

**PUDUMJEE
PULP & PAPER MILLS
LIMITED**



**Annual Report
2016 - 2017**

PUDUMJEE PULP & PAPER MILLS LIMITED

DIRECTORS :

A.K. JATIA (Executive Chairman)
V.P. LEEKHA
S.K. BANSAL
B.C. DALAL
V.K. BESWAL
GAUTAM KHAITAN
NANDAN DAMANI
MS. PREETI MEHTA
DR. ASHOK KUMAR

BANKERS :

STATE BANK OF INDIA
IDBI BANK LIMITED
BANK OF INDIA
KOTAK MAHINDRA BANK LIMITED

SOLICITORS :

KANGA & COMPANY

AUDITORS :

KHARE & COMPANY

REGISTERED OFFICE :

THERGAON, PUNE 411 033.

REGISTRAR & TRANSFER AGENTS :

KARVY COMPUTERSHARE PVT. LTD.,
UNIT : PUDUMJEE PULP & PAPER MILLS LTD.,
KARVY SELENIUM TOWER B, PLOT NO. 31 & 32,
GACHIBOWLI, FINANCIAL DISTRICT, NANAKRAMGUDA,
SERILINGAMPALLY, **HYDERABAD – 500 032.**

DEMAT STOCK CODE :

INE606A01024

EQUITY SHARES ARE LISTED AT :

BSE LTD. AND NATIONAL STOCK EXCHANGE OF INDIA LTD.

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTICE

The Fifty Second Annual General Meeting of the Shareholders of Pudumjee Pulp & Paper Mills 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 11.30 a.m. (ST) to transact the following business:

- 1) To receive, consider and adopt the Audited standalone and consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2017 comprising 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 and Auditors thereon.
- 2) To appoint a Director in place of Mr. A. K. Jatia (DIN: 01104256), 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 and other applicable rules, if any, M/s. J. M. Agrawal & Company, Chartered Accountants (Firm Registration No. 100130W), be and are hereby appointed as Auditors of the Company for the period of five (5) years, to hold office from the conclusion of this (52nd) Annual General Meeting until the conclusion of the Fifty Seventh (57th) 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."

SPECIAL BUSINESS

- 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 applicable provisions of the Companies Act, 2013 and the provisions of 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/arrangements already entered into or to be entered into and further authorized to deal in related party transaction(s) as under:

Name of the Related Party	Nature of Transaction	Aggregate Amount	Duration of Agreement
Pudumjee Paper Products Limited	Leave and License Agreement to provide 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 01 st November, 2016.

Name of the Related Party	Nature of Transaction	Aggregate Amount	Duration of Agreement
	Arrangement/Contract/Agreement for accepting/ Providing Inter Corporate Deposits	Amount remaining outstanding during any financial year shall not exceeding ₹ 6,000 Lakhs Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
	Arrangement/Contract/Agreement for Purchase of tissue papers, Napkins, Towels, etc. at Market based rates	About ₹ 10 lakhs for each financial year.	Continuous Arrangement.
	To avail the Common Services (such as telephone, electricity, Computer, etc.)	About ₹ 15 lakhs for each financial year on cost basis.	Continuous Arrangement.
Pudumjee Industries Limited	Arrangement/Contract/Agreement for accepting/ Providing Inter Corporate Deposits	An amount remaining outstanding during any financial year not exceeding ₹ 2,500 Lakhs. Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
Thacker And Co. Ltd.	Arrangement/Contract/Agreement for accepting/ Providing Inter Corporate Deposits	An amount remaining outstanding during any financial year not exceeding ₹ 2,500 Lakhs. Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
Chem Mach Private Limited	Arrangement/Contract/Agreement for accepting/ Providing Inter Corporate Deposits	An amount remaining outstanding during any financial year not exceeding ₹ 2,500 Lakhs. Rate of Interest: Upto 11.25% p.a. but not less than 10.00% p.a.	Repayable On Demand Continuous Arrangement
Foods And Inns Limited	To provide ICDs	Approval for ICDs provided amounting to ₹ 5 Crores Rate of Interest: Upto 18.00% p.a.	Repayable On Demand

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".

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

"RESOLVED THAT subject to the approval of the Central Government, under Section 13 of the Companies Act, 2013, and such other consents, approvals under any other law if required, the name of the Company

PUDUMJEE PULP & PAPER MILLS LIMITED

be changed from 'PUDUMJEE PULP & PAPER MILLS LIMITED' to 'AMJ LAND HOLDINGS LIMITED' or such other available name(s) which Board of Directors consider suitable, and

RESOLVED FURTHER THAT relevant Clause in Memorandum and Articles of Association, of the Company be changed accordingly."

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and subject to such approvals, sanctions as may be necessary and with further reference to the Special Resolution passed by the Shareholders at their 50th Annual General Meeting held on 19th September, 2015, consent of the Company be and is hereby accorded to the following remuneration payable to Mr. S. K. Bansal (DIN: 00031115), the Whole-time Director of the Company, with effect from 01st April, 2017 till the remainder of his term of appointment, that is, 31st March, 2019, the other provisions of the Special Resolution appointing Mr. S. K. Bansal as Whole Time Director passed at the 49th Annual General Meeting held on 13th September, 2014, remaining unaltered:

- (a) Remuneration at the rate of ₹ 5,20,000/- per month including Dearness Allowance;
- (b) Rent free furnished residential accommodation, the Company paying or reimbursing all rents, rates, taxes and other expenses for the upkeep and maintenance of his residential accommodation or an allowance in lieu thereof at the rate of ₹1,65,000/- per month.

AND THAT in the event of absence or inadequacy of profits in any year the said remuneration as stated above together with the payments, benefits and amenities shall nevertheless be paid or allowed as minimum remuneration for such year."

Notes:

- 1) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the above Items Nos. 5 to 7 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 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) Under the Companies Act, 1956 and 2013, dividends that are unclaimed for a period of seven years are required to be transferred to The Investor Education and Protection Fund (IEPF) administered by the Central Government. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 17th September, 2016 (date of last Annual General Meeting) on the website of the Company (www.pudumjeeulp.com), as also on the website of the Ministry of Corporate Affairs.

The unclaimed Dividend for the year 2009-10 will be deposited to IEPF on or before 4th October, 2017. As such, shareholders, who have not so far encashed dividend warrants of earlier years are requested to, immediately, return the outdated warrants to the Company or write to us to enable the Company to issue duplicate warrants/demand drafts in lieu thereof.

- 6) Members are requested to write/intimate to Company's Registrar and Transfer Agents 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.

- 7) 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.
- 8) As per the provisions of the Companies Act, 2013, facility for making nominations is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
- 9) Further pursuant to Rule 18(1) of the Companies (Management and Administration) Rules, 2014, the Company needs to send the Notice, Annual Report electronically on the 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 email id can request the Company to receive Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode by registering their valid email id with the Company / Registrar and Transfer Agents.

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).

- 10) Members/proxies are requested to bring the copies of annual reports at the meeting.

11) 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., Hyderabad 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 "PPPM 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.

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- 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-voting user 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.pudumjeepulp.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 Pulp & Paper Mills Limited,

R. M. KULKARNI
Company Secretary.

Registered Office:
Thergaon, Pune-411033.
Tel: +91-20-30613333,
Fax : +91-20-40773388
CIN: L21012MH1964PLC013058
Web Site : www.pudumjeepulp.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. 5 to 7 under Special Business in the accompanying Notice dated 20th May, 2017 convening the Annual General Meeting.

ITEM NO. 5

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/arrangements/contract 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 Paper Products Limited (PPPL), Thacker and Co. Limited (TCL), Pudumjee Industries Limited (PIL), Foods And Inns Limited and Chem Mach Private Limited (CMPL) are related parties by virtue of below mentioned criteria:

Name of the Company	Interested Director
Pudumjee Paper Products 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
Foods And Inns Limited	Mr. B. C. Dalal - Common Directorship and he alongwith his relatives holds more than 2% of paid up share capital of the said Company Mr. V. K. Beswal - Common Directorship
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 Ordinary Resolution.

The Resolution at Item No. 5 of the Notice is recommended by the Board to be passed as an Ordinary Resolution.

ITEM NO. 6

Pursuant to the Scheme of Arrangement and Reconstruction (Demerger) the paper manufacturing business of the Company stood transferred to Pudumjee Paper Products Limited and henceforth the Company would continue the business of Real Estate and Wind Power. Pursuant to the provisions Companies Act, 2013 (including applicable rules thereof) and Regulation 45 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is required to change the name of the Company in line with its remaining continuing business.

It may be noted that the Company will be applying to the Registrar of Companies, Pune and such other necessary approval of government authorities for confirming the availability of proposed name, which will reflect the remaining business activity of the Company.

PUDUMJEE PULP & PAPER MILLS LIMITED

The Company is seeking the approval of shareholders for proposed change in name and the consequently alteration of name clause of the Memorandum and Articles of Association. The change in name of the Company as aforesaid does not change the legal status or constitution of the Company, nor does it affect any rights or obligations of the Company.

Last year the proposed name i.e. AJ Land Holdings Limited was not approved by SEBI/Stock Exchanges and Registrar of Companies, Pune did not renew that name and hence the proposed resolution is being moved.

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. 6 of the Notice is recommended by the Directors to be passed as a Special Resolution.

ITEM NO. 7

Mr. Surendra Kumar Bansal was appointed as Whole-time Director of the Company with effect from 1st February, 2005 and was last re-appointed for a period of 5 years with effect from 1st April, 2014 and the remuneration and other benefits were fixed for a period of 3 years from that date till 31st March, 2017.

The Management proposes that his remuneration and other benefits for the remainder of his term of appointment with effect from 01st April, 2017 till 31st March, 2019 to remain the same, as given in the accompanying resolution.

Mr. S. K. Bansal is a Bachelor of Commerce, Associate member of the Institute of Chartered Accountants of India and of the Institute of Company Secretaries of India and has been associated with the Company since 1984. He has a wide and varied experience in finance, accounts, corporate law and taxation matters. The Board of Directors and its Nomination and Remuneration Committee at their meetings held on 20th May, 2017 have approved and recommended the payment of remuneration as aforesaid.

Except Mr. S. K. Bansal, who holds NIL shares, his relatives hold 206 shares of the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, in the proposed Special Resolution.

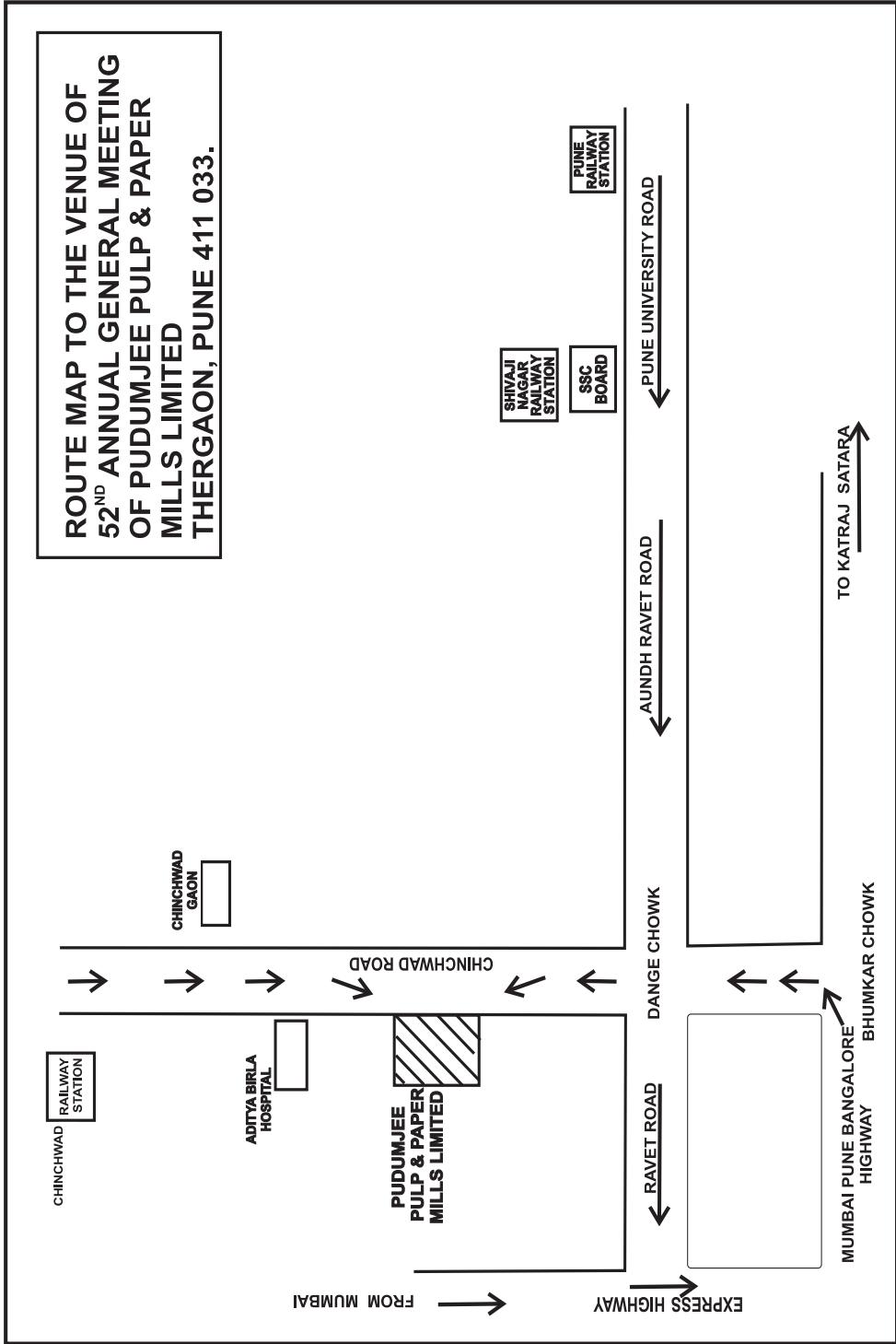
The Resolution at Item No.7 of the Notice is recommended by the Directors to be passed as a Special Resolution.

By Order of the Board,
Pudumjee Pulp & Paper Mills Limited,

R. M. KULKARNI
Company Secretary.

Registered Office:
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CIN: L21012MH1964PLC013058
Web Site : www.pudumjeeulp.com
20th May, 2017

**PUDUMJEE PULP & PAPER MILLS LIMITED
ROAD MAP - AGM VENUE**



FINANCIAL HIGHLIGHTS (CONSOLIDATED)

PARTICULARS	(₹ In Lacs)										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
	As At 31 st March										
Shareholders Fund	9852	9168	19965	18121	15482	14266	13095	14685	14069	13929	13040
Borrowed Funds	1411	1553	11511	10423	10900	15000	8486	6823	5206	8218	6803
TOTAL	11263	10721	31476	28544	26382	29266	21581	21508	19275	22147	19843
Net Fixed Assets	3686	3387	17344	16342	16804	16476	9617	11082	11998	12727	12656
Investments	1695	1107	1418	2066	1654	1195	2115	2049	1006	967	896
Working Capital	5882	6227	12714	10136	7924	11595	9849	8377	6271	8453	6291
TOTAL	11263	10721	31476	28544	26382	29266	21581	21508	19275	22147	19843
Book value of Equity per share (₹)	24*	22*	49*	44*	38*	35*	32*	36*	172	170	159
Earning per share (₹)	1.70*	1.76*	5.06*	3.46*	4.03*	2.71*	1.80*	2.69*	4.42	6.43	5.61
Dividend per share (₹)	0.20*	0.20*	0.30*	0.30*	0.30*	0.30*	0.30*	0.30*	0.25*	1.20	1.20

* per share of ₹ 2/- each

Information pursuant to the requirements of paragraph (B) (iv) of Section II of Schedule V to the Companies Act, 2013 concerning remuneration payable to Mr. S. K. Bansal, the Whole-time Director are furnished herein below:

I. GENERAL INFORMATION :

Nature of Industry	Real Estate and Wind Power Generation	
Date or expected date of commencement of commercial production	January, 1968	
In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
Financial performance based on given indicators	Year ending 31 st March, 2017 (₹ in Lacs)	
	Effective Capital	7,580.85
	Turnover	830.16
	Profit Before Tax	429.28
	Profit after Tax	608.36
	Dividend	10%
Reserves (excluding revaluation reserve)	6,890.06	
Foreign investments or collaborators, if any.	Not Applicable	

II. INFORMATION ABOUT THE APPOINTEE :

Name of the Appointee	Mr. S. K. Bansal
Background Details	Mr. S. K. Bansal was appointed as Whole-time Director of the Company since 2005. He was last re-appointed as Whole-time Director of the Company for a period of 5 years with effect from 01 st April, 2014. Mr. S. K. Bansal is a Bachelor of Commerce and a member of the ICAI and ICSI. He has over 33 years of experience in finance, legal and other matters.
Past / Existing remuneration	Remuneration at the rate of ₹ 5,20,000/- per month (including Dearness Allowance). Break up per month: Remuneration ₹ 5,20,000 + House Rent Allowance ₹ 1,65,000 = ₹ 82,20,000/- yearly plus perquisites ₹ 16,00,286 i.e., total yearly remuneration ₹ 98,20,286/-.
Recognition or Awards	NIL
Job Profile and his suitability	Mr. S. K. Bansal is in charge of Company's Finance, Legal, commercial and administrative matters and performs such other duties and services and exercise such further powers as are from time to time, entrusted to him by the Board of Directors, Executive Chairman and Managing Director of the Company.
Remuneration Proposed	<ul style="list-style-type: none"> ● Remuneration at the rate of ₹ 5,20,000/- per month including Dearness Allowance and ● Rent free furnished residential accommodation or an allowance in lieu thereof at the rate of ₹ 1,65,000/- per month. ● Total yearly remuneration ₹ 82,20,000/-. <p>Mr. S. K. Bansal is also entitled to the benefits of contribution to Provident Fund/Superannuation Scheme, Gratuity, and perquisites such as gas, electricity, medical expenses, furnishings, LTA, club fees, personal accident insurance, telephone, cars etc.</p>
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Whilst there exists no such comparison in terms of Company's size and nature of its operations, the remuneration proposed is in line with the remuneration of similar occupants in some of the Companies in the Industry and general trend in this regard.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. S. K. Bansal holds NIL shares. His relative holds 206 equity shares of the Company.

PUDUMJEE PULP & PAPER MILLS LIMITED

III. OTHER INFORMATION :

Name of the Appointee	Mr. S. K. Bansal
Reasons of loss or inadequate profits	The Company had adequate profits for payment of managerial remuneration in the last year. However, the prevailing economic uncertain conditions in Real Estate Industry may be putting considerable pressure on profitability.
Steps taken or proposed to be taken for improvement	The managements emphasis on cost reduction coupled with completion of residential projects in hand are expected in the long run to neutralize any inadequacy of profits.
Expected increase in productivity and profits in measurable terms.	With the aforesaid efforts, the profits are targeted to be achieved to be adequate for managerial remuneration.
IV. DISCLOSURES :	As indicated above Under II "INFORMATION ABOUT THE APPOINTEE."

Except for Mr. S. K. Bansal and with his shareholding, if any, and his relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives is in anyway concerned or instrested, financially or otherwise in the proposed resolution.

Registered Office:
Thergaon, Pune-411033.
Tel : +91-20-30613333,
Fax : +91-20-40773388
CIN: L21012MH1964PLC013058
Web Site : www.pudumjeepulp.com
20th May, 2017

By Order of the Board,
Pudumjee Pulp & Paper Mills Limited

R. M. Kulkarni
Company Secretary.

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the 52nd Annual Report of the Company together with the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL RESULTS :

	<u>2016-2017</u>	<u>2015-2016</u>
	(₹ In Lacs)	(₹ In Lacs)
The Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	661.35	1,028.27
Less:		
i) Finance cost	43.52	84.72
ii) Depreciation	188.55	158.98
The net profit before Tax	429.28	784.57
Add:		
Provision for tax for earlier year written back	203.08	-
The balance of Profit brought forward from last year	4,395.13	3,938.33
Total	<u>5,027.49</u>	<u>4,722.90</u>
Less:		
Provision for Current Taxation	35.00	45.00
Provision/(Saving) for Deferred Taxation	(11.00)	(15.00)
Dividend on Equity Shares	-	82.00
Tax on Dividend (for earlier year)	0.93	15.77
Transfer to General Reserve	50.00	200.00
Total	<u>74.93</u>	<u>327.77</u>
Balance proposed to be carried forward to next year's accounts	<u>4,952.56</u>	<u>4,395.13</u>

CONSOLIDATED FINANCIAL STATEMENTS :

Pursuant to Sections 129, 134 of the Companies Act, 2013 (the Act), the Consolidated Financial Statements of the Company, and its subsidiary prepared, in accordance with schedule III of the Act and Accounting Standards AS 21 and AS 23 forms part of this Annual Report.

