

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To the Members of AI Champdany Industries Limited

We have examined the compliance of conditions of Corporate Governance by AI Champdany Industries Limited for the year ended 31 March 2018, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (collectively referred to as SEBI Listing Regulations, 2015).

The compliance of conditions of the Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015.

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

Fo G Basu & Co.

Chartered Accountants

FRN 301174E

Partner

Membership No: 054702

Kolkata

Date: 12 June 2018

Corporate Governance Report for the year ended 31 March 2018

The detailed report on Corporate Governance and process including compliance by the Company in terms of Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") is set out below:

Company's Philosophy on Code of Governance

The company's philosophy on corporate governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders including shareholders, lenders, creditors and employee. The Company and its Board of directors firmly believe that strong corporate governance, by maintaining a simple and transparent corporate structure, is integral to creating value or maximizing shareholder value on a sustainable basis. Good governance is a continuing exercise and the company

reiterates its commitment to pursue the same in all aspects of its operations in the overall interest of all its stakeholders and protection of minority views and institutionalization of a fair and transparent reporting system. The directors and employees have accepted a code of conduct that sets out the fundamental standards to be followed in all actions carried out on behalf of the company.

Board of Directors

The Board of Directors comprises of seven Directors, out of which two are promoter non-executive Directors, one Managing Director and four Non-executive Independent Directors (including one woman Director) as on 31st March 2018. The tenure of two Independent Directors ended on 21st September 2017.

The Directors bring to the board a wide range of experience and skills. Brief profiles of the Directors, are set out elsewhere in the annual report. The composition of the board is in conformity with Regulation 26(1) of the Listing Regulations. As per the Listing Regulations, no Director can be a member in more than 10 committees or act as chairman of more than 5 committees across all public companies in which he is a Director. All the Independent Directors qualify the conditions for being Independent Director as prescribed under Regulations. No Director is related to any Director. Further, the Board periodically reviews compliance reports of all laws applicable to the company and necessary steps are being taken to ensure the compliance in law and spirit. The brief resume/details relating to Director seeking appointment/ re-appointment is furnished in the Annexure to the Notice of the ensuing Annual General Meeting.

The composition of the Board of Directors, the attendance of each Director at the Board meetings and at the last Annual General Meeting (AGM) and also the number of other Directorships or Committee of which he is a Member/Chairman are as under:

Name of the Director	DIN	Category	Attendance		No. of Directorships and committee Memberships/Chairmanships in other companies		
			Board Meetings	Last AGM	Other Directorships**	Committee Memberships	Committee Chairmanships
Mr. D. J. Wadhwa	00046180	Promoter Non-Executive Chairman	6	Yes	3	-	-
Mr. S. M. Palia	00031145	Independent Non-Executive	4	Yes	4	2	1
Mr. Harbhajan Singh	00237556	Independent Non-Executive	2	No	9	-	-
Name of the Director	DIN	Category	Attendance		No. of Directorships and committee Memberships/Chairmanships in other companies		
			Board Meetings	Last AGM	Other Directorships**	Committee Memberships	Committee Chairmanships
Dr. G. Goswami	00024209	Independent Non-Executive	6	Yes	4	4	-
Mr. N. Pujara	00047803	Executive Director	5	Yes	12	-	4
Mr. B. Wadhwa	00407790	Promoter Non-Executive	6	Yes	9	-	-
Ms. Ramya Hariharan	06928511	Independent Non-Executive	2	No	7	11	-
Dr. B. Sen	00056861	Independent Non-Executive	1	No	Tenure of Directorship ended on 21 st September 2017		
Mr. N. Das	00080612	Independent Non-Executive	4	Yes	Tenure of Directorship ended on 21 st September 2017		

**Includes Directorship in both private limited companies and public limited companies.

Responsibilities

The Board of Directors represents the interest of the Company's shareholders, in optimizing long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

Independent Directors

The Company has complied with the definition of Independence as per Regulation 16 (b) of the Listing Regulations and according to the Provisions of section 149(6) of the Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

Role of Independent Directors

Independent Directors play an important role in deliberations at the board meetings and bring to the Company their wide experience in the fields of finance, housing, accountancy, law and public policy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction.

