ended 31 March 2016

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

Management's Responsibility

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order under Section 143 (11) of the Act.

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

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

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

Qualified Opinion

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

*Non-provision/ ascertainment of liabilities for gratuity on actuarial basis from the year commencing from 1.04.1997 to 31.03.2007 in respect of one unit of the company as referred to in note 44 to the accounts. However, the said unit has been sold with effect from 1 May 2016 along with all its gratuity liability both past and future.**

*Relates to erstwhile Anglo India Jute Mills Company Limited.



Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report that:

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

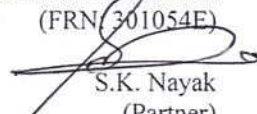
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Kolkata,

Dated: 14 June 2016



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


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

“Annexure A” to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of **AI Champdany Industries Limited** (“the Company”) as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

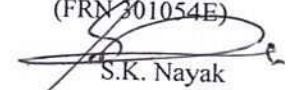
In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Kolkata,

Dated: 14 June 2016



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


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

Annexure "B" to the Independent Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of self-constructed buildings on lease hold land which are disclosed as fixed assets in the financial statements, the land lease agreement is in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) The company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and Audit) Rules, 2014, as amended prescribed by the central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to information and explanations given to us, in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory due, including Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income tax, sales Tax, Service Tax, Customs Duty, Excise Duty, Value added Tax, Cess and other material statutory dues in arrear as at 31st March, 2016 for a period of more than six months from the date they became payable.



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

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

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

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

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

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

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

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

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

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

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

Kolkata,
Dated: 14 June 2016



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

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

**AUDITOR'S REPORT ON CONSOLIDATED ACCOUNTS
TO THE BOARD OF DIRECTORS OF AI CHAMPDANY INDUSTRIES LIMITED**

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

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

Management's Responsibility:

- B. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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:

- C. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 of material misstatement.
- D. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
- E. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standards (AS) 21, "Consolidated Financial Statements", issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company, its subsidiary included in the consolidated financial statements.

Opinion:

- F. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and subject to our foregoing observations in Qualified Opinion give a true and fair view in conformity with the accounting principles generally accepted in India:
- a. in the case of the Consolidated Balance Sheet, of the Consolidated State of Affairs of the group as at 31 March 2016 and
 - b. in the case of Statement of Consolidated Profit and Loss of the Consolidated Results of operation of the group for the year then ended and
 - c. in the case of the Consolidated Cash Flow Statement of the consolidated cash flow of the group for the year then ended.



Other Matters:

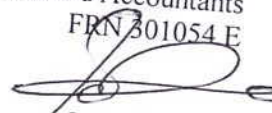
G. We did not audit the financial statement of the subsidiary, whose financial statements reflect total assets (net) of Rs.837.89 lacs as at 31 March 2016 and total income (net) of Rs.4.80 lacs for the year ended. These financial statements have been audited by other auditors whose report have been furnished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

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

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

Kolkata,
Dated: 14 June 2016.



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

S. K. NAYAK
Partner
Membership No.58711

AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767. Regd. Office: 25 Princep Street, Kolkata -700 072, Phone:2237 7880

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

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016 [see Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations,2016]				
I.	Sl.No.	Particulars	Audited figures (as reported before adjusting for qualifications) (Rs in lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lacs)
	1	Turnover / Total income	21,927.32	21,927.32
	2	Total Expenditure	22,919.51	22,919.51
	3	Net Profit / (Loss)	(542.67)	(542.67)
	4	Earnings Per Share	(1.98)	(1.98)
	5	Total Assets	28,626.10	28,626.10
	6	Total Liabilities	28,626.10	28,626.10
	7	Net Worth	7,348.84	7,348.84
	8	Any other financial item(s) (as felt appropriate by the management)		
II.	Audit Qualification (each audit qualification separately):			
	(a) Details of Audit Qualification: Non-provision / ascertainment of liability for gratuity on actuarial basis from the year commencing from 01.04.1997 to 31.03.2007 in respect of one unit of the company as referred to in Note 44 to the Accounts. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.			
	(b) Type of Audit Qualification – Qualified opinion			
	(c) Frequency of Qualification – Repetitive.			
	(d) For Audit Qualification (s) where the impact is quantified by the auditor, Management's Views : Not Applicable			
	(e) For Audit Qualification (s) where the impact is not qualified by the auditor,			
	(i) Management's estimation on the impact of audit qualification : Not Ascertainable.			
	(ii) If management is unable to estimate the impact, reasons for the same.: Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. Accordingly, gratuity are accounted for in the books of accounts on accrual basis based on actuarial valuation except for gratuity for Anglo-India Jute Mill (Middle Mill) from 1997-98 to 2006-07 treated on cash basis and liability for the said period is not ascertained, but from financial year 2007-08 provided on accrual basis. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.			
	(iii) Auditors comments on (ii) above – : As the Company is unable to ascertain the liability for gratuity on actuarial basis in respect of one unit of the Company from the year commencing from 01.04.1997 to 31.03.2007, we are unable to comments its financial impact on the year's loss, and consequently, its effect on net asset position at the end of the year. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.			
III.	Signature:  Managing Director/CEO, Place: Kolkata Date: 14.06.2016  Vice President (F&A) & CFO,  Audit Committee Chairman,  Statutory Auditor			



AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767. Regd. Office: 25 Princep Street, Kolkata -700 072, Phone:2237 7880
Fax:033-2236 3754, E-mail: cil@ho.champdany.co.in Website: www.jute-world.com

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016
[see Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations,2016]

I.	Sl.No.	Particulars	Audited figures (as reported before adjusting for qualifications) (Rs in lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs in lacs)
	1	Turnover / Total income	21,945.37	21,945.37
	2	Total Expenditure	22,942.33	22,942.33
	3	Net Profit / (Loss)	(547.44)	(547.44)
	4	Earnings Per Share	(2.00)	(2.00)
	5	Total Assets	28,663.02	28,663.02
	6	Total Liabilities	28,663.02	28,663.02
	7	Net Worth	7,377.68	7,377.68
	8	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

(a) **Details of Audit Qualification:** Non-provision / ascertainment of liability for gratuity on actuarial basis from the year commencing from 01.04.1997 to 31.03.2007 in respect of one unit of the company as referred to in Note 36 to the Consolidated Accounts. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

(b) **Type of Audit Qualification** – Qualified opinion.

(c) **Frequency of Qualification** – Repetitive.

(d) **For Audit Qualification (s) where the impact is quantified by the auditor, Management's Views :** Not Applicable

(e) **For Audit Qualification (s) where the impact is not qualified by the auditor,**

(i) **management's estimation on the impact of audit qualification:** Not ascertainable.

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

(iii) **Auditors comments on (ii) above – :** As the Company is unable to ascertain the liability for gratuity on actuarial basis in respect of one unit of the Company from the year commencing from 01.04.1997 to 31.03.2007, we are unable to comments its financial impact on the year's loss, and consequently, its effect on net asset position at the end of the year. However, the said unit has been sold with effect from 1 May 2016 alongwith all its gratuity liability both past and future.

III. Signature:

Managing Director/CEO,

Place: Kolkata

Date: 14.06.2016

Vice President (F&A) & CFO,

Audit Committee Chairman,

Statutory Auditor