DIVIDEND :

The Board of Directors recommends the payment of Dividend for the year ended 31st March, 2017 at the rate of ₹ 0.20 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.

PUDUMJEE PULP & PAPER MILLS LIMITED

OPERATIONS :

As you may be aware that after the demerger of its Paper manufacturing activity on 1st February, 2016, the Company is engaged in the business of Real Estate development as also in generating Wind Power from its three plants located at Satara and Sangli.

A residential project "GREENS" at Thergaon, Pune, is being developed in Partnership with the land provided by the Company. The project has so far completed five buildings having 470 apartments which have been sold and handed over to the customers. The 6th building having 16 floors was taken up for construction in 2014 is in the advanced stage of completion and is likely to be completed in the next financial year. The construction of the building was stalled for about 10 months for receipt of approval for additional four floors. Consequently, the Company's share of profit in the firm is lower at ₹ 267.63 lakhs (last year ₹ 707.52 lakhs). The firm has taken up construction of Amenities Building of about 40,000 sq.ft. area in the project in which the space offered for sale was booked by the customers in a very short span of time.

Approvals are awaited for developing 12 acres of land at Pune in Partnership arrangement having a potential development of 9 lakh sq. ft. of residential apartments for which a Memorandum of Understanding was entered into last year.

The Company will also develop a residential and commercial project of about 12,00,000 sq.ft. at Village Ranjoli, Dist. Thane in joint venture under GCorp Township Pvt. Ltd. in which the Company holds 50% stake.

The GREENVILLE project being developed by the Company is awaiting statutory approvals.

The three wind power generation plants located at Satara and Sangli (Maharashtra) are operating satisfactorily and have generated 67.70 lakhs Kwh of energy during this financial year.

INVESTMENT:

During the year the Company has entered in to a Memorandum of Understanding with G Corp Group for the joint development of the land admeasuring about 9 acres at Village Ranjoli, District Thane, through a Special Purpose Vehicle named as "GCORP Township Private Limited". The Company has acquired 50% Equity Shares of M/s. GCORP Township Private Limited at a face Value of ₹10 per equity share, aggregating to an investment of ₹ 1,00,50,000/- (Rupees One Crores and Fifty Thousand Only). Accordingly the M/s. GCORP Township Private Limited has become a Joint Venture Company.

SUBSIDIARY:

As at 31st March, 2017, the Company has one subsidiary namely Pudumjee Investment & Finance Company Limited.

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

Pursuant to Rule 8 of the Companies (Accounts) Rules, 2014, the information on the performance and financial position of each of the subsidiary, associate, joint venture Companies, etc. as included in consolidated financial statement is provided in Annexure No. 1 to this report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section, 124 and 125 of the Companies Act, 2013 (corresponding to Section 205A of Companies Act, 1956), relevant amounts like unclaimed dividend etc. which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from to time to time on due dates, to the Investor Education and Protection Fund.

AUDITORS:

M/s. Khare & Company, Chartered Accountants will complete their term at the ensuing Annual General meeting and accordingly, in terms of Provisions of the Companies Act, 2013 and applicable rules thereto, they will retire by way of rotation of Auditors at the conclusion of the 52nd Annual General Meeting.

In terms of Section 139 of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, the Board of Directors has recommended the appointment of M/s. J. M. Agrawal & Company, Chartered Accountants as Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of the ensuing Annual General Meeting (52nd) till the conclusion of 57th Annual General Meeting.

The Company has received the consent from the M/s. J. M. Agrawal & Company, Chartered Accountants 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.

DIRECTORS AND KEY MANAGERIAL PERSONEL (KMP):

There was no change in the Directors and KMP during the year under review.

The Company has Board of Directors with total 9 directors out of which 5 are Non-Executive Independent Directors, 1 is Promoter Director, 1 is Non-Executive Director and the remaining 2 are Executive Directors.

By virtue of Section 149 of the Companies Act, 2013 and rules made there under, the Independent Directors are not liable to retirement by rotation. Mr. A. K. Jatia, Whole Time Director and Executive Chairman, 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.

SECRETARIAL AUDITOR :

The provisions of Section 204 read with Section 134(3) of the Companies Act, 2013 and rules made there under, mandates Secretarial Audit of the Company from a Company Secretary in Practice. The Board in its meeting held on 29th July, 2016 has appointed M/s. Parikh & Associates, Practicing Company Secretaries (Certificate of Practice No. 1228) as the Secretarial Auditor for the financial year ending 31st March, 2017. The Secretarial Auditors' Report for the financial year 2016-17 is annexed hereto and marked as Annexure No. 2.

There is no adverse remark or qualification in the Secretarial Audit Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) :

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 expenditure towards its recommended corporate social responsibility objectives. Some of The activities which will be undertaken by the Company through an eligible trust are as under;

- a) Education in Rural Area
- b) Environment protection in rural area
- c) Vocational Development

The CSR committee comprises of the following members:

Sr. No.	Name of the Director	Category	Designation
1	Mr. Vinod Kumar Beswal	Independent Non Executive Director	Chairman
2	Mr. Arunkumar Mahabir Prasad Jatia	Executive Chairman	Member
3	Mr. Ved Prakash Leekha	Managing Director	Member
4	Mr. Bhupendra Champaklal Dalal	Independent Non Executive Director	Member

PUDUMJEE PULP & PAPER MILLS LIMITED

The CSR Policy is also uploaded on the website of the Company viz: www.pudumjeepulp.com.

During the year, the Company has allocated total ₹ 35 Lacs, comprising of ₹ 15 Lacs and ₹ 20 Lacs disbursed to M/s. M. P. Jatia Charitable Trust and M/s. Shikshan Prasarak Mandali respectively to be spent on below mentioned the purposes:

Education	-	₹ 20 Lacs
Environment protection	-	₹ 15 Lacs

The other relevant disclosures as stipulated under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure No. 3.

The CSR committee has revised CSR expenses allocation in their meeting held on 28th March, 2017, detailed in the Annexure No. 3.

The entire allocated amount was deposited / transferred with M/s. M. P. Jatia Charitable Trust and M/s. Shikshan Prasarak Mandali.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

The loans, guarantees or investments made by the Company are within the limits of Section 186 of the Companies Act, 2013 and rules made there under as approved by shareholders vide special resolution passed at 49th Annual General Meeting of the Company.

The brief summary of such transactions are provided in Annexure No. 4 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 1st November, 2014 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.pudumjeepulp.com. The Audit Committee reviews all related party transactions quarterly as also when 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 under Annexure No. 5.

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 14th February, 2015, 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.pudumjeepulp.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.pudumjeepulp.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 and minimization procedures, monitoring the risk management plan, etc.

WHISTLE BLOWER MECHANISM :

The Company has a Whistle Blower Policy / Vigil Mechanism. The said policy has been made keeping in view of the amendments in the Companies Act, 2013 and to comply with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy may be referred to, at the Company's website at www.pudumjeepulp.com.

PARTICULARS OF EMPLOYEES :

Pursuant to Section 197 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. 6A and 6B 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 the Company is not engaged in the manufacturing activities, the information related to Conservation of energy, technology absorption is not applicable.

During the year under review, no Foreign Exchange was earned and used.

REPORT ON CORPORATE GOVERNANCE :

The report on Corporate Governance in accordance with the guidelines of the Securities & Exchange Board of India and pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached and marked as Annexure No. 7.

EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return of the Company in Form MGT-9 is annexed as Annexure No. 8 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 at www.pudumjeepulp.com and is annexed hereto and marked as Annexure No. 9.

SIGNIFICANT AND MATERIAL ORDERS :

There is no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

CHANGE IN NAME:

Pursuant to the Scheme of Arrangement and Reconstruction (Demerger), the Company's paper manufacturing business has been de-merged and henceforth the Company would continue the business of Real Estate and Wind Power. Accordingly the name of the Company is proposed to be changed subject to the approval of Central Government, Stock Exchanges and Shareholders. Last year the proposed name i.e. AJ Land Holdings

PUDUMJEE PULP & PAPER MILLS LIMITED

Limited was not approved so far by SEBI/Stock Exchanges and Registrar of Companies, Pune did not renew that name and hence the proposed resolution is being moved.

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 profit 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 wish to express their appreciation of the continued support and co-operation received from the all the stakeholders and employees of the Company.

On behalf of the Board of Directors,

A.K. Jatia,
Executive Chairman.

Place : Mumbai
Dated : 20th May, 2017

ANNEXURE NO. 1

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARY,
ASSOCIATE AND JOINT VENTURE COMPANIES:

(Pursuant to Rule 8 of Companies (Accounts) Rules, 2014)

(₹ In Lacs Except for EPS and Dividend)

Name of the Company (Subsidiary, Associate, JV, etc.)	Pudumjee Investment & Finance Company Limited	Pudumjee Plant Laboratories Limited	GCORP Township Private Limited
Nature of the Company (Subsidiary, Associate, JV, etc.)	Subsidiary Company	Associate Company	Joint venture Company
Ownership Interest of the Company	100%	27.11%	50.00%
Sales	657.19	3.63	Nil
Profit/(Loss) after tax	93.43	(219.90)	(4.27)
Current Assets	0.82	32.90	0.22
Loans & Borrowings	493.86	1,713.45	Nil
Current Liabilities	12.52	25.72	3.86
Net Fixed Assets	Nil	1691.93	Nil
Non Current Assets (Investments)	573.29	1.00	Nil
Paid up Share Capital	499.00	849.00	201.00
Reserves and Surplus	(431.25)	(897.52)	Nil
Earnings - ₹. per Equity Share	4.69	(8.83)	(0.25)
Dividend - ₹ . per Equity Share	NIL	NIL	Nil

On behalf of the Board of Directors,

A.K. Jatia,
Executive Chairman.

Place : Mumbai
Dated : 20th May, 2017

ANNEXURE NO. 2

FORM No. MR - 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

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

To,

The Members,

PUDUMJEE PULP & PAPER MILLS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pudumjee Pulp & Paper Mills Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (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; (Not applicable to the Company during the audit period)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company, namely:
 - 1. Transfer of Property Act, 1882
 - 2. Indian Contract Act, 1872
 - 3. Real Estate (Regulation & Development) Act, 2016
 - 4. The India Stamp Act 1899/Bombay Stamp Act
 - 5. Municipal Local Laws

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice was 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 the Board Meetings were taken unanimously.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates

Company Secretaries

Place : Mumbai,
Dated : 20th May, 2017

P. N. Parikh
Partner

FCS No. : 327
CP No. : 1228

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

PUDUMJEE PULP & PAPER MILLS LIMITED

'Annexure A'

To,

The Members

Pudumjee Pulp & Paper Mills Limited

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

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

For Parikh & Associates
Company Secretaries

Place : Mumbai,
Dated : 20th May, 2017

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

ANNEXURE NO. 3

THE ANNUAL REPORT ON CSR ACTIVITIES

1) A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	<p>The Company believes in the CSR activities through collaboration. The Company would always like to help the entities that are in the area of social service. The entities could be Trusts which have established track record in the activities like M. P. Jatia Charitable Trust, Mumbai and Shikshan Prasarak Mandali, Pune which has an established track record of social service.</p> <p>The CSR activities to be carried out by the Company through an eligible trust are as under;</p> <p>a) Education b) Environment protection in rural area Website: - www.pudumjeepulp.com</p>																				
2) The Composition of the CSR Committee	<table border="1"> <thead> <tr> <th data-bbox="552 647 610 711">Sr. No.</th> <th data-bbox="610 647 807 711">Name of the Director</th> <th data-bbox="807 647 1029 711">Category</th> <th data-bbox="1029 647 1176 711">Designation</th> </tr> </thead> <tbody> <tr> <td data-bbox="552 711 610 797">1</td> <td data-bbox="610 711 807 797">Mr. Vinod Kumar Beswal</td> <td data-bbox="807 711 1029 797">Independent Non Executive Director</td> <td data-bbox="1029 711 1176 797">Chairman</td> </tr> <tr> <td data-bbox="552 797 610 882">2</td> <td data-bbox="610 797 807 882">Mr. Arunkumar Mahabir Prasad Jatia</td> <td data-bbox="807 797 1029 882">Executive Chairman & Whole time Director</td> <td data-bbox="1029 797 1176 882">Member</td> </tr> <tr> <td data-bbox="552 882 610 942">3</td> <td data-bbox="610 882 807 942">Mr. Ved Prakash Leekha</td> <td data-bbox="807 882 1029 942">Managing Director</td> <td data-bbox="1029 882 1176 942">Member</td> </tr> <tr> <td data-bbox="552 942 610 1033">4</td> <td data-bbox="610 942 807 1033">Mr. Bhupendra Champaklal Dalal</td> <td data-bbox="807 942 1029 1033">Independent Non Executive Director</td> <td data-bbox="1029 942 1176 1033">Member</td> </tr> </tbody> </table>	Sr. No.	Name of the Director	Category	Designation	1	Mr. Vinod Kumar Beswal	Independent Non Executive Director	Chairman	2	Mr. Arunkumar Mahabir Prasad Jatia	Executive Chairman & Whole time Director	Member	3	Mr. Ved Prakash Leekha	Managing Director	Member	4	Mr. Bhupendra Champaklal Dalal	Independent Non Executive Director	Member
Sr. No.	Name of the Director	Category	Designation																		
1	Mr. Vinod Kumar Beswal	Independent Non Executive Director	Chairman																		
2	Mr. Arunkumar Mahabir Prasad Jatia	Executive Chairman & Whole time Director	Member																		
3	Mr. Ved Prakash Leekha	Managing Director	Member																		
4	Mr. Bhupendra Champaklal Dalal	Independent Non Executive Director	Member																		
3) Average net profit of the Company for last three financial years	₹ 1,545.84 Lacs																				
4) Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	₹ 30.92 Lacs (as per Section 135 (5) of Companies Act, 2013) ₹ 35.00 Lacs (Budgeted as per Committee approval dated 28 th May, 2016)																				
5) Details of CSR spent during the financial year	The Company has carried out CSR activities through MP Jatia Charitable Trust especially in area of Environment protection in villege Bissau, District Jhunjhunu, Rajasthan and Shikshan Prasarak Mandali, Pune for promotion of various educational activities.																				
▪ Total amount to be spent for the financial year	₹ 35.00 Lacs																				
▪ Amount unspent , if any	₹ NIL																				
▪ Manner in which the amount spent during the financial year	CSR Activities as stated below																				

PUDUMJEE PULP & PAPER MILLS LIMITED

Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and projects or programs was under taken	Amount Outlay (budget) Project or program wise (in INR)	Amount spent on the programs Sub-heads : (1) Direct Expenditure on projects or programs (2) Over-heads : (in INR)	Cumulative Expenditure upto to the Reporting period (in INR)	Amount spent Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
				F.Y. 2016-17	F.Y. 2016-17		
1	Education in Rural Area	Promoting Education	1) Local Area- Pune	20,00,000	20,00,000	20,00,000	Through Shikshan Prasarak Mandali having established track record
2	Environmental Protection in rural area	————	1) Bissau, Jhunjhunu District, Rajasthan	15,00,000	15,00,000	15,00,000	Through M P Jatia Charitable Trust, having established track record
	TOTAL			35,00,000	35,00,000	35,00,000	————

Details of implementing agency - M/s. M P Jatia Charitable Trust (Registration No. E13158(M) & M/s. Shikshan Prasarak Mandali.

The CSR committee has adopted CSR policy in the month of November, 2014.

Notes:

- For F.Y. 2015-16 - The entire allocated amount was paid to M/s. M. P. Jatia Charitable trust on 28th March, 2016.
- The CSR Committee confirms that, the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

V. P. Leekha
Managing Director

V. K. Beswal
Chairman of CSR Committee

Place : Mumbai
Dated : 20th May, 2017

ANNEXURE NO. 4
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	Number and kind of securities	For acquisitions		
					Nature of Securities	Cost of acquisition, if any (In ₹ Per Share/Units)	Selling price, Per Unit if any (In ₹ Per Share/Units)
ICD's Given (Loan)	Pudumjee Industries Limited	6,29,95,000	11.25%	NA	NA	NA	NA
		(16,47,00,000)					
	Pudumjee Investment & Finance Company Limited	4,56,52,432	11.25%	NA	NA	NA	NA
		(4,20,50,641)					
	Pudumjee Paper Products Limited	11,74,80,000	11.25%	NA	NA	NA	NA
		(0)					
	J M Commodities Limited	80,00,000	13.00%	NA	NA	NA	NA
		(0)					
	Prarthana Private Limited	1,70,00,000	12.00%	NA	NA	NA	NA
		(1,70,00,000)					
Foods & Inns Limited	5,00,00,000	18.00%	NA	NA	NA	NA	
	(0)						
Investments Made	Reliance Liquid Fund Treasury Plan	31,90,00,000			Mutual Fund Units		
		(4,67,00,000)					
	Reliance Arbitrage Advantage Fund	3,00,00,000				Mutual Fund Units	
	ICICI Pridental Liquid Fund	5,75,00,000			Mutual Fund Units		
		(0)					

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

On behalf of the Board of Directors,

A.K. Jatia,
Executive Chairman.

Place: Mumbai
Dated : 20th May, 2017

ANNEXURE NO. 5

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 Paper Products Limited (PPPL) a related party under Section 2(76)(v).
b) Nature of contracts/arrangements / transaction	To avail the Common Services (such as telephone, electricity, Computer etc.) at cost basis from PPPL.
c) Duration of the Contracts/ arrangements/transactions	Continuous arrangement.
d) Salient terms of contracts or arrangements or transactions including the value if any	1) <u>Monetary value</u> : About ₹ 15 lacs for each financial year. 2) <u>Nature, material terms and particulars of arrangement</u> : a. To avail Common Services (such as telephone, electricity, computer, etc.) on cost basis.
e) Justification for entering into such contracts or arrangements or transactions	To avail common services from the PPPL in mutual interest, for continuance of the day to day commercial operations of the Company.
f) Date(s) of approval by the Board	20 th 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 52 nd Annual General Meeting of the Company to be held on 22 nd 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 Paper Products Limited (PPPL) , a related party under Section 2(76)(v).
b) Nature of contracts/arrangements / transaction	Purchase 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	<u>Monetary value</u> : About ₹ 10 lacs in financial year 2017-18.
e) Date(s) of approval by the Board	20 th May, 2017
f) Amount paid as advances if any	NIL

II.

a) Name(s) of the related parties and nature of relationships	Pudumjee Paper Products Limited (PPPL) , a related party under Section 2(76)(v).
b) Nature of contracts/arrangements / transaction	Leave and License Agreement to provide a 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 01 st November, 2016.
d) Salient terms of contracts or arrangements or transactions including the value if any	1. <u>Monetary value</u> : About ₹ 3,22,800 per month (plus applicable taxes, if any) 2. Nature, material term and particulars of arrangement: a) Duration of contract 4 years and 3 months commencing from 01 st November, 2016 b) The licensee shall bear and pay all the maintenance charges and other outgoings including all rates, taxes and electric bills etc.
e) Date(s) of approval by the Board	05 th November, 2016
f) Amount paid as advances if any	NIL

On behalf of the Board of Directors,

A.K. Jatia,
Executive Chairman.

Place: Mumbai

Dated : 20th May, 2017

PUDUMJEE PULP & PAPER MILLS LIMITED

Annexure No. 6 A

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. A. K. Jatia (54)	Executive Chairman	1,15,89,542	83,78,919	B.S. (Finance & Business Economics) (34)	01.06.2014	-	-
Mr. S. K. Bansal (57)	Whole Time Director & CFO	98,20,286	72,92,105	B.Com., ACA, ACS (34)	03.10.1984	A.F. Fergusson & Co.,	Asstt. Manager

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 employees are whole-time directors of the Company during the year.
- 3) There is no employee drawing remuneration in excess of the remuneration drawn by the Executive Chairman, Managing Director/Whole time Director and who holds himself or along with his/her spouse and dependent children not less than two per cent of the equity shares of the Company.
- 4) None of the above employees is related to each other.