The Audit Committee, the Nomination & Remuneration Committee and the Stakeholders Relationship Committee have a majority of Independent Directors. These committees function within the defined terms of reference in accordance with the Companies Act, 2013, the Listing Regulations and as approved by the board, from time to time.

Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as Directors of the Company.

Training of Independent Directors

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organisation structure, our business, constitution, board procedures, our major risks and management strategy.

The appointment letters of Independent Directors has been placed on the Company's website at www.jute-world.com

Performance Evaluation of Non-executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, finance, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

Separate Meeting of the Independent Directors

The Independent Directors held a Meeting on 14th February, 2018, without the attendance of Non-Independent Directors and members of Management. The following issues were discussed in detail:

- i) Reviewed the performance of non-independent Directors and the Board as a whole;
- ii) Reviewed the performance of the Chairman of the Company, taking into account the views of Directors;
- iii) Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Meetings of the Board

During the financial year ended 31st March 2018 Six Board meetings were held on 27th May 2017,

11th August 2017, 8th September 2017, 20th September 2017, 17th November 2017 and 14th February 2018.

Audit Committee

The Audit Committee of the Company has constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and the provision of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

It has the following terms of reference and composition:

Terms of references/scope of the Company audit committee inter alia include:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment the auditors of the company.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditors 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 policy and practices and reason for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d. Significant adjustments made in the financial statement arising out of audit findings.
 - e. Compliance with listing and other legal requirement relating to financial statements.
 - f. Disclosure any related party transactions.
 - g. Qualifications in the draft audit report.

Reviewing, with the management, the quarterly financial statements and annual financial statements before submission to the Board for approval

The Audit Committee also reviews such matters as considered appropriate by it or referred to it by the board.

Composition, Meetings and Attendance:

The Audit Committee of the Company comprises four Directors- three of whom are Independent, Non-Executive and one is Managing Director (from 20th September 2017). All of them are expert in Corporate Finance, accounts and corporate laws. The chairman of the committee is an Independent, Non-Executive Director, nominated by the Board.

The Company Secretary acts as the secretary to the committee. The Managing Director (upto 8th September 2017), CFO, the Statutory Auditor and the Internal Auditor of the company are permanent invitees at the meetings of the committee. The composition of the Audit Committee meets the requirement of Listing Regulations and the provisions of the Companies Act, 2013.

During the financial year ended 31 March 2018, Five Audit Committee meetings were held on 26th May 2017, 10th August 2017, 8th September 2017, 17th November 2017 and 14th February 2018.

<u>Name of Member</u>	<u>Designation</u>	<u>No. of meetings Attended</u>
Mr. Harbhajan Singh	Independent Non-Executive Director	2
Mr. N Das	Independent Non-Executive Director (upto 21 st September 2017)	3
Dr. G Goswami	Independent Non- Executive Director	5
Ms. R Hariharan	Independent Non-Executive Director (from 17 th November 2017)	2
Mr. N Pujara	Managing Director (from 20 th September 2017)	2

Nomination and Remuneration Committee

Composition: The Committee of the Board comprises of three Independent Directors, namely Mr. Harbhajan Singh, Dr. G Goswami and Mr. N Das (upto 20th September 2017) and one Promoter Non-Executive Director Mr. B Wadhwa (from 20th September 2017).

Terms of Reference: The Committee has been constituted to review/recommend/approve remuneration of the Managing Director/Chief Financial Officer, Company Secretary and other senior employees based on their performance.

The role of the Nomination and Remuneration Committee inter alia, includes formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board of the remuneration policy; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Nomination and Remuneration Committee has formulated the criteria for Board evaluation.

Meetings: During the financial year ended 31st March 2018, there were two (2) meetings of the Committee held on 26th May 2017 and 8th September 2017.

<u>Name of Member</u>	<u>Designation</u>	<u>No. of Meetings Attended</u>
Mr. Harbhajan Singh	Independent Non-Executive Director	Nil
Mr. N Das	Independent Non-Executive Director (upto 20 th September 2017)	2
Dr. G Goswami	Independent Non-Executive Director	2
Mr. B Wadhwa	Promoter Non-Executive Director (from 20 th September 2017).	Nil

DETAILS OF REMUNERATION PAID TO ALL THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 2018.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by

them. The total amount of sitting fees paid during the financial year 2017-18 is as under:

(Amount in Rs.)

