



PUDUMJEE

# **PUDUMJEE PAPER PRODUCTS LTD.**

Registered Office

VJ:540

26<sup>th</sup> May, 2018

The Manager,  
Listing Department,  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
BandraKurla Complex, Bandra (E),  
Mumbai – 400 051.

**Scrip Code:- PDMJEPAPER**

The Manager,  
Corporate Relationship Department,  
**BSE Ltd.,**  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
MUMBAI – 400 001.

**Scrip Code:- 539785**

Dear Sir/Madam,

Subject: Outcome of Board Meeting

Pursuant to Regulations 30 (read with Part A of Schedule III) and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have enclosed the following statements for the Quarter and Financial Year Ended 31.03.2018, which were approved and taken on record by the Board of Directors at its Meeting held on 25<sup>th</sup> May, 2018, continued thereafter and concluded at 1.10 PM on 26<sup>th</sup> May, 2018.

- Statement of Audited Financial Results for the Quarter and Year Ended 31<sup>st</sup> March, 2018 along with the Auditor's Report and declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Statement of Assets and Liabilities for the period ended 31<sup>st</sup> March, 2018.
- The Board of Directors has recommended a dividend of Re. 0.15 per equity share of Re. 1/- each for the year ended 31<sup>st</sup> March, 2018. The payment is subject to the approval of the Shareholders at the ensuing 4<sup>th</sup> Annual General Meeting to be held on Saturday, the 21<sup>st</sup> July, 2018 at 3.00 p.m., at Registered Office of the Company.

The dividend, if approved by the shareholders at the Annual General Meeting, will be paid on and from 01<sup>st</sup> August, 2018.

## **Registered Office:**

Thergaon, Chinchwad, Pune-411033 Tel: +91-20-40773333, Fax: +91-20-4077 3388  
E-Mail : [pune@pudumjee.com](mailto:pune@pudumjee.com), [sk@pudumjee.com](mailto:sk@pudumjee.com). CIN: L21098PN2015PLC153717

**GSTIN 27AAHCP9601Q1ZQ**

## **Corporate Office:**

Jatia Chambers, 60, Dr. V.B. Gandhi Marg, Kalaghoda. Mumbai-400001 India.

Tel: +91-22-30213333, 22674485, 66339300, Fax: +91-22-22658316.

E-Mail: [pudumjee@pudumjee.com](mailto:pudumjee@pudumjee.com); Website: [www.pudumjee.com](http://www.pudumjee.com)



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Registered Office

Further, the Register of Members and Share Transfer Books of the Company will be closed from Tuesday, the 10<sup>th</sup> day of July, 2018 to Saturday, 21<sup>st</sup> day of July, 2018 (both days inclusive).

Thanking you,

Yours Faithfully,

For **Pudumjee Paper Products Limited,**

Vinay Jadhav  
Company Secretary  
Encl.: As Above



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 Regd. Office : Thergaon, Pune 411 033.  
 Tel.No 020-40773333, E-Mail sk@pune.pudumjee.com,  
 Website : www.pudumjee.com, CIN L21098PN2015PLC153717  
**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE**  
**QUARTER AND YEAR ENDED 31ST MARCH 2018**



(Rs. in Crore, unless otherwise stated)