On behalf of the Board of Directors,

A. K. Jatia,
Executive Chairman.

Place : Mumbai
Date : 20th May, 2017

ANNEXURE NO. 6B
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 : 5

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. Arun kumar Mahabir Prasad Jatia	Executive Chairman & Whole time Director	1,15,89,542	11,42,893	10.14	NIL	8.54	8.54	Nil
2	Mr. Surendra Kumar Bansal	Whole time director & Chief Financial Officer	98,20,286		8.59	NIL			
3	Mr. R. M. Kulkarni	Company Secretary	30,26,785		2.65	–			

Above Remuneration is as per the Remuneration policy adopted by the Company.

On behalf of the Board of Directors,

A. K. Jatia,
Executive Chairman.

Place : Mumbai

Date : 20th May, 2017

ANNEXURE NO. 7

REPORT ON CORPORATE GOVERNANCE

The Directors present their Report on Corporate Governance as required by the 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.

Code of Conduct :

In tune with the corporate philosophy stated in the preceding para, the Board of Directors of the Company in its meeting held on 29th October, 2005 laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company in terms of the requirement of clause 49 of the Listing Agreement and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'). The Code of Conduct is displayed at the Company's website www.pudumjeepulp.com. Affirmation regarding compliance with the Code of Conduct had been obtained from all Board members and senior management personnel of the Company. As required, a declaration duly signed by the Managing Director to the effect is appended.

BOARD PROCEDURE :

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

MANAGEMENT DISCUSSION AND ANALYSIS :

The Company operates mainly in the business of Real Estate development and Wind Power generation. A residential project spread over at 12 acre land at Pune is satisfactorily progressing and has so far handed over 470 apartments in five buildings to the customers. The sixth building is nearing completion. An amenity building recently launched has received encouraging response from the customers inspite of prevailing slow down in the Real Estate business which is further deepened by the demonetization. The construction of 7th building having 124 flats is expected to be taken up in next financial year in view of the prevailing business scenario as also the required clarity on the TDR Policy announced by the State Government.

Another project which is to be taken up in Partnership having residential apartments aggregating about 9,00,000 sq.ft. for which a Memorandum of Understanding was signed last year as also GREENSVILLE Project of the Company having residential / commercial premises of about 2 lakh sq.ft. are awaiting statutory approvals.

The Company has taken up 50% of holding in GCorp Township Pvt. Ltd. which would enable the Company to spread its operations beyond Pune by taking development of 12,00,000 sq.ft. of saleable area in joint venture at Village Ranjoli, Dist. Thane.

Though the current slowdown in Real Estate business, prevailing for quite sometime has got further aggravated due to demonetization, the emerging business scenario in post demonetization era as also under newly enacted regulatory framework would augur well for the Company since it follows complete transparency in its dealings ever since it entered the Real Estate business.

The three Wind Power Plants located at Satara and Sangli have generated in aggregate 67.70 lakhs Kwh of energy during the financial year.

Segment wise financial performance is stated in the accompanying Accounts.

The existing internal controls of the Company are periodically reviewed by the audit Committee and are considered quite adequate.

Board of Directors :

The Board of Directors is composed of a 1 Promoter Director (Whole Time Director), 1 Wholetime Director, 1 Managing Director, 1 Non Executive Non Independent Director and 5 Non Executive Independent Directors. The Executive chairman, Managing Director and the Wholetime 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 31 st March, 2017.*	Total number of Membership of Committees of as on 31 st March, 2017. +	Total number of Chairmanships of Committees as on 31 st March, 2017. +
Executive Directors				
Mr. Arunkumar Mahabir Prasad Jatia	Executive Chairman	5	5	1
Mr. Ved Prakash Leekha	Managing Director	3	Nil	Nil
Mr. Surendra Kumar Bansal	Whole time Director & CFO	8	2	Nil
Non- Executive Directors				
Dr. Ashok Kumar	Non Independent Director	2	Nil	Nil
Mr. Gautam Khaitan	Independent Director	2	2	2
Mr. Nandan Damani	Independent Director	7	4	1
Mr. Bhupendra Champaklal Dalal	Independent Director	5	2	1
Mr. Vinod Kumar Beswal	Independent Director	4	4	3
Ms. Preeti Gautam Mehta	Independent Director	4	3	1

* includes Directorship in other Public Companies and Pudumjee Pulp & Paper Mills Limited.

+ Committees considered are Audit Committee and Stakeholders Relationship Committee, including in Pudumjee Pulp & Paper Mills Limited.

+ Total number of committee membership includes the Chairmanship also.

None of the Directors of the Company is a Member of more than 10 Committees and Chairman of more than 5 Committees across all the Public Limited Companies in which he/she is a Director.

The Independent Directors of the Company are acting as Independent Director in not more than seven Listed Companies. Independent Director who is Whole Time Director in other Company acts as Independent Director in not more than three Listed Companies. The Whole Time Directors of the Company are not Independent Directors in more than three Companies. During the year 2016-2017, Five Board Meetings were held on the following dates:

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

PUDUMJEE PULP & PAPER MILLS LIMITED

The Fifty First 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	5	Yes
Mr. Ved Prakash Leekha	5	Yes
Mr. Surendra Kumar Bansal	5	Yes
Dr. Ashok Kumar	5	Yes
Mr. Gautam Khaitan	2	No
Mr. Nandan Damani	4	Yes
Mr. Bhupendra Champaklal Dalal	4	No
Mr. Vinod Kumar Beswal	4	Yes
Ms. Preeti Gautam Mehta	2	No

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	78,00,000.00	37,89,542.00	Nil	1,15,89,542.00
Mr. Ved Prakash Leekha	Nil	Nil	Nil	Nil	Nil
Mr. Surendra Kumar Bansal	Nil	62,40,000.00	35,80,286.00	Nil	98,20,286.00
Dr. Ashok Kumar	Nil	Nil	Nil	Nil	Nil
Mr. Gautam Khaitan	22,000.00	Nil	Nil	Nil	22,000.00
Mr. Nandan Damani	80,000.00	Nil	Nil	Nil	80,000.00
Mr. Bhupendra Champaklal Dalal	1,05,000.00	Nil	Nil	Nil	1,05,000.00
Mr. Vinod Kumar Beswal	1,00,000.00	Nil	Nil	Nil	1,00,000.00
Ms. Preeti Gautam Mehta	25,000.00	Nil	Nil	Nil	25,000.00

- 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-imbursalment of expenses incurred for attending each meeting of Board or Committee thereof, further Professional fees are payable on case to case basis to M/s. Kanga & Co., Advocates , in which Ms. Preeti Gautam Mehta, (Non-Executive Independent Director of the Company) is a partner. The same may also be considered to be disclosures for all pecuniary relationship or transactions of the Non-Executive Director's vis-à-vis the Company in the Annual Report.
- The details for shares held by Directors as on 31-03-2017 are as under:

Except Mr. Arunkumar Mahabir Prasad Jatia who holds 20,48,000 equity shares of Rs. 2/- each of the Company, none of the other Directors namely Mr. Ved Prakash Leekha, Mr. Surendra Kumar Bansal, Dr. Ashok Kumar, Mr. Gautam Khaitan, Mr. Nandan Damani, Mr. Vinod Kumar Beswal, Ms. Preeti Gautam Mehta 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. A. K. Jatia, Executive Chairman and Whole time Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

The Brief profile of appointee has given as under:

Name of the Director	Mr. Arunkumar Mahabir Prasad Jatia
DIN	01104256
Age	54 years
Education	B.S. (Finance and Business Economics) from University of Southern California - USA and an Alumni of Harvard Business School
Nature of expertise in specific functional areas;	He has a wide experience in Business Administration and Finance and Foreign Trade for over 34 years. Mr. Jatia possesses natural managerial talent with progressive outlook.
Names of other Listed Companies in which the non-executive / executive director holds the directorship	1. Pudumjee Paper Products Limited 2. Thacker and Company Limited
Names of the other Listed Companies membership of Committees of the non-executive / executive Director	1. Pudumjee Paper Products Limited: Stakeholders Relationship Committee and Audit Committee 2. Thacker and Company Limited: Stakeholders Relationship Committee
Shareholding of non-executive / executive Director	20,48,000 Equity Shares

There is no inter-se relationship with other Directors, Manager and other Key Managerial Personnel of the Company.

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

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

Sr. No.	Name of the Directors	Designation
1.	Mr. Bhupendra Champaklall Dalal	Chairman
2.	Mr. Arunkumar Mahabir Prasad Jatia	Member
3.	Mr. Nandan Damani	Member
4.	Mr. Vinod Kumar Beswal	Member

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

- the 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;
- Reviewing the following information:
 - 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 Finance Officer, the Statutory Auditors and the Internal Auditors. The Company Secretary acts as Secretary to the committee.

Five (5) Meetings of Committee were held during the year 2016-17 on the following dates:

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. Bhupendra Champaklal Dalal	4
2.	Mr. Arunkumar Mahabir Prasad Jatia	5
3.	Mr. Nandan Damani	4
4.	Mr. Vinod Kumar Beswal	4

PUDUMJEE PULP & PAPER MILLS LIMITED

b) 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.

The Nomination and Remuneration Committee comprises of Mr. Bhupendra Champaklal Dalal, Mr. Vinod Kumar Beswal and Mr. Nandan Damani. Mr. Bhupendra Champaklal Dalal is Chairman of the Committee.

One Committee meeting were held on 4th February, 2017, during the year 2016-17. The attendance at these meetings were as under:

Sr. No.	Members	Meetings Attended
1.	Mr. Bhupendra Champaklal Dalal	1
2.	Mr. Vinod Kumar Beswal	1
4.	Mr. Nandan Damani	–

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. 9 to the Directors' Report in this annual report and can be viewed at company's website at www.pudumjeepulp.com.

c) Stakeholders Relationship Committee :

The Stakeholders Relationship Committee comprises of Mr. Gautam Khaitan (Chairman), Mr. Arunkumar Mahabir Prasad Jatia, and Mr. Surendra Kumar Bansal as its members.

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 32 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. During the year there was no share transfer request pending.

Mr. Gautam Khaitan is the Chairman of the Committee. Company Secretary is the Compliance Officer of the Company.

Four Committee meetings were held on 28th May, 2016, 29th July, 2016, 5th November, 2016 and 04th February, 2017, during the year 2016-17. The attendance at these meetings was as under:

Sr. No.	Members	Meetings Attended
1.	Mr. Gautam Khaitan	2
2.	Mr. Arunkumar Mahabir Prasad Jatia	4
3.	Mr. Surendra Kumar Bansal	4

d) Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee comprises of Four members of which Two including the Chairman of the Committee are Independent Directors. Details of the Committee are given in the Director's Report.

e) General Body Meetings :

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

Date of Meeting and Time	Special Resolutions passed
13 th September, 2014 12.00 noon (ST)	i) Approval to appointment, remuneration and other terms of Mr. Arunkumar Mahabirprasad Jatia as Whole-time Director designated as "Executive Chairman" of the Company for a period of five years with effect from 1 st June, 2014. ii) Approval to appointment, remuneration and other terms of Mr. Ved Prakash Leekha as Managing Director of the Company for a period of five years with effect from 1 st April, 2014. iii) Approval to appointment, remuneration and other terms of Mr. Surendra Kumar Bansal as Whole-time Director of the Company for a period of five years with effect from 1 st April, 2014. iv) to borrow monies from time to time from any one or more bodies corporate or financial institutions, Banks or any entity or any person or persons not exceeding ₹ 1000 crores. v) to invite and accept deposits from the members of the Company and from the public in general, not exceeding the limits laid down under the Companies (Acceptance of Deposits) Rules, 2014.
19 th September, 2015 12.00 noon (ST)	i) Approval to appointment of and remuneration payable to Dr. Ashok Kumar (DIN: 07111155), as an Executive Director of the Company. ii) Approval to revision in remuneration of Mr. Arunkumar Mahabirprasad Jatia (DIN: 01104256), Executive Chairman of the Company with effect from 1 st July, 2015. iii) Approval to the related party subsisting contracts. iv) Consent of shareholders for accepting of fixed deposits from the members and from the public in general. v) Approval to revision in remuneration of Mr. Ved Prakash Leekha (DIN: 00048568), the Managing Director of the Company. vi) Approval to revision in remuneration of Mr. S. K. Bansal (DIN: 00031115), the Whole-time Director of the Company.
17 th September, 2016 11.30 a.m. (ST)	i) Approval for the Change of name of the Company

ii) Postal Ballot

During the year under review, no resolutions were passed through Postal Ballot.

COMPANY POLICIES:

The Board has adopted the following policies/ programme:

- (a) Policy on Related Party Transactions
- (b) Policy for determining Material Subsidiary
- (c) Whistle Blower Policy/Vigil Mechanisam
- (d) Criteria For Selection of Candidates for Senior Management and Members on the Board of Directors
- (e) Familiarisation programme for Independent Directors
- (f) Policy on Board's Diversity
- (g) Risk Policy & Procedures
- (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 hosted on the website of the Company viz. www.pudumjeepulp.com.

PUDUMJEE PULP & PAPER MILLS LIMITED

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. The principles and guidelines given in the recently issued circular by SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5th January, 2017 has been taken into consideration while making the evaluations.

CEO/CFO Certification:

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and the Director (Finance) & 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 :

- a) As disclosed in the accompanying accounts, wherever required, full provision has been made relating to transactions with subsidiary and associate Companies.
- b) There were no instances of non compliance by the Company, nor were any penalties or strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority on any matter relating to capital markets during the last three years.
- c) 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.

- d) 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.
- e) 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. The said policy may be referred to, at the Company's official website at - www.pudumjeeulp.com.

We affirm that no Director or employee has been denied access to the Audit Committee during financial year 31st March, 2017.

- f) Subsidiary Companies:

Regulation 16 of Listing Regulations defines, a "Material Subsidiary" as subsidiary, whose income or net worth exceeds 20% of the Consolidated Income or Net Worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

In view of above, the Company did not have any "Material non-listed Indian Subsidiary" during the year under review.

- g) Disclosure of commodity price risks and commodity hedging activities: Not Applicable
- h) Foreign exchange risk and hedging activities:

The Company usually takes short term cover against foreign exchange rates moving upwards and guards against possible losses.

Means of Communication

- a) The Company has published its quarterly and half yearly and yearly results giving the required particulars in the "Financial Express"/"Economic Times" and "Loksatta"/Maharashtra Times (Regional Language).
- b) These results are also posted on Company's website www.pudumjeeulp.com.
- c) The Company has created a dedicated E-mail ID for investor's complaints viz. inv_compl_ppm@pune.pudumjee.com
- d) The Management Discussion and Analysis is part of the Annual Report of the Directors to the Shareholders of the Company.
- e) The Code of Conduct adopted by the Board of Directors is also posted on Company's aforesaid website.
- f) During the year, no presentation has been made to any institutional investors or to the analysts.

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 March 31, 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 1 st April, 2016	508	340665
Number of Shareholders / legal heirs who approached the Company for transfer of shares from the Unclaimed Suspense Account	7	3950
Number of Shareholders / legal heirs to whom the shares were transferred from the Unclaimed Suspense Account upon receipt and verification of necessary documents	6	2950
Aggregate number of Shareholders and outstanding shares held in the Unclaimed Suspense Account as on 31 st March, 2017	502	337715

One request is pending for want of necessary documents from the legal heirs in the above respect as on 31.03.2017

Voting rights in respect of the aforesaid 3,37,715 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.

PUDUMJEE PULP & PAPER MILLS LIMITED

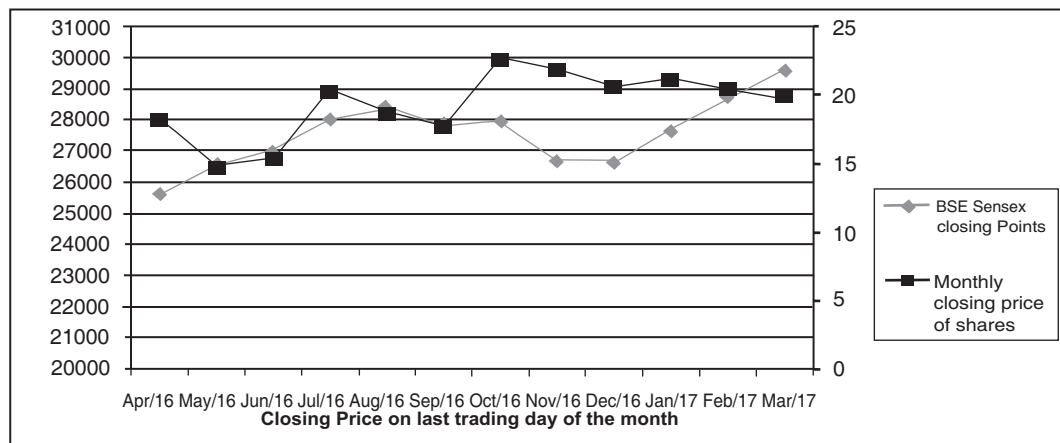
General Information for Shareholders:

Annual General Meeting		
1.	Date & Time	Saturday, 22 nd July, 2017 at 11.30 a.m.
2.	Venue of AGM	Registered Office of the Company at Thergaon, Pune 411 033.
3.	Financial Year	1 st April to 31 st March
Financial Calendar (Tentative)		
1.	Date of Book Closure	From Tuesday, 11 th July, 2017 to Saturday, 22 nd July, 2017
2.	Last date for receipt of Proxy Form	Thursday 20 th July, 2017 by 11.30 a.m.
3.	Dividend Payment Date	01 st August, 2017
4.	Board Meeting for Consideration of unaudited results for first three quarters	Within 45 days from the end of the each quarter
5	Listing on Stock Exchanges and Scrip code:	
	BSE Ltd. Phiroze Jeejibhoy Towers 25 th Floor, Dalal Street, Mumbai 400 001.	500343
	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.	PDUMJEPULP
	NSDL and CDSL Dematstock code	INE606A01024
6	E-mail ID for Investor Complaints	inv_compl_ppm@pune.pudumjee.com
7	Registrars & Share Transfer Agents:	<p>Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 008 Tel. : 91-40-44655000 Fax : 91-40-23420814 E-mail: einward.ris@karvy.com</p> <p>This is a Common Agency looking after all the work related to share registry in terms of both physical and electronic connectivity (as per directions of SEBI) the details are as under; The Shareholders/investors can approach M/s. Karvy Computershare Pvt. Ltd. at any of its service centres throughout 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).</p>
8	Any other inquiry:	The Company Secretary, Pudumjee Pulp & Paper Mills Ltd., Thergaon, Pune 411 033. Tel. : 91-20-30613333 Fax. : 91-20-40773388 E-mail : sk@pune.pudumjee.com
9	Plant Location	Thergaon, Pune 411 033.