Name of the Director	Meeting Fees			Total	No. of shares held	
	Audit Committee	Board	Other * Committees		Equity	2% Preference
Mr. S M Palia	-	1,00,000	-	1,00,000	266	500
Mr. Harbhajan Singh	50,000	50,000	-	1,00,000	-	-
Dr. G Goswami	1,25,000	1,50,000	45,000	3,20,000	-	-
Mr. D J Wadhwa	-	1,50,000	-	1,50,000	2,645,642	-
Mr. B Wadhwa	-	1,50,000	15,000	1,65,000	-	-
Ms. Ramya Hariharan	50,000	50,000	-	1,00,000	-	-
Mr. N Das **	75,000	1,00,000	30,000	2,05,000	2666	-
Dr. B Sen **	-	25,000	-	25,000	-	-
Total	3,00,000	7,75,000	90,000	11,65,000		

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

** Tenure as Director ended on 21.09.2017

B. Remuneration to Managing Director

The appointment of Managing Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholder of the Company, which cover the terms of such appointment and remuneration, read with the service rules of the company. Payment of remuneration to Managing Director is governed by the Agreement executed between them and the Company. The remuneration package of Managing Director comprises of salary, perquisites and allowances and contributions to Provident and other Retirement Benefit Funds as approved by the shareholder at the General Meetings. Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Managing Director.

Name of the Managing Director	Salary (Rs)	Remarks
Mr. Nirmal Pujara	47,70,000	Elevated as Managing Director w.e.f 12 th May 2014 for a period till 31 st December, 2017 and reappointed as Managing Director from 1 st January 2018 for 5 years. The contract is terminable by either party by giving 3 months notice.

Stakeholders' Relationship Committee

The Board has set up a Stakeholders' Relationship Committee consisting of one independent non-executive Director and one promoter non-executive Director as under:

- i) Dr. G Goswami – Chairman (Independent non-executive Director)
- ii) Mr. B Wadhwa – Member (Promoter non-executive Director)

During the financial year ended 31st March 2018, one Committee Meeting was held on 14th February 2018.

The detailed positions of the shareholders' complaints are as under:

- | | | |
|---|---|-----|
| a) Number of complaints received from Stock Exchange/SEBI | – | NIL |
| b) Number of complaints non-resolved/non-action taken | – | NIL |
| c) Number of pending share transfer as on 31 st March 2018 | – | NIL |

Investors' grievances are resolved expeditiously.

Compliance Officer:

Mr. Binod Kumar Chowdhury, has been designated as Company Secretary cum Compliance Officer w.e.f. 27th May 2016.

General Body Meeting

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

Financial Year	Location of Meeting	Date	Time
2014-2015	Bengal National Chamber of Commerce & Industry 1 st Floor, 23, Sir R N Mukherjee Road Kolkata – 700 001	14th August 2015	10:30 A.M.
2015-2016	BharatiyaBhasaParishad 36A, Shakespeare Sarani 4 th Floor, Kolkata – 700 017	12th August, 2016	4.00 P.M.
2016-2017	BharatiyaBhasaParishad 36A, Shakespeare Sarani 4 th Floor, Kolkata – 700 017	21st September 2017	10.30 A.M.

Special Resolutions were passed in the last Annual General Meeting held on 21st September 2017 for reappointment of three Independent Director and Managing Director.

Subsidiary

The Company has one non-listed Indian Subsidiary Company i.e. Champdany Constructions Ltd. It is not a material subsidiary.

- a) Financial Statement in particular the investments made by the Subsidiary Company are reviewed quarterly by the Audit Committee of the Company.
- b) All minutes of the meetings of the Subsidiary Company are placed before the Company's Board Meeting regularly.
- c) A statement containing all significant transactions and arrangements entered with Subsidiary Companies are placed before the Company's Board.

Disclosures

Related party transactions

There were no transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business and at arm's length price are included in the notes forming part of the financial statements. There were no financial or commercial transactions by the senior management with the Company where they have personal interests that may have a potential conflict with the interests of the Company at large.