| Particulars                                                                      | Quarter Ended                |                         |                              | Year ended            |                       |
|----------------------------------------------------------------------------------|------------------------------|-------------------------|------------------------------|-----------------------|-----------------------|
|                                                                                  | 31/03/2018<br>(refer note 4) | 31/12/2017<br>Unaudited | 31/03/2017<br>(refer note 5) | 31/03/2018<br>Audited | 31/03/2017<br>Audited |
| I Revenue from operations                                                        | 133.81                       | 131.27                  | 158.38                       | 506.23                | 543.89                |
| II Other income                                                                  | 1.40                         | 0.52                    | 0.87                         | 3.24                  | 2.56                  |
| III Total Income (I + II)                                                        | 135.21                       | 131.79                  | 159.25                       | 509.47                | 546.45                |
| IV Expenditure                                                                   |                              |                         |                              |                       |                       |
| a) Cost of materials consumed                                                    | 70.48                        | 70.69                   | 68.27                        | 273.83                | 253.21                |
| b) Purchases of stock-in-trade                                                   | 4.40                         | 4.47                    | 9.77                         | 26.46                 | 47.62                 |
| c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 6.53                         | 2.14                    | 15.46                        | (8.15)                | 18.89                 |
| d) Excise duty on sale of goods                                                  | -                            | -                       | 8.87                         | 6.91                  | 30.05                 |
| e) Fuel, power & water expenses                                                  | 19.46                        | 20.19                   | 20.37                        | 81.75                 | 72.35                 |
| f) Employee benefits expenses                                                    | 9.48                         | 11.27                   | 9.43                         | 40.96                 | 37.57                 |
| g) Net foreign exchange (gain) / Loss                                            | 0.18                         | (1.35)                  | (1.73)                       | (1.79)                | (1.39)                |
| h) Finance cost                                                                  | 2.15                         | 2.13                    | 1.88                         | 9.04                  | 10.11                 |
| i) Depreciation and amortization expenses                                        | 1.74                         | 1.84                    | 2.19                         | 6.61                  | 6.65                  |
| j) Other expenses                                                                | 15.03                        | 11.23                   | 10.58                        | 43.81                 | 37.08                 |
| Total Expenses                                                                   | 129.45                       | 122.61                  | 145.09                       | 479.43                | 512.14                |
| V Profit/(Loss) before exceptional items and Tax (III-IV)                        | 5.76                         | 9.18                    | 14.16                        | 30.04                 | 34.31                 |
| VI Exceptional items- Impairment of Assets                                       | -                            | -                       | 2.83                         | -                     | 2.83                  |
| VII Profit before tax (V-VI)                                                     | 5.76                         | 9.18                    | 11.33                        | 30.04                 | 31.48                 |
| VIII Tax expenses                                                                |                              |                         |                              |                       |                       |
| a) Current tax                                                                   | 0.63                         | 1.91                    | 2.79                         | 5.74                  | 7.00                  |
| b) Deferred tax                                                                  | 1.58                         | 1.09                    | 1.91                         | 5.16                  | 3.90                  |
| IX Profit for the period (VII-VIII)                                              | 3.55                         | 6.18                    | 6.63                         | 19.14                 | 20.58                 |
| X Other comprehensive income                                                     |                              |                         |                              |                       |                       |
| A) Items that will be reclassified to profit or loss                             | -                            | -                       | -                            | -                     | -                     |
| B) Items that will not be reclassified to profit or loss                         | 0.72                         | (0.41)                  | (0.67)                       | 0.37                  | (0.81)                |
| Other comprehensive income for the period, net of tax                            | 0.72                         | (0.41)                  | (0.67)                       | 0.37                  | (0.81)                |
| XI Total comprehensive income for the period (net of tax)(IX+X)                  | 4.27                         | 5.77                    | 5.96                         | 19.51                 | 19.77                 |
| XII Paid-up Equity Capital (Face value Rs.1/- per share)                         | 9.50                         | 9.50                    | 9.50                         | 9.50                  | 9.50                  |
| XIII Earning per equity share :                                                  |                              |                         |                              |                       |                       |
| Basic and Diluted (Rs.)                                                          | 0.37                         | 0.65                    | 0.70                         | 2.02                  | 2.17                  |

**SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018**

In the context of Ind AS-108 - Operating Segment, the Company has identified the following business segments:

a) Paper

b) Hygiene Products

(Rs. in Crore)

| Particulars                                          | Quarter Ended                |                         |                              | Year ended            |                       |
|------------------------------------------------------|------------------------------|-------------------------|------------------------------|-----------------------|-----------------------|
|                                                      | 31/03/2018<br>(refer note 4) | 31/12/2017<br>Unaudited | 31/03/2017<br>(refer note 5) | 31/03/2018<br>Audited | 31/03/2017<br>Audited |
| 1 Segment Revenue                                    |                              |                         |                              |                       |                       |
| a) Paper                                             | 124.98                       | 122.81                  | 146.62                       | 466.16                | 493.64                |
| b) Hygiene Products                                  | 13.36                        | 12.67                   | 11.76                        | 51.89                 | 50.25                 |
| Total                                                | 138.34                       | 135.48                  | 158.38                       | 518.05                | 543.89                |
| Less: Inter segment revenue                          | (4.53)                       | (4.21)                  | -                            | (11.82)               | -                     |
| Net sale/ Income from operation                      | 133.81                       | 131.27                  | 158.38                       | 506.23                | 543.89                |
| 2 Segment Results (Profit before tax and Interest) : |                              |                         |                              |                       |                       |
| a) Paper                                             | 6.99                         | 9.54                    | 13.14                        | 33.81                 | 41.00                 |
| b) Hygiene Products                                  | 2.06                         | 1.66                    | 0.11                         | 6.35                  | 0.36                  |
| Less : Finance Cost                                  | (2.15)                       | (2.13)                  | (1.88)                       | (9.04)                | (10.11)               |
| Add/(Less) Other unallocable income/(expenses),net   | 1.14                         | (0.11)                  | 0.04                         | 1.08                  | (0.23)                |
| Profit before tax                                    | 5.76                         | 9.18                    | 11.33                        | 30.04                 | 31.48                 |
| 3 Segment Assets                                     |                              |                         |                              |                       |                       |
| a) Paper                                             | 329.27                       | 335.74                  | 314.02                       | 329.27                | 314.02                |
| b) Hygiene Products                                  | 9.11                         | 9.49                    | 10.11                        | 9.11                  | 10.11                 |
| c) Unallocated                                       | 105.77                       | 95.20                   | 81.86                        | 105.77                | 81.86                 |
| Total Assets                                         | 444.15                       | 440.43                  | 405.99                       | 444.15                | 405.99                |
| 4 Segment Liabilities                                |                              |                         |                              |                       |                       |
| a) Paper                                             | 98.72                        | 88.93                   | 72.84                        | 98.72                 | 72.84                 |
| b) Hygiene Products                                  | 2.70                         | 4.18                    | 4.84                         | 2.70                  | 4.84                  |
| c) Unallocated                                       | 100.03                       | 108.83                  | 103.42                       | 100.03                | 103.42                |
| Total Liabilities                                    | 201.45                       | 201.94                  | 181.10                       | 201.45                | 181.10                |