Market share Price Data: (In ₹)

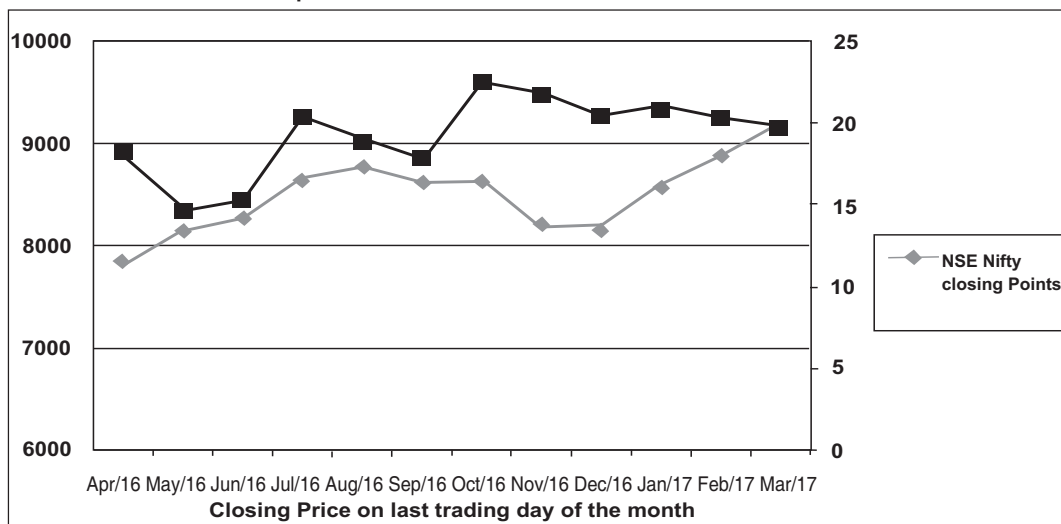
Month / Index	Bombay Stock Exchange			National Stock Exchange		
	High Price	Low Price	Close Price	High Price	Low Price	Close Price
April-2016	19.90	17.10	18.15	20.70	17.10	18.25
May-2016	18.00	14.50	14.70	18.90	14.60	14.60
June-2016	16.60	14.00	15.32	17.00	13.45	15.35
July-2016	22.65	14.85	20.20	23.50	14.95	20.25
August-2016	23.25	18.25	18.75	23.15	18.05	18.90
September-2016	19.50	17.45	17.65	19.60	17.50	17.90
October-2016	26.10	18.00	22.50	26.40	17.55	22.40
November-2016	28.60	18.60	21.80	28.60	18.50	21.70
December-2016	24.00	19.15	20.55	23.85	19.60	20.45
January-2017	23.00	19.00	21.15	22.95	19.30	20.85
February-2017	22.00	19.40	20.30	21.90	19.65	20.30
March-2017	21.75	17.00	19.80	21.30	19.10	19.80

Stock Performance in comparison to BSE Sensex



PUDUMJEE PULP & PAPER MILLS LIMITED

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	9719	67,84,669
Individual /Hindu Undivided Family	20,48,100	5.00	5001- 10000	184	13,50,419
Bodies Corporate & Trust	2,21,71,261	54.08	10001- 20000	80	11,73,158
Individuals (Non-Resident Individuals / Foreign Individuals)	10,00,000	2.44	20001- 30000	21	5,17,246
PUBLIC SHAREHOLDING			30001- 40000	10	3,62,400
Mutual Funds /UTI	250	0	40001- 50000	6	2,75,581
Financial Institutions/ Banks	1,680	0	50001- 100000	11	7,79,787
NBFC Registered with RBI	401	0	100001 & Above	23	2,97,56,740
Insurance Companies	250	0			
Bodies Corporate	31,66,067	7.72			
Individuals	1,23,54,413	30.13			
Non resident Indians	2,38,088	0.58			
Clearing Members	19,490	0.05			
GRAND TOTAL	4,10,00,000	100.00	GRAND TOTAL	10,054	4,10,00,000

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

Physical Form : 2.58%
Dematerialized Form : 97.42%

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 38.49%.

Listing fees:

Listing fees for the year 2016-2017 have been paid in full to BSE Ltd. and National Stock Exchange of India Ltd.

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. With a view to expediting the process of Share Transfer, the Board of Directors constituted the Share Transfer Committee for approval of transfer of shares of the Company.

Certificate of Compliance:

The Certificate of Compliance with requirements of Corporate Governance by the Company, issued by M/s Parikh & Associates, Company Secretaries is annexed.

On behalf of the Board of Directors,

A.K. Jatia,
Executive Chairman.

Place : Mumbai
Dated : 20th May, 2017

DECLARATION BY THE MANAGING DIRECTOR REGARDING AFFIRMATION OF CODE OF CONDUCT

To
The Members of Pudumjee Pulp & Paper Mills Limited

I, Mr. V. P. Leekha, Managing Director of Pudumjee Pulp & Paper Mills Limited, declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2017.

V. P. Leekha
Managing Director

Place : Mumbai
Dated : 20th May, 2017

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Pudumjee Pulp & Paper Mills Limited**

We have examined the compliance of the conditions of Corporate Governance by Pudumjee Pulp & Paper Mills Limited ('the Company') for the year ended on March 31, 2017, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period April 1, 2016 to March 31, 2017.

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

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

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

For Parikh & Associates
Practising Company Secretaries

P. N. Parikh
FCS : 327 CP : 1228

Mumbai, 20th May, 2017

ANNEXURE NO. 8**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 :	L21012MH1964PLC013058
ii) Registration Date	19/11/1964
iii) Name of the Company	Pudumjee Pulp & Paper Mills 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 – 500 008. 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	Real Estate	70	32.24
2	Sale of Wind Power	35106	67.76

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Pudumjee Investment & Finance Company Limited, Thergaon, Pune- 411033.	U65993PN1991PLC062635	Subsidiary	100%	Section 2(87)
2	Pudumjee Plant Laboratories Limited, Thergaon, Pune- 411033.	U01122PN1994PLC021609	Associate	27.11%	Section 2(6)
3	GCORP Township Private Limited. 72/73, 1 st floor, Pharma Search House, Worli, Mumbai-400018.	U70102MH2015PTC263666	Joint Venture	50.00%	Section 2(6)

PUDUMJEE PULP & PAPER MILLS LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2016				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	67,81,957	0	67,81,957	16.54	20,48,100	0	20,48,100	5.00	(11.54)
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.	1,74,37,404	0	1,74,37,404	42.53	1,74,37,404	0	1,74,37,404	42.53	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0	47,33,857	0	47,33,857	11.54	11.54
Sub-total (A) (1):-	2,42,19,361	0	2,42,19,361	59.07	2,42,19,361	0	2,42,19,361	59.07	0.00
2) Foreign									
a) NRIs - Individuals	10,00,000	0	10,00,000	2.44	10,00,000	0	10,00,000	2.44	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) :	10,00,000	0	10,00,000	2.44	10,00,000	0	10,00,000	2.44	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2,52,19,361	0	2,52,19,361	61.51	2,52,19,361	0	2,52,19,361	61.51	0.00
B Public Shareholding									
1) Institutions									
a) Mutual Funds	0	250	250	0.00	0	250	250	0.00	0.00
b) Banks / FI	1,275	405	1,680	0.00	1,275	405	1,680	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	250	250	0.00	0	250	250	0.00	0.00
g) FIs	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
Sub-total (B) (1) :	1,275	905	2,180	0.01	1,275	905	2,180	0.01	0.00
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	33,02,484	4,400	33,06,884	8.07	31,61,667	4,400	31,66,067	7.72	(0.35)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lacs	89,11,123	10,28,091	99,39,214	24.24	89,40,027	10,03,191	99,43,218	24.25	0.01
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lacs	20,91,590	0	20,91,590	5.10	24,11,195	0	24,11,195	5.88	0.78
c) Others (specify)									
Non-resident Indians	3,68,372	50,250	4,18,622	1.02	1,87,838	50,250	2,38,088	0.54	(0.48)
Clearing Members	22,148	0	22,148	0.05	19,490	0	19,490	0.05	0.00
NBFC	1	0	1	0.00	401	0	401	0.00	0.00
Sub-total (B) (2) :	1,46,95,718	10,82,741	1,57,78,459	38.48	1,47,20,618	10,57,841	1,57,78,459	38.48	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1,46,96,993	10,83,646	1,57,80,639	38.49	1,47,21,893	10,58,746	1,57,80,639	38.49	0.00
C Shares held by Custodian for GDRs & ADRs									
	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	3,99,16,354	10,83,646	4,10,00,000	100.00	3,99,41,254	10,58,746	4,10,00,000	100.00	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	3,58,333@	0.87	0	0	0	0	(0.87)
2	Arunkumar Mahabir Prasad Jatia	20,39,270*	4.97	0	0	0	0	(4.97)
3	Arun Kumar Mahabir Prasad Jatia	20,48,000	5.00	0	20,48,000	5.00	0	0.00
4	Vrinda Jatia	5,00,000	1.22	0	5,00,000	1.22	0	0.00
5	Vasudha Jatia	5,00,000	1.22	0	5,00,000	1.22	0	0.00
6	Yashvardhan Jatia	23,36,354	5.70	0	100	0	0	(5.70)
7	Thacker And Co. Ltd.	63,68,253	15.53	0	63,68,253	15.53	0	0.00
8	Pudumjee Industries Ltd.	34,12,850	8.32	0	34,12,850	8.32	0	0.00
9	Suma Commercial Private Limited	51,23,036	12.50	0	51,23,036	12.50	0	0.00
10	Chem Mach Pvt. Ltd.	25,33,265	6.17	0	25,33,265	6.17	0	0.00
11	Yashvardhan Jatia Trust (Arun Kumar Mahabir Prasad Jatia, Gautam N Jajodia, Trustees of The Trust)	0	0	0	47,33,857	11.55	0	11.55

@ 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.

(iii) Change in Promoters' Shareholding

Name of the Promoter	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)	
	No. of Shares	% of total shares of the Company	Increase / Decrease	Reasons for change	No. of shares increasing/ decreased	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	3,58,333	0.87	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the Promoter Group of the Company).	3,58,333	29/12/2016	Nil	Nil	Nil	Nil
Arun Kumar Mahabir Prasad Jatia	20,39,270	4.97	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the moter Group of the Company).	20,39,270	29/12/2016	Nil	Nil	Nil	Nil
Yashvardhan Jatia	23,36,354	5.70	Decrease	Equity shares transferred to Yashvardhan Jatia Trust (part of the Promoter Group of the Company).	23,36,254	29/12/2016	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	47,33,857	29/12/2016	47,33,857	11.55	47,33,857	11.55

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

PUDUMJEE PULP & PAPER MILLS LIMITED

(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 Shareholding during the year specifying the reasons for increase / decrease @			Cumulative Shareholding during the year	
Sr. No.	Name of the Shareholders	No of Shares	% of total shares of the Company	Reasons for change	Date of change in shareholding D/M/Y	No. of shares increasing/ decreased	No. of shares	% of total shares of the Company
1	HALAN PROPERTIES PRIVATE LIMITED	16,50,000	4.02	At the End of the Year	31/03/2017	-	16,50,000	4.02
2	MANJU GAGGAR	3,69,000	0.90	At the End of the Year	31/03/2017	-	3,69,000	0.90
3	HANUMAN PRASAD BIRLA	3,00,000	0.73	At the End of the Year	31/03/2017	-	3,00,000	0.73
4	GAYATRI GAGGAR	1,79,252	0.44	At the End of the Year	31/03/2017	-	1,79,252	0.44
5	MUKTILAL GANULAL PALDIWAL	1,73,892	0.42	Increase	29/09/2016	13,722	1,87,614	0.43
				Increase	06/10/2016	2,300	1,89,914	0.46
				Increase	27/04/2017	2,000	1,91,914	0.46
				At the End of the Year	31/03/2017	-	1,91,914	0.46
6	NANDKISHORE AGARWAL	1,67,059	0.41	At the End of the Year	31/03/2017	-	1,67,059	0.41
7	SUPERWAYS INVESTMENT AND FINANCE PRIVATE LIMITED	1,38,569	0.34	At the End of the Year	31/03/2017	-	1,38,569	0.34
8	SARWANKUMAR DEVIDUTT SARAF HUF	1,33,000	0.32	At the End of the Year	31/03/2017	-	1,33,000	0.32
9	SHIRIN R PUDUMJEE	1,31,220	0.32	At the End of the Year	31/03/2017	-	1,31,220	0.32
10	SANGITADEVI KAILASHCHANDRA LOHIA	1,22,690	0.30	At the End of the Year	31/03/2017	-	1,22,690	0.30

Figures in bracket indicates No. of shares sold.

@ Based on the beneficiary positions as at end of the each week.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding At the End of the year	
		No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company	No. of shares	% of Total shares of the Company
1	Mr. Arunkumar Mahabir Prasad Jatia	20,48,000	4.99	-----	-----	20,48,000	4.99
		3,58,333@	0.87@	(3,58,333)	(0.87)	-----	-----
		20,39,270*	4.97*	(20,39,270)	(4.97)	-----	-----
2	Mr. Ved Prakash Leekha	-----	-----	-----	-----	-----	-----
3	Mr. Surendra Kumar Bansal	-----	-----	-----	-----	-----	-----
4	Dr. Ashok Kumar	-----	-----	-----	-----	-----	-----
5	Mr. Gautam Khaitan	-----	-----	-----	-----	-----	-----
6	Mr. Nandan Damani	-----	-----	-----	-----	-----	-----
7	Mr. Bhupendra Champaklal Dalal	-----	-----	-----	-----	-----	-----
8	Mr. Vinod Kumar Beswal	-----	-----	-----	-----	-----	-----
9	Ms. Preeti Gautam Mehta	-----	-----	-----	-----	-----	-----
10	Mr. R. M. Kulkarni	500	0.001	500	0.001	500	0.001

@ 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.

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 year					
i) Principal amount	0	5,11,14,878	0	0	5,11,14,878
ii) Interest due but not paid	0	0	0	0	0
iii) Interest accrued but not due	0	9,912	0	0	9,912
Total (i+ii+iii)	0	5,11,24,790	0	0	5,11,24,790
Change in Indebtedness during the financial year					
Addition	0	4,258	0	0	4,258
Reduction	0	3,55,39,611	0	0	3,55,39,611
Net Change	0	(3,55,35,353)	0	0	(3,55,35,353)
Indebtedness at the End of the year					
i) Principal amount	0	1,55,85,179	0	0	1,55,85,179
ii) Interest due but not paid	0	0	0	0	0
iii) Interest accrued but not due	0	4,258	0	0	4,258
Total (i+ii+iii)	0	1,55,89,437	0	0	1,55,89,437

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹)

Sr. No.	Name of the Directors and Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Arunkumar Jatia	Mr. Ved - Prakash Leekha	Mr. Surendra Kumar Bansal (Whole time Director and CFO)	
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	78,00,000	NIL	62,40,000	1,40,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	20,73,542	NIL	22,07,486	42,81,028
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission as % of profit others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify (Insurance Premium, PF and Superannuation contribution, Sitting fees paid, if any)	17,16,000	NIL	13,72,800	30,88,800
	Total	1,15,89,542	NIL	98,20,286	2,14,09,828
	Ceiling as per the Act (I)	1,68,00,000	NIL	1,68,00,000	--

PUDUMJEE PULP & PAPER MILLS LIMITED

b) Remuneration to other directors :

(in ₹)

Particulars of Remuneration and Name of the Directors	Name of other Directors					Total Amount
	Mr. Gautam Khaitan	Mr. Nandan Damani	Mr. B. C. Dalal	Mr. V. K. Beswal	Mrs. Preeti Mehta	
1. Independent Directors :						
Fee for attending board / committee meetings	22,000	80,000	1,05,000	1,00,000	25,000	3,32,000
Commission	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)	22,000	80,000	1,05,000	1,00,000	25,000	3,32,000
2.	Name of the Non - Executive Directors					
Other Non-Executive Directors	Dr. Ashok Kumar #					
Fee for attending board / committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
Commission	NIL	NIL	NIL	NIL	NIL	NIL
Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
Total (B)=(1+2)	22,000	80,000	1,05,000	1,00,000	25,000	3,32,000
Ceiling limit as per Act being Maximum sitting fees at ₹ 1 Lac per Meeting (II)	4,00,000	8,00,000	13,00,000	12,00,000	3,00,000	

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	(Whole time Director and CFO)	Company Secretary	
	NA	Mr. S. K. Bansal	Mr. R. M. Kulkarni	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	62,40,000	30,26,785	92,66,785
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	22,07,486	NIL	22,07,486
(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	13,72,800	NIL	13,72,800
Total	NIL	98,20,286	30,26,785	1,28,47,071

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,

A.K. Jatia,
Executive Chairman.

Place : Mumbai
Dated : 20th May, 2017

ANNEXURE NO. 9

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 17th May, 2014 re-constituted the existing Remuneration Committee by changing its nomenclature as Nomination and Remuneration Committee of the Board of Directors (Committee) and also stipulated additional terms of reference in line with the Companies Act, 2013.

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

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

Criteria for Selection of Directors :

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

- the candidate should possess the positive attributes such as Leadership, 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 possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, infrastructure, or such other areas or disciplines which are relevant for the Company's business.

Criteria for Selection of Senior Management Personnel :

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

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

- The candidate should have 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 possess 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 workforce. The Company follows a compensation mix of fixed pay, variable and fixed allowances, benefits and bonuses etc. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company pays remuneration by way of salary (fixed component), benefits, perquisites and allowances (variable component) to its Managing Directors and the executive directors. Periodical increases, if any, are decided by the 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 Pulp & Paper Mills Ltd.

We have audited the accompanying standalone financial statements of Pudumjee Pulp and Paper Mills 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.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 22.07 (a) (ii) and (iii)];
 - 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;
 - 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 [Refer Note 22.17].

For KHARE & COMPANY
Chartered Accountants
FRN 105100W

Y.P. SHUKLA
Proprietor
Membership No. 16203

Place of Signature : Pune
Dated : 20th May, 2017.

PUDUMJEE PULP & PAPER MILLS LIMITED

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 The Company has no inventories except Stock in Trade Land including Other Development Expenditure;
- iii The Company has given unsecured loans to three companies covered in the register maintained under Section 189 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 within the meaning of Sections 73 to 76 of the Companies Act, 2013 and rules framed there under;
- vi The Central Government has not prescribed the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 for any of the services rendered by the Company;
- 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 ₹ 128.34 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 Duty	High Court Mumbai	60.02
2.	Customs Nhava Sheva	CESTAT Mumbai	68.32

- 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 or provided 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)

(Y.P. SHUKLA)
(Proprietor)
(Membership No. 16203)

Place of Signature : Pune
Dated : 20th May, 2017.

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 Pulp and Paper Mills 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 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 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)

(Y.P. SHUKLA)
(Proprietor)
(Membership No. 16203)

Place of Signature : Pune
Dated : 20th May, 2017.