The material financial and commercial transactions where persons in management have personal interest, exclusively relate to transactions involving Key Management Personnel forming part of the disclosure on related parties referred to in Notes to Annual Accounts, which were reported to Board of Directors. The Register of contracts containing the transactions in which Directors are interested is placed before the Board regularly for approval.

Capital Markets

The Company has complied with all the legal requirements related to Capital Markets and except once during the year 2016-17. The company has paid Rs. 75,000/- each to NSE & BSE due to approval of Financial Result for the year ended 31st March, 2017 on 14th June, 2016 instead by 30th May, 2016.

Whistle Blower policy

The Company has in place an Employee concern (Whistle Blower) which is also available on the Company's website i.e. www.jute-world.com. No personnel have been denied access to the Audit Committee to lodge their grievances.

Issue of Shares

There have been no public issues, right issues or other public offerings during the year except issue of 33,33,000 Equity Shares to promoter group companies on preferential basis under SEBI (ICDR) Regulations 2009. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

No presentations were made to Institutional Investors and analysts during the year.

Means of Communication

The unaudited quarterly and audited annual financial results along with the notes are normally published in one National English Newspaper (Financial Express) and one Bengali Newspaper (Arthik Lipi) circulating in Kolkata, within 48 hours of approval by the Board and are faxed/intimated to Stock Exchanges. The quarterly results of the Company are put on the web site of the Company after these are submitted to the Stock Exchanges. Our web site address is www.jute-world.com.

General Shareholders' information:

a) AGM date, time and venue

Annual General Meeting is to be held on Monday, the 13th day of August 2018 at 11-30 A.M. at the Auditorium of Bhartiya Bhasha Parishad, 4th floor, 36A, Shakespeare Sarani, Kolkata 700 017.

b) Financial Calendar 2018-19 (Tentative)

Financial year: 1 April to 31 March.

Unaudited Financial Result for the 1 st quarter ending on 30 June 2018	:	Within 14 August 2018
Unaudited Financial Result for the 2 nd quarter / half year ending on 30 September 2018	:	Within 14 November 2018
Unaudited Financial Result for the 3 rd quarter / Ninemonth ending on 31 December 2018	:	Within 14 February 2019
Audited Annual Results (i.e. year ending on 31 March 2019)	:	By the end of 30 May, 2019

c) Book Closure period: From 7 August 2018 to 13 August 2018 (both days inclusive)

d) Listing on Stock Exchange

The Company's Equity shares are listed on BSE Ltd and National Stock Exchange of India Ltd. Annual Listing fees as prescribed have been paid to the Stock Exchanges for the year 2018-19.

e) Scrip Code

BSE Ltd. (BSE)
532806

National Stock Exchange of India Ltd. (NSE)
AICHAMP

f) **Stock price data**

Month	BSE		NSE	
	High	Low	High	Low
April, 2017	31.25	23.50	32.55	28.00
May, 2017	31.00	24.60	30.80	28.20
June, 2017	32.55	23.00	29.50	22.30
July, 2017	27.35	21.60	27.80	24.50
August, 2017	31.45	25.95	28.50	27.70
September, 2017	31.85	24.00	29.40	24.60
October, 2017	31.00	26.15	30.95	29.00
November, 2017	30.00	24.40	29.45	27.50
December, 2017	32.00	26.65	29.45	23.15
January, 2018	41.50	26.60	38.05	24.50
February, 2018	38.70	31.35	39.00	32.00
March, 2018	33.80	23.10	36.70	30.05

g) **Registrar and Share Transfer Agents**

The Company has appointed M/s.MCS Share Transfer Agent Limited having its office at 12/1/5, Monoharpukur Road, Kolkata – 700 026 as Registrar for both demat and physical segment.

h) **Share Transfer System**

Shares in demat and physical form are being processed by the registrar on regular basis. Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within an average of 15 days from the date of receipt.