| Statement of Assets & Liabilities        |               | (Rs. in Crore)        |                       |
|------------------------------------------|---------------|-----------------------|-----------------------|
|                                          |               | As at                 | As at                 |
|                                          |               | 31/03/2018<br>Audited | 31/03/2017<br>Audited |
| <b>A ASSETS</b>                          |               |                       |                       |
| <b>1 Non Current Assets</b>              |               |                       |                       |
| (a) Property, plant & equipment          | 135.34        | 111.57                |                       |
| (b) Capital work in progress             | 31.67         | 47.89                 |                       |
| (c) Goodwill                             | 77.93         | 77.93                 |                       |
| (d) Intangible assets under development  | 0.01          | 0.01                  |                       |
| (e) Other intangible assets              | 0.33          | 0.27                  |                       |
| (f) Financial assets                     |               |                       |                       |
| (i) Other financial assets               | 0.18          | 0.21                  |                       |
| (g) Other non current assets             | 18.99         | 1.53                  |                       |
| <b>Total non current assets</b>          | <b>264.45</b> | <b>239.41</b>         |                       |
| <b>2 Current assets</b>                  |               |                       |                       |
| (a) Inventories                          | 68.22         | 53.31                 |                       |
| (b) Financial assets                     |               |                       |                       |
| (i) Investments                          | 20.32         | 25.00                 |                       |
| (ii) Trade receivables                   | 62.58         | 59.34                 |                       |
| (iii) Cash & cash equivalents            | 3.62          | 6.26                  |                       |
| (iv) Bank balances other than (ii) above | 11.04         | 2.27                  |                       |
| (v) Loans                                | 3.03          | 0.01                  |                       |
| (vi) Other financial assets              | 1.04          | 0.91                  |                       |
| (c) Other current assets                 | 4.52          | 15.99                 |                       |
| (d) Advance income tax (net)             | 5.32          | 2.09                  |                       |
| Assets classified as held for sale       | -             | 1.40                  |                       |
| <b>Total Current assets</b>              | <b>179.69</b> | <b>166.58</b>         |                       |
| <b>Total assets</b>                      | <b>444.14</b> | <b>405.99</b>         |                       |
| <b>B EQUITY &amp; LIABILITIES</b>        |               |                       |                       |
| <b>1 Equity</b>                          |               |                       |                       |
| (a) Equity share capital                 | 9.50          | 9.50                  |                       |
| (b) Other equity                         | 233.19        | 215.39                |                       |
| <b>Total equity</b>                      | <b>242.69</b> | <b>224.89</b>         |                       |
| <b>2 Non current liabilities</b>         |               |                       |                       |
| (a) Financial liabilities                |               |                       |                       |
| (i) Borrowings                           | 25.90         | 53.08                 |                       |
| (b) Provisions                           | 2.90          | 2.90                  |                       |
| (c) Employee benefit obligations         | 11.48         | 12.13                 |                       |
| (d) Deferred tax liabilities (net)       | 21.00         | 15.65                 |                       |
| <b>Total non current liabilities</b>     | <b>61.28</b>  | <b>83.76</b>          |                       |
| <b>3 Current liabilities</b>             |               |                       |                       |
| (a) Financial liabilities                |               |                       |                       |
| (i) Borrowings                           | 1.35          | 6.44                  |                       |
| (ii) Trade payables                      | 78.55         | 53.88                 |                       |
| (iii) Other financial liabilities        | 49.91         | 29.59                 |                       |
| (b) Employee benefit obligations         | 3.78          | 2.47                  |                       |
| (c) Other current liabilities            | 6.58          | 4.96                  |                       |
| <b>Total current liabilities</b>         | <b>140.17</b> | <b>97.34</b>          |                       |
| <b>Total liabilities</b>                 | <b>201.45</b> | <b>181.10</b>         |                       |
| <b>Total equity &amp; liabilities</b>    | <b>444.14</b> | <b>405.99</b>         |                       |