PUDUMJEE PULP & PAPER MILLS LIMITED

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	820.00	820.00
(b) Reserves and Surplus	2	8,337.45	7,730.02
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	367.85	510.85
(b) Deferred tax liabilities (Net)		428.27	439.27
(c) Other Long-term Liabilities	4	0.02	1.84
(d) Long term provisions	5	237.32	283.24
(3) Current Liabilities			
(a) Trade payables	6	85.48	60.71
(b) Other current liabilities	7	187.39	379.99
(c) Short-term provisions	8	31.27	125.61
Total		10,495.05	10,351.53
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	3,522.30	3,305.00
(ii) Capital work-in-progress		130.87	46.49
(b) Non-current investments	10	497.06	396.31
(c) Long term loans and advances	11	3,002.10	3,655.87
(2) Current assets			
(a) Current investments	12	474.28	—
(b) Inventories	13	1,783.62	1,746.70
(c) Trade receivables	14	25.05	21.73
(d) Cash and Bank Balances	15	43.76	79.35
(e) Short term loans & Advances	16	1,016.01	1,100.08
Total		10,495.05	10,351.53

OTHER NOTES AS PER NOTE '22'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

B.C. DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

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	17	562.53	537.67
b) Profit from firm in Real Estate Activity		267.63	707.52
Net Revenue from Operations		830.16	1,245.19
II. Other Income	18	376.89	323.48
III. Total Revenue (I + II)		1,207.05	1,568.67
IV. Expenses:			
(1) Employees Cost	19	245.08	265.38
(2) Finance Cost	20	43.52	84.72
(3) Depreciation and Amortization	9	188.55	158.98
(4) Other Expenses	21	281.23	312.52
Total Expenses		758.38	821.60
V. Profit before Exceptional and Extraordinary items and tax (III-IV)		448.67	747.07
VI. Exceptional items/Extraordinary Items		–	–
Prior Period Income (Expenses)		(19.39)	37.50
VII. Profit before tax (V+VI)		429.28	784.57
VIII. Tax expense:			
(1) Current tax		35.00	45.00
(2) Deferred tax / (Savings)		(11.00)	(15.00)
(3) Provision for Current Tax for Earlier Years Written Back		(203.08)	–
IX. Profit for the Year		608.36	754.57
X. Earning per equity share:			
(1) Basic		1.48	1.84
(2) Diluted		1.48	1.84

OTHER NOTES AS PER NOTE '22'

As per our report of date attached

For **KHARE & CO.,**
Chartered Accountants**Y. P. SHUKLA**
ProprietorPune, Dated : 20th May, 2017**B.C. DALAL**
Director**R. M. KULKARNI**
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman**S. K. BANSAL**
Director (Finance) &
Chief Financial OfficerMumbai, Dated : 20th May, 2017

PUDUMJEE PULP & PAPER MILLS LIMITED

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

	<u>2016-2017</u> (₹ in Lacs)	<u>2015-2016</u> (₹ in Lacs)
A. Cash Flow from Operating Activities		
Net profit before Taxation & Extraordinary Items	429.28	784.57
Adjustments for :		
Depreciation	188.55	158.98
Interest & Financial charges	43.52	84.72
Dividend received	(18.41)	-
Loss / (Profit) on sale of Fixed Assets	(6.58)	-
Provision for Bad & Doubtful debts / advances	6.54	-
Other income	(351.90)	(323.48)
	<u>(138.28)</u>	<u>(79.78)</u>
Operating Profit before Working Capital Changes	291.00	704.79
(Increase)/Decrease in Inventories	(36.92)	(34.11)
(Increase)/Decrease in Debtors	(3.32)	(21.73)
(Increase)/Decrease in Advances	219.07	(358.04)
Increase/(Decrease) in Liabilities	43.23	57.56
	<u>222.06</u>	<u>(356.32)</u>
Cash Generated from Operations	513.06	348.47
Income Tax (Paid)/Refund Received (Net)	25.73	136.29
Cash Flow before Extraordinary Items	538.79	484.76
Extra ordinary items	-	-
Net cash from Operating Activities	<u>538.79</u>	<u>484.76</u>
B Cash flow from Investing Activities		
Purchase of Fixed Assets	(490.65)	(73.89)
Sale Proceeds of Fixed Assets etc.	7.00	-
Investment in Preference shares / Mutual Funds etc.	(575.03)	-
Change in Loans & Advances	512.81	(328.21)
Interest Received	351.90	323.48
Dividend Received	18.41	-
Net cash from / (used) in Investing Activities	<u>(175.56)</u>	<u>(78.62)</u>
C Cash flow from Financing Activities		
Proceeds from Borrowings	-	240.00
Repayment of Borrowings	(355.30)	(353.35)
Payment of Interest	(43.52)	(84.72)
Dividend paid	-	(123.00)
Net cash from / (used) in Financing Activities	<u>(398.82)</u>	<u>(321.07)</u>
Net change in Cash & Cash Equivalents (A+B+C)	(35.59)	85.07
Cash & Cash Equivalents (Opening Balance)	79.35	499.54
Add : Amount adjusted pursuant to Scheme of Arrangement (with reference to Provisional Balance Sheet as at 31 st Mar 2015)	-	(505.26)
Cash & Cash Equivalents (Closing Balance)	<u>43.76</u>	<u>79.35</u>
Note: Figures in brackets represent cash outflows.		

OTHER NOTES AS PER NOTE '22'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

B.C.DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Pune, Dated : 20th May, 2017

Mumbai, Dated : 20th May, 2017

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

	<u>AS AT</u> <u>31.03.2017</u>	<u>AS AT</u> <u>31.03.2016</u>
NOTE '1' - SHARE CAPITAL	(₹ in Lacs)	(₹ in Lacs)
AUTHORISED		
4,75,00,000 Equity Shares of ₹ 2/- each	950.00	950.00
50,000 14% (free of company's tax but subject to deduction of tax at source at the prescribed rates) Redeemable Cumulative Preference Shares of ₹ 100/- each	50.00	50.00
	<u>1,000.00</u>	<u>1,000.00</u>
ISSUED, SUBSCRIBED AND FULLY PAID UP		
4,10,00,000 Equity Shares of ₹ 2/- each	<u>820.00</u>	<u>820.00</u>

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

	<u>AS AT</u> <u>31.03.2017</u>	<u>AS AT</u> <u>31.03.2016</u>
Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning and end of the year	<u>4,10,00,000</u>	<u>4,10,00,000</u>

1.2 The details of Shareholders holding more than 5% shares

Name of the Shareholder	AS AT 31-03-017		AS AT 31-03-2016	
	No. of Shares	% held	No. of Shares	% held
Thacker & Co. Ltd.	63,68,253	15.53	63,68,253	15.53
Pudumjee Industries Limited	34,12,850	8.32	34,12,850	8.32
Suma Commercial Pvt. Ltd.	51,23,036	12.50	51,23,036	12.50
Chem-Mach Pvt. Ltd.	25,33,265	6.18	25,33,265	6.18
Arunkumar Mahabir Prasad Jatia	20,48,000	5.00	-	-
Yashvardhan Jatia Trust	47,33,857	11.55	-	-
Yashvardhan Jatia	-	-	23,36,354	5.70

PUDUMJEE PULP & PAPER MILLS LIMITED

**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	350.00	7,750.00
Add : Transfer from Profit & Loss Account	50.00	200.00
Less : Reduction on Demerger	—	400.00
	<u> </u>	<u>7,600.00</u>
SHARE PREMIUM ACCOUNT		350.00
As per last Balance Sheet	1,537.50	1,537.50
CAPITAL RESERVE		
On Reissue of forfeited shares	5.86	5.86
CAPITAL RESERVE		
On treatment of land as stock- in- trade	1,441.53	1,441.53
Balance in Profit & Loss Account	4,395.13	6,577.91
Less : Reduction on Demerger	—	2,639.58
	<u>4,395.13</u>	<u>3,938.33</u>
Add: Profit for the Year	<u>608.36</u>	<u>754.57</u>
AMOUNT AVAILABLE FOR APPROPRIATIONS	5,003.49	4,692.90
APPROPRIATIONS :		
Proposed Dividend on Equity		
Shares (Free of Tax)	—	82.00
Tax on Proposed Dividend	—	15.77
Tax on Proposed Dividend for earlier year	0.93	—
Transfer to General Reserve	<u>50.00</u>	<u>200.00</u>
	<u>50.93</u>	<u>297.77</u>
	<u>4,952.56</u>	<u>4,395.13</u>
	<u>8,337.45</u>	<u>7,730.02</u>

**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	-	-
(Secured by first charge on the Assets at Sadawaghapur, * specifically purchased therefrom)		
TERM LOAN	-	129.50
(Secured by first charge on the Assets at Jath ** specifically purchased therefrom)		
TERM LOAN	12.85	26.35
(Secured by vehicle purchased therefrom) ***		
Total (A)	<u>12.85</u>	<u>155.85</u>

Notes:

* Excluding ₹ Nil lacs (Last year ₹171.00) shown under "Current maturities of Long Term Debt" under Note No.7

** Excluding ₹129.50 lacs (Last year ₹172.00) shown under "Current maturities of Long Term Debt" under Note No.7

Repayable in 20 equal quarterly instalments beginning with 25.9.2013

*** Excluding ₹ 13.50 lacs (Last year ₹12.30 lacs) shown under "Current maturities of Long Term Debt" under Note No.7

Repayable in 36 Monthly installments beginning with 1.2.2016

(B) Unsecured Borrowings

Deposit		
from Associates	310.00	310.00
From Others	45.00	45.00
Total (B)	<u>355.00</u>	<u>355.00</u>
Total Long term borrowings (A)+(B)	<u>367.85</u>	<u>510.85</u>

Note: There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.

NOTE '4' - OTHER LONG TERM LIABILITIES

Sundry Creditors	0.02	1.84
	<u>0.02</u>	<u>1.84</u>

PUDUMJEE PULP & PAPER MILLS LIMITED

**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 Diminution in value of Long term Investments and Impairment of Fixed Assets As per Last Balance Sheet	359.00	1,756.26
Add : Provision Made in Current Year	6.54	-
	<u>365.54</u>	<u>1,756.26</u>
Less : Deducted per contra		
From Investments	359.00	359.00
From Advances	6.54	-
Transfer on Demerger	-	-
	<u>-</u>	<u>1,397.26</u>
	-	-
Provision for Doubtful Debts & Advances	-	573.19
Add : Transferred from Profit & Loss Account	-	-
	-	573.19
Transfer on Demerger	-	573.19
	<u>-</u>	<u>-</u>
Provision for Taxation	175.45	218.52
Less: Advance Tax etc.)		
Provision for Gratuity	61.87	64.72
	<u>237.32</u>	<u>283.24</u>
NOTE '6' - TRADE PAYABLE		
Sundry Creditors	85.48	60.71
	<u>85.48</u>	<u>60.71</u>
NOTE '7' - OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debts:		
Secured Debts	143.00	355.30
Unclaimed dividend	19.35	19.59
Interest on Loans accrued but not due	0.04	0.10
Other payables	25.00	5.00
	<u>187.39</u>	<u>379.99</u>
NOTE '8' - SHORT TERM PROVISIONS		
Provision for Taxation	-	-
(Less : Advance Tax etc.)		
Provision for Leave Encashment	31.27	27.84
Proposed Dividend	-	82.00
Tax on Dividend	-	15.77
	<u>31.27</u>	<u>125.61</u>

(₹ in Lacs)

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017 (Contd.)**NOTE '9' - TANGIBLE FIXED ASSETS (At Cost)**

TYPE OF ASSETS	Cost upto 31.3.2016	Additions/ Transfers during the year	Deductions/ Transfers during the year	Balance Cost upto 31.03.2017	Depreciation/ Impairment upto 31.3.2016	Depreciation/ Amortisation for the year	Depreciation on sold Asset & on deductions written back	Depreciation/ Impairment Balance 31.03.2017	Net Book Value as on 31.03.2017	Net Book Value as on 31.3.2016
TANGIBLE ASSETS										
Land - Freehold	37.35	-	-	37.35	-	-	-	-	37.35	37.35
Land - Freehold	3.40	-	-	3.40	-	-	-	-	3.40	3.40
- Leasehold	39.00	-	-	39.00	6.39	1.30	-	7.69	31.31	32.61
Buildings	2,049.88	117.59	-	2,167.47	1,085.55	71.99	-	1,157.54	1,009.93	964.33
Buildings - Lease Hold	488.85	126.31	0.93	614.23	131.35	9.24	0.51	140.08	474.15	357.50
Machinery	2,371.38	-	-	2,371.38	502.24	99.75	-	601.99	1,769.39	1,869.14
Furniture & Fixtures	0.32	162.37	-	162.69	0.19	0.57	-	0.76	161.93	0.13
Vehicles	48.03	-	-	48.03	7.49	5.70	-	13.19	34.84	40.54
Total	5,038.21	406.27	0.93	5,443.55	1,733.21	188.55	0.51	1,921.25	3,522.30	3,305.00
Previous year	29,304.91	60.18	24,326.88	5,038.21	18,483.48	158.98	16,909.25	1,733.21	3,305.00	10,821.43

PUDUMJEE PULP & PAPER MILLS LIMITED

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

	AS AT <u>31.03.2017</u> (₹ in Lacs)	AS AT <u>31.03.2016</u> (₹ in Lacs)
NOTE '10' - NON CURRENT INVESTMENTS		
LONG TERM INVESTMENTS (AT COST)		
TRADE INVESTMENTS : (EQUITY)		
Investment in Subsidiary Companies :		
19,90,000 Equity Shares of Pudumjee Investment & Finance Company Ltd. of ₹ 10/- each fully paid. (unquoted)	199.00	199.00
Investments In Associates :		
6,85,526 Equity shares of Pudumjee Paper Products Ltd. of ₹ 1/- each fully paid (quoted)	71.59	71.59
6,75,000 Equity shares of Pudumjee Plant Laboratories Ltd. of ₹ 10/- each fully paid (unquoted)	60.00	60.00
9,56,725 Equity shares of Pudumjee Industries Ltd. of ₹ 2/- each.fully paid (quoted)	89.47	89.47
Investment In Joint Venture :		
Investment in Pudumjee-G:Corp Developers, a Firm	35.00	35.00
10,05,000 Equity Shares (Last Year Nil) Shares of G:Corp-Township Pvt.Ltd. of ₹ 10/-each.	100.75	-
Other Investment :		
2,500 Shares of Saraswat Co-op Bank Ltd. of ₹ 10/- each fully paid (unquoted)	0.25	0.25
TRADE INVESTMENTS : (EQUITY)		
Investment in Subsidiary Companies :		
30,00,000 12% Non Cumulative Redeemable Preference shares of Pudumjee Investment & Finance Company Ltd. of ₹ 10/- each fully paid (unquoted)	300.00	300.00
	856.06	755.31
Less: Provision for Diminution in value of Long term Investments deducted per contra	359.00	359.00
	497.06	396.31
Aggregate amount of quoted investments		
Cost	161.06	161.06
Market Value	282.52	215.78
Aggregate amount of unquoted investments		
Cost	695.00	594.25

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

	AS AT <u>31.03.2017</u> (₹ in Lacs)	AS AT <u>31.03.2016</u> (₹ in Lacs)
NOTE '11' - LONG TERM LOANS & ADVANCES		
(Unsecured, Considered good, unless otherwise stated)		
Prepaid Expenses	4.40	6.65
Security Deposits	26.15	27.49
Loans & Advances to Subsidiary/Associates	2,594.72	3,107.53
Others Advances	376.83	514.20
	<u>3,002.10</u>	<u>3,655.87</u>
NOTE '12' - CURRENT INVESTMENTS		
CURRENT INVESTMENTS IN MUTUAL FUNDS (unquoted)		
(EACH VALUED ON LOWER OF COST OR FAIR VALUE)		
31,024 (Last Year Nil) Units of Reliance Liquid Fund		
Treasury Plan of ₹ 1,000/- each fully paid	474.28	—
	<u>474.28</u>	—
Aggregate amount of unquoted investments - Cost	474.28	—
NOTE '13' - INVENTORIES		
Stock in Trade- Land	1,441.67	1,441.67
Stock in Trade- Other developments	341.95	305.03
	<u>1,783.62</u>	<u>1,746.70</u>
	<u>1,783.62</u>	<u>1,746.70</u>
NOTE '14' - TRADE RECEIVABLES (Unsecured)		
Debts outstanding for a period below six months		
Considered Good	25.05	21.73
	<u>25.05</u>	<u>21.73</u>
NOTE '15' - CASH & BANK BALANCES		
Cash on hand as per books	2.33	—
On other accounts with Banks	22.08	59.76
Unpaid Dividends account with Banks	19.35	19.59
	<u>43.76</u>	<u>79.35</u>

PUDUMJEE PULP & PAPER MILLS LIMITED

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

	AS AT <u>31.03.2017</u> (₹ in Lacs)	AS AT <u>31.03.2016</u> (₹ in Lacs)
NOTE '16' - SHORT TERM LOANS & ADVANCES		
(Unsecured, Considered Good)		
Prepaid Expenses	41.08	33.02
Capital Advances	-	32.16
Advance Income Tax for Current year (Less Provision for Current year Tax)	12.77	12.19
Advances to employees of the Company	2.12	2.30
Advances recoverable in cash or in kind		
Balance with Government Authorities	28.35	41.75
Advances to Suppliers	654.72	685.17
Sundry Advances	283.51	293.49
Less: Provision for Doubtful Debts	<u>(6.54)</u>	<u>-</u>
	<u>960.04</u>	1,020.41
	<u>1,016.01</u>	<u>1,100.08</u>

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

	Year Ended <u>31.03.2017</u> (₹ in Lacs)	Year Ended <u>31.03.2016</u> (₹ in Lacs)
NOTE '17' - REVENUE FROM OPERATIONS		
SALE OF WIND POWER	375.76	415.73
OTHER OPERATING REVENUE	186.77	121.94
	<u>562.53</u>	<u>537.67</u>
NOTE '18' - OTHER INCOME		
DIVIDENDS		
Others	18.41	-
INTEREST RECEIVED FROM OTHERS	351.90	323.48
PROFIT ON SALE/TRANSFER OF FIXED ASSETS (NET)	6.58	-
	<u>376.89</u>	<u>323.48</u>

**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 `19' - EMPLOYEES' COST		
SALARIES,WAGES,BONUS etc.		
Salaries,Wages,gratuity & Bonus	204.02	223.04
Contribution to Provident & Other Funds(Including Administrative Charges)	38.92	39.26
Workmen & Staff Welfare Expenses	2.14	3.08
	<u>245.08</u>	<u>265.38</u>
NOTE `20' - INTEREST & FINANCIAL COST		
INTEREST ON BORROWINGS	43.45	84.68
OTHER FINANCIAL CHARGES	0.07	0.04
	<u>43.52</u>	<u>84.72</u>
	<u>43.52</u>	<u>84.72</u>
NOTE `21' - OTHER EXPENSES		
WIND POWER EXPENSES	6.56	64.09
RENT	90.57	91.10
RATES & TAXES	33.22	16.80
REPAIRS & MAINTENANCE		
Machinery	54.68	48.19
Buildings	7.81	-
Others	1.88	0.02
INSURANCE	3.43	1.98
DIRECTORS' FEES	3.32	4.27
CORPORATE SOCIAL RESPONSIBILITY EXPENSES	35.00	40.00
PROVISION FOR DOUBTFUL DEBTS	6.54	-
PROFESSIONAL FEES	16.56	13.10
MOTOR CAR EXPENSES	1.02	10.97
SERVICE TAX EXPENSES	5.26	0.26
SALES TAX FOR EARLIER YEAR	-	6.68
OFFICE & MISCELLANEOUS EXPENSES	15.38	15.06
	<u>281.23</u>	<u>312.52</u>

PUDUMJEE PULP & PAPER MILLS LIMITED

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

NOTE '22'

	<u>2016-2017</u> (₹ in Lacs)	<u>2015-2016</u> (₹ in Lacs)
22.01 Remittance In Foreign Currency On Account Of Dividend The amount of dividend for the year 2015-2016 remitted in rupees into NRE Account of 183 (Last year 183) NRI shareholders holding 15,27,468 shares of ₹ 2/-each (Last year 14,12,606 of ₹ 2/-each) Equity shares	3.06	4.58
22.02 i) Salary, Wages, gratuity and bonus (Note '19') does not include a sum of ₹ 25.71 lacs (Last year ₹ 22.21 lacs) transferred "to stock in trade." ii) Rates & Taxes and Professional fees Capitalised to Fixed Assets ₹ 180.80 lacs (Last year Nil).		
22.03 a) Land admeasuring 96111.84 sqft at Thergaon,Pune costing ₹ 0.14 lac, is revalued and converted in to stock in trade on 23.10.2013 at an amount of ₹1441.67 lacs being the Fair Market Value of the land, ascertained by the Government approved valuers and the resulting difference of ₹1441.53 lacs is credited to Capital Reserve appearing under Reserves and Surplus. The Company is developing this land for constructing residential /commercial complex and expenditure of ₹ 36.92 lacs during the year and ₹ 305.03 lacs in the earlire year incurred in this regard is carried forward as a part of stock in trade. b) Land admeasuring about 3000 Sq.Meters has been acquired by Municipal Corporation for road widening purpose in the earlier years.The Company is entitled to TDR with an out side chance of cash compensation, which is yet to be determined and as such this will be included when finally decided since the relevant documentation is yet to be finalised and executed. c) Land & Building at Pune of the Company continues to be under first charge for the Term Loans transferred on demerger to Pudumjee Paper Products Ltd. pursuant to scheme of demerger, pending creation of securities by Pudumjee Paper Products Ltd., with bank till their release.		
22.04 Payments made to Auditors:	<u>2016-2017</u> (₹ in lacs)	<u>2015-2016</u> (₹ in lacs)
Audit fees	1.00	3.00
Taxation matters	0.10	0.60
Others	0.50	2.15
	<u>1.60</u>	<u>5.75</u>
22.05 Corporate Social Responsibility expenses debited to the Profit & Loss account ₹ 35.00 lacs (Last year ₹ 40 lacs) represents amount actually spent during the year on purpose other than construction / acquisition of Assets.		
22.06 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 '22' (Contd.)