i) **Distribution of Shareholding as on 31 March 2018**

Equity				
<u>Group of Shares</u>	<u>No. of Share holders</u>	<u>% of share holders</u>	<u>No. of Shares held</u>	<u>% of Total Shares</u>
1 to 500	2954	89.3797	217357	0.7068
501 to 1000	158	4.7806	112669	0.3663
1001 to 2000	89	2.6929	123595	0.4019
2001 to 3000	28	0.8472	68173	0.2217
3001 to 4000	16	0.4841	56072	0.1823
4001 to 5000	10	0.3026	46926	0.1526
5001 to 10000	6	0.1815	43391	0.1411
10001 to 50000	8	0.2421	171926	0.5590
50001 to 100000	5	0.1513	375871	1.2222
100001 and above	31	0.9380	29537851	96.0461
GRAND TOTAL	3305	100.0000	30753831	100.0000
2% Preference Share				
<u>Group of Shares</u>	<u>No. of Share holders</u>	<u>% of share holders</u>	<u>No. of Shares held</u>	<u>% of Total Shares</u>
1 to 500	68	72.3404	11,010	0.0887
501 to 1000	7	7.4468	6,532	0.0526
1001 to 2000	5	5.3192	7,163	0.0577
2001 to 3000	2	2.1277	4,800	0.0387
3001 to 4000	3	3.1915	10,400	0.0838
4001 to 5000	1	1.0638	5,000	0.0403
5001 to 10000	1	1.0638	10,000	0.0805
10001 to 50000	1	1.0638	30,000	0.2416
50001 to 100000	-	-	-	-
100001 and above	6	6.3830	12329448	99.3161
GRAND TOTAL	94	100.0000	12,414,353	100.0000

j) Categories of Shareholders as on 31 March 2018

Particulars	No. of Holders	Equity			2% Preference	
		Holding/ Shares held	% to Capital	No. of Holders	Holding/ Shares held	% to Capital
Promoters Group	28	18112654	58.8956	5	9773156	78.7247
Indian Financial Institutions/Banks	29	2700025	8.7795	4	2558332	20.6078
Central / State Government	3	764	0.0025	-	-	-
Foreign Institutional Investors	2	1332	0.0043	-	-	-
Bodies Corporate	113	528153	1.7174	7	6540	0.0527
Trust & Foundations	1	10	-	-	-	-
NRI	34	3438	0.0112	-	-	-
Foreign Bodies Corporate	2	8533332	27.7472	-	-	-
Individual & others	<u>3093</u>	<u>874123</u>	<u>2.8423</u>	<u>78</u>	<u>76325</u>	<u>0.6148</u>
Total	<u>3305</u>	<u>30753831</u>	<u>100.0000</u>	<u>94</u>	<u>12414353</u>	<u>100.0000</u>

k) Dematerialization of shares

As on 31 March 2018, 62.0330% of total holding of Equity Shares and 79.3779 % of total holding of 2% Preference Shares have been dematerialised.

l) ISIN allotted by NSDL/CDSL to Shares of the Company:

INE 768E01024 for Equity Share and INE768E04010 for 2% Preference Share

m) Plant Location :

As appearing on the first page of Annual Report

n) Investors' Correspondence :

For assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividends and any other queries relating to shares, investors may write to: Share Department, AI Champdany Industries Limited, 25, Princep Street, Kolkata-700 072; Telephone (033) 2237 7880 to 85; Fax: (033) 2225 0221, 2236 3754 or Company's Registrar and Share Transfer Agent M/s MCS Share Transfer Agent Ltd., 12/1/5, Monoharpukur Road, Kolkata - 700026, Telephone: (033) 4072-4051 to 53, Fax (033) 4072-4054.

Shareholders, holding shares in electronic mode, should address all their correspondences to their respective Depository Participant.

o) The Investors Education and Protection Fund

The shareholders and other stakeholders are hereby informed that pursuant to provisions of Section 124(5) of the Companies Act, 2013, all dividend remaining unpaid/unclaimed for a period of 7 years from the date they became due for payment will have to be transferred to the Investors Education and Protection Fund (IEPF) set up by the Central Government. The company has already transferred to the IEPF unpaid/unclaimed dividend for the financial year ended 31 March 2008 which remained unpaid/unclaimed for a period of 7 years from the date they became due.

p) Appointment/Re-appointment of Directors

The individual details of Director seeking appointment /re-appointment at the ensuing Annual General Meeting of the Company are provided in the Annexure accompanying the notice of the Annual General Meeting.