	AS AT	AS AT
	<u>31.03.2017</u>	<u>31.03.2016</u>
	(₹ in Lacs)	(₹ in Lacs)
22.07 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.*	–	–
ii) Guarantee for other Companies *	1,500.00	1,000.00
iii) Claims against the Company not acknowledged as debts for excise duty, property tax and commercial claims etc. **	128.34	9.61
* 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	–	132.26

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

- a) Fixed Assets are valued at cost.
- b) Borrowing costs comprising interest etc. relating to projects 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.
- c) 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 w.e.f. 01/04/2014, in accordance with schedule II of the Companies Act, 2013. Lease hold land is depreciated based on period of residual lease.
- d) Land treated as stock in trade duly revalued at fair market value on the date of treatment, is carried at that value together with actual development expenses incurred thereon.
- e) Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair value. Long term investments are stated at cost, less provision for permanent diminution in value, if any.
- f) (i) Contributions to defined contribution schemes, namely, Provident Fund and Superannuation Fund is made at a pre-determined rates and are charged to the Profit & Loss Account.
(ii) Contributions to the defined benefit scheme, namely, Gratuity Fund & provision for the remaining Gratuity, 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.
- g) Lease arrangement where the risks and rewards to ownership an assets substantially vest with the lessor, are recognized as operating leaseres, Lease rentals under operating leases are recognised in the statement of Profit & Loss.
- h) Revenue recognition is postponed to a later year only when it is not possible to estimate it with reasonable accuracy.
- i) Factors giving rise to any indication of any impairment of the carrying amount of the company's assets are appraised at each balance sheet date to determine and provide /revert an impairment loss following accounting standard AS 28 for impairment of assets.

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '22' (Contd.)

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

	<u>AS AT</u> <u>2016-2017</u>	<u>AS AT</u> <u>2015-2016</u>
Basic/Diluted EPS:		
(a) Net Profit after tax as per Profit & Loss Account :		
After current and deferred Tax	₹ 608.36 lacs	₹ 754.57 lacs
(b) No. of Equity shares of ₹ 2/- each :	410.00 lacs	410.00 lacs
(c) Basic EPS		
After current and deferred Tax (a/b)	₹ 1.48	₹ 1.84

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

In respect of Depreciation	768.52	784.58
In respect of allowances and disallowances under various provisions of Income Tax Act	(340.25)	(345.31)
Net Deferred Tax Liability	<u>428.27</u>	<u>439.27</u>

- (b) The Deferred Tax Asset in respect of carry forward of losses and tax credit has been worked out on the basis of assessment orders, returns of income filed for subsequent assessment years and estimate of the taxable income for the year ending 31st March, 2017.

22.11 A dividend at the rate of ₹ 0.20 (per equity share of ₹ 2 fully paid) for the year 2016-17 aggregating to ₹ 82 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 ₹16.69 lakhs 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.

22.12 Related party disclosures (Accounting Standard 18) :

A) Subsidiary Company

- a) Pudumjee Investment & Finance Co.Ltd.

B) Associate Firms / Companies

- a) M/s. Pudumjee-G : Corp Developers.
 b) Pudumjee Industries Limited.
 c) Pudumjee Plant Laboratories Limited.
 d) Pudumjee Hygiene Products Limited.
 e) Pudumjee Holdings Limited.
 f) Pudumjee Paper Products Limited.
 g) G:Corp Township Pvt.Ltd.

NOTE '22' (Contd.)

C) Key Management Personnel

Shri. Arunkumar M. Jatia

Executive Chairman

Shri. S. K. Bansal

Wholetime Director & C.F.O.

Shri R. M. Kulkarni

Company Secretary

D) Transactions with related Parties

			2016-17 (2015-2016) (₹ in Lacs)	
	Subsidiary Company	Associate Companies	Maximum during the year	Key Management Personnel
a) Interest bearing Inter Corporate Deposits lent during the year	456.52 (96.80)	1,804.75 (177.36)		
b) Interest charged during the year	81.50 (101.09)	189.81 (174.26)		
c) Inter Corporate Deposits /Advances etc. outstanding receivable as at 31 st March, 2017 including interest				
Pudumjee- G : Corp Developers		127.00 (127.00)	127.00 (127.00)	
Pudumjee Investments & Finance Company Limited	493.86 (844.30)		870.76 (968.70)	
Pudumjee Industries Limited		1,801.15 (1,361.20)	1,885.00 (6,427.00)	
Pudumjee Paper Products Limited		– (775.03)	798.31 (775.03)	
d) Sale / Processing charges of goods during the year	–	223.66 (158.98)		
e) Purchases made during the year	–	0.73 –		
f) Reimbursement of common services and utilities during the year.	–	2.06 (1.41)		

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '22' - (Contd.)

2016-17
(2015-2016)
(₹ in Lacs)

	Subsidiary Company	Associate Companies	Maximum during the year	Key Management Personnel
g) Rent Received	-	71.14 (17.08)		
h) Remuneration	-	-	-	240.46 (260.59)
i) Guarantees outstanding as at 31 st March, 2017	-	1,500.00 (1,000.00)		
j) Debts/ Advances outstanding as at 31 st March, 2017	-	46.60	776.65	
Pudumjee Industries Ltd.		3.92	3.92	
Pudumjee Paper Products Ltd.		25.85	446.93	
G-Corp Developers	-	16.83 (166.90)	325.80 (166.90)	
k) Amount payable as at 31 st March, 2017		310.00		
l) Dividend to Associates during the year	-	6.83 (10.24)		
m) Dividend received from Associates during the year	-	0.69 -		
n) Share of Profit from firm	-	267.63 (707.52)		
o) Investment in subsidiary company	-	-		

Note: The figures in bracket relate to earlier year.

NOTE '22' - (Contd.)

	2016-17 (2015-2016) (₹ in Lacs)			
22.13 SEGMENT REPORTING (Accounting standard 17)				
Information about business segments.	Real Estate	Power	Others	TOTAL
From External Customers	349.02	481.15	–	830.16
	(729.66)	(515.53)		(1,245.19)
From Inter Segments	–	–		–
	–	–		–
SEGMENT REVENUE	349.02	481.15	–	830.16
	(729.66)	(515.53)	–	(1,245.19)
SEGMENT RESULTS	233.07	281.30	70.71	585.08
	(655.52)	(253.12)	(82.08)	(990.72)
Unallocated corporate expenses				221.73
				(206.15)
Operating Profit				363.35
				(784.57)
Interest Income				65.94
				–
PBT				429.28
				(784.57)
Income Taxes including Deferred Tax and Provision W/Back				179.08
				(30.00)
Profit from ordinary activities				608.36
				(754.57)
Extra Ordinary Income				–
				(–)
Net Profit as per Profit & Loss Account				608.36
				(754.57)
OTHER INFORMATION				
Total carrying amount of Segment Assets	4,228.25	2,133.92	4,120.11	10,482.28
	(3,410.22)	(2,264.56)	(4,664.56)	(10,339.34)
Add: Unallocated Corporate Assets				12.77
				(12.19)
Total Assets as per Balance Sheet				10,495.05
				(10,351.53)
Total carrying amount of Segment Liabilities	379.35	155.65	198.88	733.88
	(379.33)	(486.28)	(180.34)	(1,045.95)
Add: Unallocated Corporate Liabilities				9,761.17
				(9,305.58)
Total Liabilities as per Balance Sheet				10,495.05
				(10,351.53)

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '22' - (Contd.)

2016-17
(2015-2016)
(₹ in Lacs)

22.13 SEGMENT REPORTING (Accounting standard 17)

Information about business segments.	Real Estate	Power	Others	TOTAL
Capital Expenditure incurred during the year	128.63	193.26	–	321.89
	(0.74)	–	(73.15)	(73.89)
Depreciation for the Year	81.50	100.80	6.25	188.55
	(55.83)	(100.80)	(2.35)	(158.98)
Other Non Cash Expenditure	–	–	–	–
	(–)	(–)	–	(–)
Sales Revenue by Geographical Segments				
WITHIN INDIA	349.02	481.15		830.16
	(729.66)	(515.53)		(1,245.19)
OUTSIDE INDIA	–	–		–
	–	–		–
	349.02	481.15	–	830.16
	(729.66)	(515.53)	–	(1,245.19)

i) Segment Relates to -

- Construction Activity Development of land for residential / commercial building carried directly or through firm.
- Power Segment relates to Power Generation Activity Wind Power Turbines.
- Other segment relates to activities not covered by aforesaid segments.

ii) The figures in brackets relates to earlier year, regrouped wherever necessary

22.14 The Company had entered into lease/ leave & license agreements (including leave & license agreement pursuant to the scheme) for commercial use on terms and conditions as specified in their agreements for period ranging from 2 years to 5 years. In respect of this agreement the future minimum lease/ rental payments receivable /payable is as under :

(₹ in Lacs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	Receivables		Payables	
i) not later than one year	₹ 94.54 Lacs	₹ 57.48 Lacs	₹ 107.38 Lacs	₹ 102.27 Lacs
ii) later than one year and not later than five years	₹ 251.73 Lacs	₹ 195.00 Lacs	₹ 195.41 Lacs	₹ 302.79 Lacs
iii) later than five years	Nil	Nil	Nil	Nil

All such lease receipts for the year are recognized in Profit & Loss Account as miscellaneous income.

NOTE '22' - (Contd.)

22.15 (i) The details of the Joint Venture firm 'Pudumjee-G : Corp Developers' in which the company is partner are as under:

- | | | | |
|-----|------------------------------|-------------------------------------|-----------------------------------|
| (a) | Partners | Pudumjee Pulp & Paper Mills Limited | G-Corp Properties Private Limited |
| | Capital - ₹ in Lacs | 35 | 35 |
| | Profit /Loss - Sharing ratio | 60% | 40% |
- (b) The Firm is engaged in construction and sale of residential flats. It has followed completed building method till 31st March, 2015 However in view of newly introduced tax accounting standards the firm has instead adopted percentage completion method.
- (c) The company's share of interest in the joint venture Firm:

	(₹ in Lacs)	
	<u>As at 31.03.2017</u>	<u>As at 31.03.2016</u>
Liabilities	2,109.90	1,831.96
Assets	2,337.96	2,180.56
Turnover	1,340.70	2,617.15
Expenditure	1,073.06	1,909.63

- (ii) a) The details of Investment in GCorp Township Pvt. Ltd., in which the company hold 50% share are as under

Shareholders	Pudumjee Pulp & Paper Mills Ltd.	G Corp Developers Pvt. Ltd.	Enamour Reality Pvt. Ltd.
Equity Share Capital held	₹ 1,00,50,000	60,30,000	40,20,000
% of Shares held	50%	30%	20%

- b) The Joint Venture Company will engage in development, construction and sale of commercial/residential premises after concluding joint development agreement with a land owner.
- c) The Companies Share of interest in Joint Venture company are as under

	<u>₹ In Lacs</u>
Liabilities	1.93
Assets	100.11
Turnover	NIL
Expenditure	2.13

- d) As the Joint Venture is yet to commence its operations, the ability to transfer funds to the company has not arisen.

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

- a) An amount of ₹ 34.29 lacs (Last year ₹ 34.10 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.

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '22' - (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)	
	2016-2017	2015-2016	2016-2017	2015-2016
i) The present value of defined benefit obligations at the commencement of the Year	156.13	959.55	27.84	157.76
Less: Transferred Pursuant to Scheme of Demerger	–	834.65	–	136.93
Balance	156.13	124.90	27.84	20.83
ii) Current Service cost	8.54	8.87	3.65	4.23
iii) Interest cost	12.49	9.77	2.23	1.61
iv) Actuarial (Gain)/Loss	(10.24)	12.59	0.52	3.14
v) Benefits (Paid)	(11.30)	–	(2.97)	(1.97)
vi) Past Service Cost	–	–	–	–
vii) The present value of defined benefit obligations at the close of the Year	155.62	156.13	31.27	27.84
viii) The fair value of plan assets at the close of the year	93.75	91.41	–	–
ix) The Past service cost not yet recognized	–	–	–	–
x) Expected return on plan assets	(4.00)	(6.85)	–	–

Expenses aggregating ₹ 13.19 lacs (Last year ₹ 33.36 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	2016-2017	2015-2016	2016-2017	2015-2016
i) Rate of interest (per annum)	7.50%	7.75%	7.50%	7.75%
ii) Salary growth (per annum)	7.00%	7.00%	7.00%	7.00%
iii) Withdrawal rate (Per annum)	1.00%	1.00%	1.00%	1.00%
iv) Expected return on Plan Assets	–	8.50%	–	–
v) Mortality rates: Indian Assured Lives (2006-08)	Ultimate	Ultimate	Ultimate	Ultimate

NOTE '22' - (Contd.)

22.17 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.

Particulars	Specified Bank Notes (SBNs)	Other Dnomination Notes	Total
Closing cash in hand as on 08.11.2016	–	12,405	12,405
(+) Permitted receipts	–	50,000	50,000
(-) Permitted payments	–	88	88
(-) Amount deposited in Banks	–	–	–
Closing cash in hand as on 30.12.2016	–	62,317	62,317

22.18 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 '22'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

B.C. DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Mumbai, Dated : 20th May, 2017

INDEPENDENT AUDITOR'S REPORT

**To The Members of
Pudumjee Pulp & Paper Mills Limited**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of PUDUMJEE PULP & PAPER MILLS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2017, and their consolidated Profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We have audited the financial statements of Pudumjee Investment & Finance Co. Ltd. a subsidiary, whose

financial statements reflect total assets of ₹ 574.13 lakh as at 31st March, 2017, total revenues of ₹ 782.34 lakh and net cash flows amounting to ₹ 0.51 lakh for the year ended on that date, as considered in the consolidated financial statements.

- (b) We did not audit the financial statements of Pudumjee G: Corp Developers a jointly controlled Joint Venture firm whose financial statements reflect total assets ₹ 3896.60 lakh as at 31-03-2017, total Revenue ₹ 2197.95 lakh and net cash flows ₹ 235.60 Lakh for the year ended on that date as appropriately considered in the consolidated financial statements.
- (c) The consolidated financial statements also include the Group's share of net Loss of ₹ 3.49 lakh for the year ended 31st March, 2017 as considered in the consolidated financial statements, in respect of Pudumjee Industries Ltd., whose financial statements have been audited by us.
- (d) We did not audit the financial statements of Pudumjee G-Corp Township P. Ltd., a jointly controlled Joint Venture Company. The consolidated financial statements also include the Group's share of net Loss of ₹ 2.13 lakh for the year ended 31st March, 2017 as considered in the consolidated financial statements, in respect of a joint venture Company, G-Corp Township P. Ltd., whose financial statements have been audited by us.
- (e) Our opinion on the consolidated financial statements/ and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that;

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities - Refer Note 25.06 (a)(ii) to the consolidated financial statements.
 - ii. The group, its associates and jointly controlled entities did not have any material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred during the year to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, associate companies and jointly controlled companies incorporated in India.

For KHARE & COMPANY
Chartered Accountants
(FRN 105100W)

(Y.P. SHUKLA)
(Proprietor)
(Membership No. 16203)

Place of Signature : Pune,
Dated : 20th May, 2017.

PUDUMJEE PULP & PAPER MILLS LIMITED

CONSOLIDATED 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	820.00	820.00
(b) Reserves and Surplus	2	8,603.98	7,909.27
(2) Non-Current Liabilities			
(a) Long-term borrowings	3	1,267.85	1,110.85
(b) Deferred tax liabilities (Net)		428.27	439.27
(c) Other Long-term Liabilities	4	0.02	1.84
(d) Long term provisions	5	237.32	283.24
(3) Current Liabilities			
(a) Short-term borrowings	6	–	86.40
(b) Trade payables	7	409.54	536.51
(c) Other current liabilities	8	1,101.61	1,055.08
(d) Short-term provisions	9	31.27	109.84
Total		12,899.86	12,352.30
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	3,554.88	3,340.93
(ii) Capital work-in-progress		130.87	46.49
(b) Non-current investments	11	1,201.88	1,107.15
(c) Long term loans and advances	12	2,366.40	2,532.34
(2) Current assets			
(a) Current investments	13	492.78	1.09
(b) Inventories	14	3,330.15	3,676.35
(c) Trade receivables	15	168.97	111.65
(d) Cash and Bank Balances	16	479.58	374.31
(e) Short term loans & Advances	17	1,174.35	1,161.99
Total		12,899.86	12,352.30

OTHER NOTES AS PER NOTE '25'

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

B.C. DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Pune, Dated : 20th May, 2017

Mumbai, Dated : 20th May, 2017

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

	Note No.	<u>2016-2017</u> (₹ in Lacs)	<u>2015-2016</u> (₹ in Lacs)
I. Revenue from operations	18	2,538.49	3,374.18
II. Other Income	19	442.47	359.65
III. Total Revenue (I + II)		<u>2,980.96</u>	<u>3,733.83</u>
IV. Expenses:			
(1) Cost of Materials Consumed	20	523.32	1,148.13
(2) Trade Purchases		232.25	232.68
(3) Changes in Inventories of Finished Goods, Work-in-Process and Stock in Trade	21	376.95	106.48
(4) Employees Cost	22	306.14	356.37
(5) Finance Cost	23	128.08	172.52
(6) Depreciation and Amortization	10	194.35	174.34
(7) Other Expenses	24	542.77	468.53
Total Expenses		<u>2,303.86</u>	<u>2,659.05</u>
V. Profit/(Loss) before exceptional and extraordinary items and tax Operation (III-IV)		677.10	1,074.78
VI. Prior Period Income /(Expenses)		<u>(19.39)</u>	37.50
VII. Profit/(Loss) before tax (V+VI)		657.71	1,112.28
VIII. Tax expense:			
(1) Current tax /(Savings)		170.00	413.95
(2) Deferred tax / (Savings)		(11.00)	(15.00)
(3) Provision for Current tax for Earlier year Written Back		<u>(203.08)</u>	–
IX. Profit/(Loss) for the year (VII-VIII)		701.79	713.33
Add : Shares of profit /(Loss) from Associate		(5.62)	6.50
X. Net Profit for the year after Tax and share of profit from associate		<u>696.17</u>	<u>719.83</u>
XI. Earning per equity share:(Face value ₹ 2 per share)			
(1) Basic		1.70	1.76
(2) Diluted		1.70	1.76

(See Note No.25.08)

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

B.C. DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Mumbai, Dated : 20th May, 2017

PUDUMJEE PULP & PAPER MILLS LIMITED

CONSOLIDATED 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 & Extraordinary Items	652.09	1,118.78
Adjustments for :		
Depreciation	194.35	174.34
Depreciation on Construction WIP	(1.94)	
Interest & Financial charges	128.08	172.52
Loss / (Profit) on sale of Fixed Assets	(6.58)	-
Provision for Bad & Doubtful debts / advances	6.54	-
Other income	(424.04)	(239.51)
	<u>(103.59)</u>	<u>107.35</u>
Operating profit before Working Capital Changes	548.50	1,226.13
(Increase)/Decrease in Inventories	346.20	445.30
(Increase)/Decrease in Debtors	(57.32)	163.23
(Increase)/Decrease in Advances Others	(9.10)	(148.08)
Increase/(Decrease) in Advances Customers	239.83	(1,109.49)
Increase/(Decrease) in Minority Interest	-	(49.55)
Increase/(Decrease) in Liabilities	(109.21)	(69.79)
	<u>410.40</u>	<u>(768.38)</u>
Cash Generated from Operations	958.90	457.75
Income Tax (paid)/Refund Received (Net)	(17.15)	(212.68)
Cash Flow before Extraordinary Items	941.75	245.07
Extra ordinary items	-	-
Net cash from Operating Activities	941.75	245.07
B Cash flow from Investing Activities		
Purchase of Fixed Assets	(491.16)	(77.46)
Sale Proceeds of Fixed Assets etc.	7.00	-
Investment in Preference shares / Mutual Funds etc.	(586.95)	181.88
Change in Loans & Advances	162.37	51.13
Interest Received	272.05	223.41
Dividend Received	151.99	16.10
Net cash from / (used) in Investing Activities	(484.70)	395.06
C Cash flow from Financing Activities		
Proceeds from Borrowings	300.00	240.00
Repayment of Borrowings	(441.70)	(414.85)
Payment of Interest	(128.08)	(172.52)
Dividend paid	(82.00)	(123.00)
Net cash from / (used) in Financing Activities	(351.78)	(470.37)
Net change in Cash & Cash Equivalents (A+B+C)	105.27	169.76
Cash & Cash Equivalents (Opening Balance)	374.31	704.49
Add : Amount adjusted pursuant to Scheme of Arrangement (with reference to Provisional Balance Sheet as at 31 st Mar 2015)	-	(499.94)
Cash & Cash Equivalents (Closing Balance)	479.58	374.31

Note: 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

B.C.DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Pune, Dated : 20th May, 2017

Mumbai, Dated : 20th May, 2017

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

	AS AT 31.03.2017	AS AT 31.03.2016
NOTE '1' - SHARE CAPITAL	(₹ in Lacs)	(₹ in Lacs)
AUTHORISED		
4,75,00,000 Equity Shares of ₹ 2/- each	950.00	950.00
50,000 14% (free of company's tax but subject to deduction of tax at source at the prescribed rates) Redeemable Cumulative Preference Shares of ₹ 100/- each	50.00	50.00
	1,000.00	1,000.00

ISSUED, SUBSCRIBED AND FULLY PAID UP

4,10,00,000 Equity Shares of ₹ 2/- each	820.00	820.00
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1.1 The reconciliation of the number of Equity shares outstanding :-

Equity Shares at the beginning and end of the year	4,10,00,000	4,10,00,000
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1.2 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
Thacker & Co. Ltd.	63,68,253	15.53	63,68,253	15.53
Pudumjee Industries Limited	34,12,850	8.32	34,12,850	8.32
Suma Commercial Pvt. Ltd.	51,23,036	12.50	51,23,036	12.50
Chem Mach Pvt. Ltd.	25,33,265	6.18	25,33,265	6.18
Arunkumar Mahabir Prasad Jatia	20,48,000	5.00	-	-
Yashvardhan Jatia Trust	47,33,857	11.55	-	-
Yashvardhan Jatia	-	-	23,36,354	5.70

PUDUMJEE PULP & PAPER MILLS LIMITED

**NOTES ANNEXED TO AND FORMING PART OF
THE CONSOLIDATED 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	108.39		7,508.39	
Add : Transfer from Profit & Loss Account	50.00		200.00	
Less : Transfer on Demerger to PPPL	<u>—</u>	158.39	<u>7,600.00</u>	108.39
SHARE PREMIUM ACCOUNT				
As per last Balance Sheet		1,537.50		1,537.50
CAPITAL RESERVE I				
On Reissue of forfeited shares		5.86		5.86
CAPITAL RESERVE II (On Consolidation of Subsidiary Companies)				
As per last Balance Sheet		297.83		297.83
CAPITAL RESERVE III (On Consolidation of Associate Companies)				
On Valuation of Investments	373.57		367.20	
Add / (Less) Transfer from P & L Account	<u>(3.49)</u>	370.08	<u>6.50</u>	373.70
CAPITAL RESERVE IV (On Consolidation of Joint Venture)				
As per last Balance Sheet	32.40		32.40	
On Valuation of Investments	(0.40)		—	
Add / (Less) Transfer from P & L Account	<u>(2.13)</u>	29.87	<u>—</u>	32.40
CAPITAL RESERVE V				
On Treatment of land as stock- in Trade [See note 25.03 (a)]		1,441.53		1,441.53
RESERVE FOR DOUBTFUL DEBTS (See Note '5')				
		—		—
SURPLUS IN PROFIT AND LOSS ACCOUNT				
Balance in Profit & Loss Account		4,112.06		6,336.65
Less : Transfer on Demerger to PPPL		—		2,639.58
Less : Transfer on seized to be subsidiary PPPL		—		0.57
Add : Profit for the Year		696.17		719.83
		<u>4,808.23</u>		<u>4,416.33</u>
AMOUNT AVAILABLE FOR APPROPRIATIONS				
APPROPRIATIONS :				
Proposed Dividend on Equity Shares (Free of Tax)			82.00	
Tax on Proposed Dividend	0.93		15.77	
Transfer to Capital Reserves	(5.62)		6.50	
Transfer to General Reserve	50.00		200.00	
		<u>45.31</u>		<u>304.27</u>
		<u>4,762.92</u>		<u>4,112.06</u>
		<u>8,603.98</u>		<u>7,909.27</u>

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

	<u>AS AT</u> <u>31.03.2017</u> (₹ in Lacs)	<u>AS AT</u> <u>31.03.2016</u> (₹ in Lacs)
NOTE '3' - LONG TERM BORROWINGS		
(A) Secured Borrowings		
FROM BANKS		
TERM LOAN	-	-
(Secured by first charge on the Assets at Sadawaghapur of the Holding Company specifically purchased therefrom) (See Note (a) below)		
TERM LOAN	-	129.50
(Secured by first charge on the Assets at Jath of the Holding Company specifically purchased therefrom) (See Note (b) below)		
TERM LOAN	900.00	600.00
(Secured by Land & Building under construction in Phase III of Joint Venture and corporate guarantee of the Company) (See Note (c) below)		
TERM LOAN	12.85	26.35
(Secured by vehicle purchased therefrom) (See Note (d) below)		
Total (A)	<u>912.85</u>	<u>755.85</u>

Notes:

- (a) Excluding ₹ Nil (Last year ₹ 171.00 lacs) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayable in 20 equal quartely installments beginning with 21.06.2012.
- (b) Excluding ₹ 129.50 lacs (Last year ₹ 172.00 lacs) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayable in 20 equal quartely installments beginning with 25.09.2013.
- (c) Excluding ₹ Nil (Last year ₹ Nil lacs) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayable in 8 equal quartely installments beginning with 1.01.2018.
- (d) Excluding ₹ 13.50 (Last year ₹ 12.30 Lacs) shown under "Current maturities of Long Term Debt" under Note No.8.
Repayable in 36 Monthly installments beginning with 1.2.2016.
- (e) There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.

*** Security :**

* Land & Building at Pune of Company continues to be under first Charge for the Term Loans transferred on demerger to Pudumjee Paper Products Ltd., pursuant to scheme of demerger, pending creation of securities by Pudumjee Paper Products Ltd. with bank till their release.

PUDUMJEE PULP & PAPER MILLS LIMITED

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

	AS AT <u>31.03.2017</u> (₹ in Lacs)	AS AT <u>31.03.2016</u> (₹ in Lacs)
(B) Unsecured Borrowings		
Deposit		
From Associates	310.00	310.00
From Others	45.00	45.00
Total (B)	<u>355.00</u>	<u>355.00</u>
Total Long term borrowings(A) +(B)	<u><u>1,267.85</u></u>	<u><u>1,110.85</u></u>

Notes: There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.

NOTE '4' - OTHER LONG TERM LIABILITIES

Sundry Creditors	<u>0.02</u>	<u>1.84</u>
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NOTE '5' - LONG TERM PROVISIONS

Provision for Diminution in value of Long term Investments and Impairment of Fixed Assets As per Last Balance Sheet	60.00	1,457.26
Less : Deducted per contra		
From Investments	60.00	60.00
From Fixed Assets	-	-
As per last Balance Sheet	<u>-</u>	<u>1,397.26</u>
	-	573.19
Add : Transferred from Profit & Loss Account	<u>6.54</u>	-
	6.54	573.19
Less : Debts & Advances considered Doubtful per contra	6.54	-
Less : Transfer on Demerger to PPPL	-	<u>573.19</u>
	<u>-</u>	-
Provision for Taxation (Less: Advance Tax etc.)	175.45	218.52
Provision for Gratuity (Long Term)	61.87	64.72
	<u>237.32</u>	<u>283.24</u>

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

	AS AT 31.03.2017 (₹ in Lacs)	AS AT 31.03.2016 (₹ in Lacs)
NOTE '6' - SHORT TERM BORROWINGS		
(A) Secured Borrowings from Bank		
Cash Credit repayable on demand	-	-
(Secured by hypothecation of stocks, stores and book debts and second charge on all immoveables and moveable properties of the Company at its Pune plant & Joint Venture firm)		
Demand loan from Bank	-	86.40
Total (A)	<u>-</u>	<u>86.40</u>
* Land & Building at Pune of the Holding Company continues to be under second Charge for the working Capital facilities transferred to Pudumjee Paper Products Ltd., pursuant to scheme of demerger, pending agreement with banks till their release.		
(B) Unsecured Borrowings from others		
OTHER SHORT TERM LOANS & ADVANCES	-	-
Total (B)	-	-
Total short term borrowings(A) + (B)	<u>-</u>	<u>86.40</u>
Note : There has been no default in repayment of Loan & Payment of Interest in respect of any of aforesaid borrowings.		
NOTE '7' - TRADE PAYABLE		
Sundry Creditors	<u>409.54</u>	<u>536.51</u>
	<u>409.54</u>	<u>536.51</u>
NOTE '8' - OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debts:		
Fixed Deposits		
Secured Debts	143.00	355.30
Unsecured Debts		
Unclaimed dividend	19.35	19.59
Interest on Loans accrued but not due on borrowings	0.04	0.80
Advances from Customers	914.22	674.39
Other payables	25.00	5.00
	<u>1,101.61</u>	<u>1,055.08</u>
NOTE '9' - SHORT TERM PROVISIONS		
Provision for Leave Encashment	31.27	27.84
Proposed Dividend	-	82.00
	<u>31.27</u>	<u>109.84</u>

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

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

(₹ in lacs)

TYPE OF ASSETS	Cost upto 31.3.2016	Additions/ Transfers during the Year	Deductions/ Transfers during the Year	Balance Cost upto 31.03.2017	Depreciation/ Amortisation upto 31.3.2016	Depreciation/ Amortisation for the Year	Depreciation/ Amortisation on sold Assets and on deductions written back	Depreciation/ Amortisation Balance as on 31.03.2017	Net Book Value as on 31.03.2017	Net Book Value as on 31.3.2016
TANGIBLE ASSETS										
Land - Freehold	37.35	-	-	37.35	-	-	-	-	37.35	37.35
Land - Freehold-Leased	3.40	-	-	3.40	-	-	-	-	3.40	3.40
- Leasehold	39.00	-	-	39.00	6.39	1.30	-	7.69	31.31	32.61
Buildings Under Lease	488.85	126.31	0.93	614.23	131.35	9.24	0.51	140.08	474.15	357.50
Buildings - Others	2,143.96	117.59	-	2,261.55	1,161.78	72.05	-	1,233.83	1,027.72	982.18
Machinery	2,387.88	0.27	-	2,388.15	513.24	101.15	-	614.39	1,773.76	1,874.64
Laboratory Equipments	1.53	0.24	-	1.77	1.05	0.17	-	1.22	0.55	0.48
Furniture & Fixtures	9.98	162.37	-	172.35	6.30	1.46	-	7.76	164.59	3.68
Vehicles	58.42	-	-	58.42	9.33	7.04	-	16.37	42.05	49.09
Total (A)	5,170.37	406.78	0.93	5,576.22	1,829.44	192.41	0.51	2,021.34	3,554.88	3,340.93
Previous year	29,433.50	63.75	-	5,170.37	18,558.46	180.23	-	1,829.44	3,340.93	10,875.04

Note :1) The depreciation charged on Fixed Assets in the Profit & Loss Account includes an amount of ₹ 1.94 lacs transferred from construction work in progress. However the depreciation charged on Fixed Assets in the Profit & Loss Account does not include an amount of ₹ 5.89 lacs allocated to construction work in progress for previous year of Joint Venture.

**NOTES ANNEXED TO AND FORMING PART OF
THE CONSOLIDATED 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)		
Investments In Associates :		
6,75,000 (Last year 6,75,000) Equity shares of Pudumjee Plant Laboratories Ltd. of ₹ 10/- each fully paid (unquoted)	60.00	60.00
49,02,515 (Last Year 49,02,515) Equity shares of Pudumjee Industries Ltd. of ₹ 2/- each fully paid (quoted)*	924.30	927.92
24,61,131 (Last year 24,61,131) Equity Shares of Pudumjee Paper Products Ltd. of ₹ 1/- each fully paid (quoted)*	178.83	178.83
300 (Last year Nil) Equity shares of Heatshrink Technologies Ltd. of ₹ 10/- each. fully paid (unquoted) *	0.13	-
6 (Last year Nil) Equity shares of Essar Steel Limited of ₹ 10/- each. fully paid (unquoted) *	-	-
50 (Last year Nil) Equity shares of Shree Vindhya Paper Mills Limited of ₹ 10/- each. fully paid (unquoted) *	-	-
Investments In Joint Venture:		
10,05,000 (Last Year Nil) Equity Shares of G.Corp Township Pvt.Ltd. of ₹ 10/- each. fully paid (unquoted) *	98.22	-
Other Investment :		
4,000 (Last year 4,000) Shares of Saraswat Co-op Bank Ltd. of ₹ 10/- each fully paid (unquoted)	0.40	0.40
	1,261.88	1,167.15
Less : Provision for Diminution in value of Long term Investments deducted per contra	60.00	60.00
	<u>1,201.88</u>	<u>1,107.15</u>
* The cost of Pudumjee Paper Products Ltd. shares have been arrived at as per section 49 (2 C) & (2 D) of the Income Tax Act on demerger & reduced from the cost of Pudumjee Industries Ltd. shares.		
Aggregate amount of quoted investments		
Cost	1,103.26	1,106.75
Market Value	1,174.27	918.53
Aggregate amount of unquoted investments		
Cost	158.62	60.40
NOTE '12' - LONG TERM LOANS & ADVANCES		
(Unsecured, Considered good, unless otherwise stated)		
Prepaid Expenses	4.42	6.65
Security Deposits	28.12	29.46
Loans & Advances to Associates	1,973.86	2,136.23
Others Advances	360.00	360.00
Secured Last Year (Nil)	<u>2,366.40</u>	<u>2,532.34</u>
NOTE '13' - CURRENT INVESTMENTS		
CURRENT INVESTMENTS IN MUTUAL FUNDS (unquoted) (EACH VALUED ON LOWER OF COST OR FAIR VALUE)		
1,077 (Last Year 65) Units of SBI Magnum Insta Cash Fund of ₹ 1000/- each fully paid	18.04	0.65
31,054 (Last Year 48) Units of Reliance Liquid Fund. of ₹ 1000/- each fully paid	474.74	0.44
	492.78	1.09
Aggregate amount of unquoted investments	<u>492.78</u>	<u>1.09</u>
Cost	492.78	1.09

PUDUMJEE PULP & PAPER MILLS LIMITED

**NOTES ANNEXED TO AND FORMING PART OF
THE CONSOLIDATED 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)	108.80	34.36
Work-in-process (At cost)	1,437.73	1,518.34
Finished Stock (At lower of cost or market value.)	—	376.95
Stock in Trade - Land	1,441.67	1,441.67
- Other developments	341.95	305.03
[See note 25.03 (a)]	<u>3,330.15</u>	<u>3,676.35</u>
NOTE '15' - TRADE RECEIVABLES (Unsecured)		
Debts outstanding for a period exceeding six months from due date		
Considered Good	6.67	6.69
Considered Doubtful	<u>—</u>	<u>—</u>
	6.67	6.69
Other Debts		
Considered Good	162.30	104.96
Considered Doubtful	<u>—</u>	<u>—</u>
	168.97	111.65
Less: Provision for Doubtful Debts deducted per contra	<u>—</u>	<u>—</u>
	<u>168.97</u>	<u>111.65</u>
	<u>168.97</u>	<u>111.65</u>
NOTE '16' - CASH & BANK BALANCES		
Cash on hand as per books	2.50	0.17
Deposit with Bank for Margin Money (with maturity beyond 12 months)	—	12.00
On other accounts with Banks	102.16	181.79
Cheques on hand	355.57	160.76
Unpaid Dividends account with Banks	19.35	19.59
	<u>479.58</u>	<u>374.31</u>
NOTE '17' - SHORT TERM LOANS & ADVANCES		
(Unsecured, Considered good, other than related parties)		
Prepaid Expenses	41.34	33.47
Interest Accrued		
On Banks & Other Deposits	—	2.94
Capital Advances	—	32.16
Advance Income Tax for Current year (Less Provision for Current year Tax)	22.03	15.80
Advances to employees of the Company	2.12	2.30
Balance with Government Authorities	28.35	41.75
Advances to Suppliers	728.24	725.08
Sundry Advances	358.81	308.49
	<u>1,115.40</u>	<u>1,075.32</u>
Less : Provision for Doubtful Advances deducted per contra	<u>6.54</u>	<u>—</u>
	<u>1,108.86</u>	<u>1,075.32</u>
	<u>1,174.35</u>	<u>1,161.99</u>

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

	Year Ended <u>31.03.2017</u> (₹ in Lacs)	Year Ended 31.03.2016 (₹ in Lacs)
NOTE '18' - REVENUE FROM OPERATIONS		
Trade Sale-Shares	657.19	301.32
Sale of Wind Power	375.76	415.73
Real Estate Activity	1,318.77	2,557.33
Other Operating Revenue	186.77	99.80
	<u>2,538.49</u>	<u>3,374.18</u>
NOTE '19' - OTHER INCOME		
Dividends		
Others	151.99	16.10
Miscellaneous Income	11.85	120.14
Interest received from others	272.05	223.41
Profit on sale /transfer of fixed assets (net)	6.58	-
	<u>442.47</u>	<u>359.65</u>
NOTE '20' - COST OF MATERIAL CONSUMED		
Consumption of Raw Materials	523.32	1,148.13
	<u>523.32</u>	<u>1,148.13</u>
NOTE '21' - CHANGE IN INVENTORIES OF FINISHED GOODS WORK-IN-PROCESS AND STOCK-IN-TRADE		
STOCK AT COMMENCEMENT		
Finished Paper / Shares / Construction	376.95	483.43
STOCK AT CLOSE		
Finished Paper / Shares / Construction	-	376.95
	<u>376.95</u>	<u>106.48</u>
NOTE '22' - EMPLOYEES' COST		
SALARIES,WAGES,BONUS etc.		
Salaries, Wages, gratuity & Bonus	260.85	307.66
Contribution to Provident & Other		
Funds (Including Administrative Charges)	41.42	43.03
Workmen & Staff Welfare Expenses	3.87	5.68
	<u>306.14</u>	<u>356.37</u>

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED 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 '23' - FINANCE COST				
Interest on borrowings	127.93		172.43	
Other Financial Charges	0.15	128.08	0.09	172.52
		<u>128.08</u>		<u>172.52</u>
NOTE '24' - OTHER EXPENSES				
Fuel, Power & Water	6.56		64.09	
Rent	90.57		91.10	
Rates & Taxes	33.46		16.98	
Repairs & Maintenance				
Machinery	54.68		48.19	
Buildings	7.81		—	
Others	1.88	64.37	0.02	48.21
Insurance		3.83		2.47
Directors' Fees		3.32		4.27
Loss on sale of Investment / Mutual Fund		121.48		—
Provision for Doubtful Debts		6.54		—
Advertisement Expenses		21.04		19.54
Corporate Social Responsibility		35.00		40.00
Office & Miscellaneous Expenses		156.60		181.87
		<u>542.77</u>		<u>468.53</u>

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

Note: 25

- 25.01** i) Salary, Wages, gratuity and bonus (Note No 22) does not include a sum of ₹ 25.71 lacs (Last year ₹ 22.21 lacs) transferred to under stock in trade.
- ii) Rates & Taxes and Professional fees Capitalised to Fixed Assets ₹ 180.80 lacs (Last year Nil)
- 25.02** a) Land admeasuring 96111.84 sqft at Thergaon, Pune costing ₹ 0.14 lac, is revalued and converted by the parent company in to stock in trade on 23.10.2013 at an amount of ₹ 1441.67 lacs being the Fair Market Value of the land, ascertained by the Government approved valuers and the resulting difference of ₹ 1441.53 lacs is credited to Capital Reserve appearing under Reserves and Surplus. The Company is developing this land for constructing residential /commercial complex and expenditure of ₹ 36.92 lacs during the year and ₹ 305.03 lacs in the earlier year incurred in this regard is carried forward as a part of stock in trade.

NOTE '25' - (Contd.)

- b) Land admeasuring about 3000 Sq. Meters has been acquired by Municipal Corporation for road widening purpose in the earlier years. The Company is entitled to TDR with an out side chance of cash compensation, which is yet to be determined and as such this will be included when finally decided since the relevant documentation is yet to be finalised and executed.
- c) Land & Building at Pune of the Company continues to be under first charge for the Term Loans transferred on demerger to Pudumjee Paper Products Ltd. pursuant to scheme of demerger, pending creation of securities by Pudumjee Paper Products Ltd with bank till their release.