q) Auditors' certificate on Corporate Governance

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations and same is annexed to this report.

r) CEO/CFO Certification

The Managing Director and Chief Financial Officer of the Company give Annual certification on

financial reporting and internal controls to the Board in terms of regulation 17(8) of Listing Regulations for CEO/CFO Certification.

s) Code of Conduct:

a) Code of Conduct for Board of Directors and Senior Management

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors and Senior Management of the Company.

b) Company's Code of Conduct for prevention of Insider Trading

The Company has adopted a Model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company pursuant to the provisions of Insider Trading Regulations formulated by Securities and Exchange Board of India (SEBI). The Code, inter-alia, prohibits purchase/sale of shares of the Company by Directors, officers and designated employees while in possession of unpublished price sensitive information in relation to the Company. Company secretary was the Compliance Officer for the purpose of these regulations.

Mandatory and non-mandatory requirements

(a) Status of Compliance of the mandatory requirements

The Company has adopted/complied with all mandatory requirements on Corporate Governance.

(b) Status of Compliance of the Non-mandatory requirements.

The Company is maintaining Chairman's Office for a non-executive Chairman. The Company has not adopted non-mandatory suggestions relating to sending six-monthly information to each household of shareholders.

Declaration by the Managing Director on the Code of Conduct:

Pursuant to Regulation 26 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 I, Nirmal Pujara, Managing Director of AI Champdany Industries Ltd, declare that all the Board Members & Senior Executives of the company have affirmed their compliance with the Code of Conduct during the year ended 31 March 2018..

Place: Kolkata

Dated:12th, June2018

N. Pujara

Managing Director

Certification by CEO and CFO

We, N Pujara, Managing Director and U K Keshri, Chief Financial Officer of AI Champdany Industries Ltd., certify that:

- a. We have reviewed financial statements and cash flow statement for the year ended 31 March 2018 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2018 which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and the steps have been taken to rectify these deficiencies.

- d. We have indicated to the Auditors and the Audit Committee that:
- i) there have been no significant changes in internal control over financial reporting during the year under reference;
 - ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) We are not aware of any instances during the year of significant fraud and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place:- Kolkata
Date: 12 June 2018

U K Keshri
Chief Financial Officer

NPujara
Managing Director

Auditors' Report on the Abridged Standalone Financial Statements

To the Members of

AI Champdany Industries Limited

The accompanying abridged Standalone financial statements, which comprise the abridged Standalone Balance Sheet as at March 31, 2018, the abridged Standalone statement of Profit & Loss and abridged Standalone Cash Flow statement for the year then ended, and related notes, are derived from the audited Standalone financial statements of AI Champdany Industries Limited for the year ended March 31, 2018. Those financial statements, and the abridged Standalone financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those Standalone financial statements. The abridged Standalone financial statements do not contain all the disclosures required by the Accounting Standards referred to in section 133 of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 [applied in the preparation of the audited Standalone financial statements of AI Champdany Industries Limited]. Reading the abridged Standalone financial statements, therefore, is not a substitute for reading the audited Standalone financial statements of AI Champdany Industries Limited.

2. Management's Responsibility for the Abridged Financial Statements

Management is responsible for the preparation of the audited Standalone financial statements in accordance with Accounting Standards referred to in section 133 of the Companies Act, 2013 ("the Act") and accounting principles generally accepted in India.

3. Auditor's Responsibility

Our responsibility is to express an opinion on the abridged Standalone financial statements based on our procedures, which were conducted in accordance with the Standard on Auditing (SA) 810 "Engagements to Report on Abridged Financial Statements" issued by the Institute of Chartered Accountants of India.

4. Opinion

In our opinion the abridged Standalone financial statements derived from the audited Standalone financial statements of AI Champdany Industries Limited for the year ended March 31, 2018 are fair summary of those Standalone financial statements, in accordance with Accounting Standards referred to in of section 133 of the Companies Act, 2013 ("the Act") and accounting principles generally accepted in India.

For G. Basu & Co.
Chartered Accountants
R.No.-301174E
G. GUHA
Partner
M.No.-054702

Place: Kolkata
Date: 12th June, 2018