25.03 Payments made to Auditors:	2016-2017	2015-2016
	(₹ in Lacs)	(₹ in Lacs)
Audit fees	2.86	4.36
Taxation matters	0.93	1.43
Others	0.56	2.21
	<u>4.35</u>	<u>8.00</u>

25.04 Corporate Social Responsibility expenses debited to the Profit & Loss account ₹ 35.00 lacs (Last year ₹ 40.00 Lacs) represents amount actually spent during the year on purpose other than construction / acquisition of Assets.

25.05 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.

25.06 a) Contingent Liabilities not provided for in respect of:

	AS AT	AS AT
	31.03.2017	31.03.2016
	(₹ in Lacs)	(₹ in Lacs)
i) Guarantee for Firm/Other Companies *	1,500.00	1,000.00
ii) Claims against the Company not acknowledged as debts for excise duty, property tax and commercial claims etc. **	178.22	59.49
* 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 of Parent company remaining to be executed on capital account	-	132.26

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '25' - (Contd.)

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

- a) Fixed Assets are valued at cost.
- b) Borrowing costs comprising interest etc. relating to projects are capitalised up to the date of its completion and other borrowing costs are charged to Profit & Loss Account in the year of their accrual.
- c) Depreciation on Machinery & Building has been provided on Straight Line Method and 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 w.e.f. 01/04/2014, in accordance with schedule II of the Companies Act, 2013.
Lease hold land is amortised based on period of residual lease. In case of joint venture firm temporary structures are amortized in proportion of properties fully completed.
- d) Land treated as stock in trade duly revalued at fair market value on the date of treatment, is carried at that value together with actual development expenses incurred thereon.
- e) Investments are classified into current and long term investments. Current investments are stated at lower of cost or fair value. Long term investments are stated at cost, less provision for permanent diminution in value, if any.
- f) (i) Contributions to defined contribution schemes, namely, Provident Fund and Superannuation Fund is made at a pre-determined rates and are charged to the Profit & Loss Account.
(ii) Contributions to the defined benefit scheme, namely, Gratuity Fund & provision for the remaining Gratuity, 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.
- g) Lease arrangement where the risks and rewards to ownership an assets substantially vest with the lessor, are recognized as operating leases, Lease rentals under operating leases are recognized in the statement of Profit & Loss.
- h) Revenue recognition is postponed to a later year only when it is not possible to estimate it with reasonable accuracy.
The joint venture firm has followed completed building method for recognizing its revenue, when the constructed flats are ready for possession, till 31.03.2015. However in view of newly introduced tax accounting standards the firm has instead adopted percentage completion method.
- i) Factors giving rise to any indication of any impairment of the carrying amount of the company's assets are appraised at each balance sheet date to determine and provide / revert an impairment loss following accounting standard AS 28 for impairment of assets.

NOTE '25' (Contd.)

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

	AS AT <u>2016-2017</u>	AS AT <u>2015-2016</u>
Basic / Diluted EPS :		
(a) Net Profit after tax as per Profit & Loss Account :		
After current and deferred Tax	₹ 696.17 lacs	₹ 719.83 lacs
(b) No. of Equity shares of ₹ 2/- each :	410.00 lacs	410.00 lacs
(c) Basic EPS		
After current and deferred Tax (a/b)	₹ 1.70	₹ 1.76

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

	AS AT <u>2016-2017</u> (₹ in Lacs)	AS AT <u>2015-2016</u> (₹ in Lacs)
In respect of Depreciation	768.52	784.58
In respect of allowances and disallowances under various provisions of Income Tax Act.	(340.25)	(345.31)
Net Deferred Tax Liability	<u>428.27</u>	<u>439.27</u>

(b) The Deferred Tax Asset in respect of carry forward of losses and tax credit has been worked out on the basis of assessment orders, returns of income filed for subsequent assessment years and estimate of the taxable income for the year ending 31st March, 2017.

(c) No Deferred Tax Asset has been recognised in case of Joint venture firm and subsidiary company.

25.10 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 Holdings Limited.
- e) Pudumjee Paper Products Limited.
- f) G:Corp Township Pvt.Ltd.

B) Key Management Personnel

Shri. Arunkumar M. Jatia

Executive Chairman

Shri. S. K. Bansal

Whole-time Director (Finance) & C.F.O

Shri. R. M. Kulkarni

Company Secretary

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '25' (Contd.)

C) Transactions with related Parties	2016-17 (2015-2016)	
	(₹ in Lacs)	
	Associate Companies	Maximum during Management Personnel
a) Interest bearing Inter Corporate Deposits lent during the year	1,804.75 (177.36)	
b) Interest charged during the year	189.81 (174.26)	
c) Inter Corporate Deposits /Advances etc.outstanding receivable as at 31 st March, 2017 including interest		
Pudumjee Industries Limited	1,801.15 (1,361.20)	1,885.00 (6427.00)
Pudumjee Paper Products Limited	– (775.03)	798.31 (775.03)
d) Sale / Processing charges of goods during the year	223.66 (158.98)	
e) Purchases made during the year	0.73 (–)	
f) Reimbursement of common services and utilities during the year.	2.06 (1.41)	
g) Rent received	71.14 (17.08)	
h) Remuneration		240.46 (260.59)
i) Guarantees outstanding as at 31 st March, 2017	1,500.00 (1,000.00)	
j) Debts outstanding as at 31 st March, 2017		
Pudumjee Industries Limited	46.60 (3.92)	776.65 (3.92)
Pudumjee Paper Products Limited	25.85 (–)	446.93 (–)
k) Amount Payable as at 31 st March 2017	310.00 (310.00)	
l) Dividend to Associates during the year	6.83 (10.24)	
m) Dividend received from Associates during the year	0.69 (–)	

Note: The figures in bracket relates to earlier year.

NOTE '25' (Contd.)

25.11 SEGMENT REPORTING (Accounting standard 17)
Information about business segments.2016-2017
(2015-2016)
(₹ in Lacs)

	Real Estate	Investment /Others	Power Generation	TOTAL
SEGMENT REVENUE	1,318.77	738.57	481.15	2,538.49
	(2,557.33)	(301.32)	(515.53)	(3,374.18)
SEGMENT RESULTS	392.27	(223.79)	281.30	449.78
	(1,062.90)	186.20	(253.11)	(1,129.81)
Unallocated corporate expenses				221.73
				(250.54)
Operating Profit				228.05
				(879.27)
Interest Expenses				-
				-
Interest Income				272.05
				(223.41)
Dividend Income				151.99
				(16.10)
Income in respect of Investments				-
				-
Income Taxes including Deferred Tax				(44.08)
				(398.95)
Profit from ordinary activities				696.17
				(719.83)
Extra Ordinary Income				-
				(-)
Minority Interest				-
				-
Net Profit after Minority interest as per Profit & Loss Account				696.17
				(719.83)
OTHER INFORMATION				
Total carrying amount of Segment Assets	2,670.19	2,963.53	2,133.92	7,767.64
	(2,481.77)	(2,901.09)	(2,264.56)	(7,647.42)
Add: Unallocated Corporate Assets				5,132.22
				(4,704.88)
Total Assets as per Balance Sheet				12,899.86
				(12,352.30)
Total carrying amount of Segment Liabilities	1,266.94	38.72	155.65	1,461.31
	(1,324.11)	(74.80)	(486.28)	(1,885.19)
Add: Unallocated Corporate Liabilities				11,438.55
				(10,467.11)
Total Liabilities as per Balance Sheet				12,899.86
				(12,352.30)
Capital Expenditure incurred during the year	0.51	321.89	-	322.40
	(4.31)	(26.34)	-	(30.65)
Depreciation for the Year	6.07	87.48	100.80	194.35
	(15.63)	(57.91)	(100.80)	(174.34)
Other Non Cash Expenditure	-	-	-	-
	(-)	-	(-)	(-)
Sales Revenue by Geographical Segments				
WITHIN INDIA	1,318.77	738.57	481.15	2,538.49
	(2,557.33)	(301.32)	(515.53)	(3,374.18)
OUTSIDE INDIA	-	-	-	-
	-	-	-	-
	1,318.77	738.57	481.15	2,538.49
	(2,557.33)	(301.32)	(515.53)	(3,374.18)

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '25' - (Contd.)

The Segment Relates to -

- Construction Activity Development of land for residential / commercial building carried directly or through firm.
- Power Segment relates to Power Generation through Wind Power Turbines.
- The Investment/Other segment relates primarily to the activity of investment i.e.purchase & sale of shares etc.and activities not covered by aforesaid segments.

- 25.12** The Company had entered into lease/ leave & license agreements (including leave & license agreement pursuant to the scheme) for commercial use on terms and conditions as specified in their agreements for period ranging from 2 years to 5 years. In respect of this agreement the future minimum lease/ rental payments receivable is as under :

(₹ in Lacs)

Particulars	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
	Receivables		Payables	
i) not later than one year	₹ 94.54 Lacs	₹ 57.48 Lacs	₹ 107.38 Lacs	₹ 102.27 Lacs
ii) later than one year and not later than five years	₹ 251.73 Lacs	₹ 195.00 Lacs	₹ 195.41 Lacs	₹ 302.79 Lacs
iii) later than five years	Nil	Nil	Nil	Nil

All such lease receipts/payments for the year are recognized in Profit & Loss Account as Miscellaneous Income / Rent Expenses.

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

- An amount of ₹ 34.29 lacs (Last year ₹ 34.10 lacs) has been recognized as an expenses for defined contribution plans by way of Company's contribution to Provident Funds & Super annuation Fund.
- 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.
- 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)	
	2016-2017	2015-2016	2016-2017	2015-2016
i) The present value of defined benefit obligations at the commencement of the Year	156.13	959.55	27.84	157.76
Less - Transfers pursuant to scheme of Demerger	-	834.65	-	136.93
	156.13	124.90	27.84	20.83
ii) Current Service cost	8.54	8.87	3.65	4.23
iii) Interest cost	12.49	9.77	2.23	1.61
iv) Actuarial (Gain)/Loss	(10.24)	12.59	0.52	3.14
v) Benefits (Paid)	(11.30)	-	(2.97)	(1.97)
vi) Past Service Cost	-	-	-	-
vii) The present value of defined benefit obligations at the close of the Year	155.62	156.13	31.27	27.84
viii) The fair value of plan assets at the close of the year	93.75	91.41	-	-
ix) The Past service cost not yet recognized	-	-	-	-
x) Expected return on plan assets	(4.00)	(6.85)	-	-

NOTE '25' - (Contd.)

d) Actuarial assumptions	2016-2017	2015-2016	2016-2017	2015-2016
i) Rate of interest (per annum)	7.50%	7.75%	7.50%	7.75%
ii) Salary growth (per annum)	7.00%	7.00%	7.00%	7.00%
iii) Withdrawal rate (Per annum)	1.00%	1.00%	1.00%	1.00%
iv) Expected return on Plan Assets	-	8.50%	-	-
v) Mortality rates: Indian Assured Lives (2006-08)	Ultimate	Ultimate	Ultimate	Ultimate

25.14 a) Details of Subsidiary / Associate Companies/Joint Venture Firm :

Name of the Company	Country of Incorporation	Proportion of Ownership Interest	Minority Interest	Financial Accounting year ended
I) Subsidiary Companies				
a) Pudumjee Investment & Finance Co. Ltd.	India	100%	Nil	31.03.2017
II) Joint Venture Firm				
a) M/s Pudumjee-G : Corp Developers	India	60%	40%	31.03.2017
b) M/s G : Corp Township Pvt. Ltd.	India	50%	50%	31.03.2017
III) Associate Companies/ Firm				
a) Pudumjee Industries Ltd.	India	27.24%	N. A.	31.03.2017
b) Pudumjee Plant Laboratories Ltd.	India	27.11%	N. A.	31.03.2017
c) Pudumjee Paper Products Ltd.	India	2.59%	N. A.	31.03.2017
d) Pudumjee Hygine Products Ltd.	India	Nil	N. A.	31.03.2017
e) Pudumjee Holding Ltd.	India	Nil	N. A.	31.03.2017

- b) (i) Pudumjee Investment & Finance Co.Ltd subsidiary of the parent company Pudumjee Pulp & Paper Mills Limited has achieved a profit of ₹ 93.43 Lacs for the year ending 31st March 2017, which has been appropriately dealt with in these consolidated financial statements.
- (ii) Since the company has made full provision for it's investment in Pudumjee Plant Laboratories Ltd, the loss suffered by later has been ignored while consolidating the accounts in accordance with Accounting standard AS 23.
- c) Pudumjee Paper Products Ltd. seized to be subsidiary of parent company during the Financial Year 2015-16.
- d) Financial information of subsidiary company / Joint Venture :-

	Pudumjee Investment & Finance Co. Ltd.		Pudumjee-G : Corp Developers		G: Corp Township Pvt. Ltd.	
	AS AT 31.03.2017	AS AT 31.03.2016	AS AT 31.03.2017	AS AT 31.03.2016	AS AT 31.03.2017	AS AT
i) Share Capital	499.00	499.00	70.00	70.00	201.00	
ii) Reserves & Surplus	(431.25)	(524.68)	-	-	(4.63)	
iii) Total Assets	574.13	823.95	3,896.60	3,634.27	200.22	
iv) Total Liabilities	574.13	823.95	3,896.60	3,634.27	200.22	
v) Investment	573.16	573.16	30.84	1.82	-	
vi) Turnover	657.19	301.32	2,197.75	4,262.22	-	
vii) Profit / (Loss) before Tax	93.43	(41.89)	671.05	1,795.21	(4.27)	
viii) Provision for Tax	-	(0.65)	225.00	616.00	-	
ix) Profit / (Loss) after Tax	93.43	(41.24)	446.05	1,179.21	(4.27)	
x) Proposed Dividend	-	-	-	-	-	

PUDUMJEE PULP & PAPER MILLS LIMITED

NOTE '25' - (Contd.)

e) Companies (A) / Minority Interest (B) in all Subsidiaries, Associates. (Investment as per the equity Method) :-

2016-17
(2015-2016)

Name of the entity in the	Net Assets i.e.total Assets Minus total Liabilities (As per Balance Sheet)		Share in Profit / (Loss)	
	As % of Consolidated Net Assets	Amount (₹ in Lacs)	As % of Consolidated Profit/(Loss)	Amount (₹ in Lacs)
(A) Companies Interest in all Subsidiaries / Associates/Joint ventures				
Parent Subsidiaries (Indian)				
1) Pudumjee Investment & Finance Company Ltd.	0.72%	67.75	13.42%	93.43
	-0.29%	(25.68)	-5.73%	(41.24)
Associates				
1) Pudumjee Plant Laboratories Ltd.	-0.51%	(48.52)	-8.56%	(59.61)
	1.96%	171.38	-9.13%	(65.71)
2) Pudumjee Industries Ltd.	36.00%	3,393.05	-0.50%	(3.49)
	39.02%	3,405.85	0.90%	6.50
Joint Ventures (as per Proportionate consolidation) (Indian)				
1) Pudumjee-G:Corp Developers	0.74%	70.00	38.44%	267.63
	0.80%	70.00	98.29%	707.52
2) G: Corp Township Pvt.Ltd.	2.08%	196.36	-0.31%	(2.14)
	-	-	-	-
(B) Minority Interest in consolidated Net Assets/Net Profit	-	-	-	-

- f) No contingent liability has been incurred by the company in respect of Joint Venture except to the extent of a corporate guarantee of ₹ 1500 lacs given by it to the lending bank of Joint Venture. Its share in the contingent liability is nil, since the loan availed by the Joint Venture has already been accounted for in the consolidated accounts, following the principle of proportionate consolidation.
- g) No capital commitment has been incurred by the company in respect of the Joint Venture. Its share of aggregate capital commitment is Nil.
- h) As the G:Corp Township Pvt. Ltd. the joint venture is yet to commence its operations & the ability to transfer funds to the company has not arisen, therefore the consolidation of the said joint venture in the present consolidated financial statement has been carried following AS 13 under equity method.

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

SIGNATURES TO THE NOTES "1" to "25"

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

B.C.DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Pune, Dated : 20th May, 2017

Mumbai, Dated : 20th May, 2017

Form AOC-1

Statement containing salient features of financial statements of Subsidiaries /Associate Companies/Joint Ventures
(Pursuant to first proviso to sub-section (3) of section 129 read
with rule 5 of Companies (Accounts) Rules, 2014)

PART- A (Subsidiary)

Name of the subsidiary	Pudumjee Investment & Finance Co. Ltd.
Reporting period for the subsidiary concerned	01-04-2016 to 31-03-2017
Share capital	499.00
Reserves & surplus	(431.25)
Total assets	574.13
Total Liabilities	574.13
Investments	573.29
Turnover	782.34
Profit before taxation	93.43
Provision for taxation	-
Profit after taxation	93.43
Proposed Dividend	N.A.
% of shareholding	100%
Names of subsidiaries which are yet to commence operations	NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
₹ In Lakhs (Except No. of shares and percentages)

Name of Associates/ Joint Ventures	Pudumjee Plant Laboratories Ltd. (PPLL)	Pudumjee Industries Ltd. (PIL)	Pudumjee - G:Corp Developers	GCorp Township Private Limited
Latest audited Balance Sheet Date	31 st March, 2017	31 st March, 2017	31 st March, 2017	31 st March, 2017
Shares of Associate/Joint Ventures held by the company on the year end				
i) Number of Shares	6,75,000	49,02,515*	NA	10,05,000
ii) Amount of Investment in Associates/ Joint Venture at cost	60.00	555.39	35.00	100.75
iii) Extent of Holding %	27.11%	27.24%*	60%	50%
Description of how there is significant influence	Note - A	Note - A	Note - A	Note - A
Reason why the associate is not consolidated	The Company has made full provision for its investment in Pudumjee Plant Laboratories Ltd. and the loss suffered has been ignored while consolidating the accounts in accordance with Accounting Standard AS 23.	NA	NA	
Networth attributable to Shareholding/ Partner as per latest audited Balance Sheet	(13.15)	370.08	42.00	(2.54)
Profit / Loss for the year				
i) Considered in Consolidation	---	(3.49)	267.63	(2.13)
ii) Not Considered in Consolidation (₹ Lakhs)	Net Loss 219.90	---	---	--

Note - A : The Company holds more than 20% shareholding in associated companies directly and through its subsidiaries."In Pudumjee - G Corp Developers, the Company has 60% of profit sharing.

*Including the Shareholding of Pudumjee Investment & Finance Co. Ltd.

As per our report of date attached

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

Y. P. SHUKLA
Proprietor

Pune, Dated : 20th May, 2017

B.C.DALAL
Director

R. M. KULKARNI
Company Secretary

On behalf of the Board,

A. K. JATIA
Executive Chairman

S. K. BANSAL
Director (Finance) &
Chief Financial Officer

Mumbai, Dated : 20th May, 2017

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FORM NO. 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 Company : **PUDUMJEE PULP & PAPER MILLS LIMITED - CIN: L21012MH1964PLC013058**
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 52nd Annual General Meeting of the company, to be held on the Saturday, the 22nd day of July, 2017 at 11.30 a.m. (ST) at the Registered Office of the Company at Thergaon, Pune 411 033 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No(s). (Please ✓ at appropriate 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. Consent to the subsisting contracts already entered/to be entered into with Related Parties.
6. Approval to the Change of name of the Company.
7. Approval to the remuneration of Whole-Time Director, Mr. S. K. Bansal

Signed this.....day of2017.

Signature of shareholder
Signature of Proxy holder(s)



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



PUDUMJEE PULP & PAPER MILLS LIMITED

Registered Office:- Thergaon, Pune - 411 033.

Tel: +91-20-30613333, Fax: +91-20-40773388

CIN:- L21012MH1964PLC013058

Website : www.pudumjeepulp.com, Email : 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 52nd Annual General Meeting of the Company at its Registered Office at Thergaon, Pune 411 033, at 11.30 a.m. (ST) on Saturday, the 22nd day of July, 2017.

Signature of the Member/Proxy

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COURIER / REGD. POST

If undelivered, please return to :
Pudumjee Pulp & Paper Mills Ltd.,
Thergaon, Pune – 411 033.