Notes:

- 1 A Dividend for the year ended 31st March, 2018 at the rate of Re. 0.15 per Equity share of Re. 1/- each amounting to RS. 142.43 lacs is recommended by the Board of Directors in their meeting held on 26th May 2018, subject to approval of the shareholders at the ensuing Annual General Meeting.
- 2 The above financial results were reviewed and recommended by the Audit Committee and taken on record by the Board of Directors.
- 3 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning 1st April, 2017, the Company has for the first time adopted Ind AS with a transition date of 1st April, 2016.
- 4 The Statutory auditors have carried out the audit for the year ended 31st March, 2018. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the current financial year which were subject to limited review.
- 5 Amounts for the quarter and year ended March 31, 2017 were audited by previous auditors - Khare & Co. The figures for the quarter ended March 31, 2017 were balancing figures between audited figures in respect of the full financial year ended March 31, 2017 and the unaudited published year-to-date figures upto December 31, 2016 being the date of the end of the third quarter which was subjected to limited review by the previous auditors.
- 6 Revenue from operation upto 30th June, 2017 includes excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Service Tax (GST) in India. In accordance with 'Ind AS 18: Revenue', GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and year ended 31st March, 2018 are not comparable with the previous periods.
- 7 The reconciliation of Net profit reported in accordance with Indian GAAP to Total comprehensive income in accordance with Ind AS is given below:

| Description                                                                               | (Rs. in Crore)              |                          |
|-------------------------------------------------------------------------------------------|-----------------------------|--------------------------|
|                                                                                           | Quarter Ended<br>31/03/2017 | Year ended<br>31/03/2017 |
| Net Profit after tax for the quarter as per Previous GAAP                                 | 5.93                        | 19.87                    |
| <b>Ind AS adjustments:</b>                                                                |                             |                          |
| Interest expense on unwinding of discount on financial liabilities                        | 0.03                        | 0.17                     |
| Actuarial loss on employee defined benefit funds recognised in Other comprehensive income | (1.03)                      | (1.25)                   |
| Deferred taxes on above Ind AS adjustments                                                | 0.30                        | 0.37                     |
| Net profit as per Ind AS                                                                  | 6.63                        | 20.58                    |
| Other comprehensive income for the period, net of tax                                     | (0.67)                      | (0.81)                   |
| <b>Total comprehensive income for the period</b>                                          | <b>5.96</b>                 | <b>19.77</b>             |

This reconciliation statement has been provided in accordance with circular CIR/CFD/PAC/62/2016 issued by SEBI dated 5th July, 2016 on account of implementation of Ind-AS by listed companies.

- 8 The figures for previous period have been recast and regrouped wherever necessary to conform to current period's presentations.

Place : Lonavala  
Date : 26th May, 2018

On Behalf of  
The Board Of Directors,

*V.P. Leekha*

V.P. Leekha  
Managing Director





**J M Agrawal & Co.**

Chartered Accountants

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PUDUMJEE PAPER PRODUCTS LIMITED**

#### **Report on the Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying financial statements of **Pudumjee Paper Products Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, wherein are incorporated the accounts of Hygiene Product Division for the year ended on that date audited by the branch auditors.

#### **Management's Responsibility for the Ind AS Financial Statements**

2. 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 financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including 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.
5. We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.





**J M Agrawal & Co.**

Chartered Accountants

**INDEPENDENT AUDITORS' REPORT**

To the Members of Pudumjee Paper Products Limited

Report on the Financial Statements

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

**Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2018, and its total comprehensive income (comprising of profit/ loss and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Other Matter**

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated May 20, 2017 and May 28, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.
10. We did not audit the financial statements of a Division included in the financial statements of the Company, which constitute total assets of Rs. 1,388.11 lakhs as at March 31, 2018, total revenue of Rs. 5188.63 lakhs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 517.18 lakhs and net cash flows/(outflow) amounting to Rs. (10.54) lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us, and our opinion on the financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

Our opinion is not qualified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

11. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the





**J M Agrawal & Co.**

Chartered Accountants

**INDEPENDENT AUDITORS' REPORT**  
To the Members of Pudumjee Paper Products Limited  
Report on the Financial Statements  
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information and explanations given to us, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018, on its financial position in its financial statements – Refer Note 28.
  - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

Place: Lonavala  
Date: May 26, 2018



For J M Agrawal & Co.  
Firm Registration Number: 100130W  
Chartered Accountants

Punit Agrawal  
Partner  
Membership Number: 148757



**J M Agrawal & Co.**

Chartered Accountants

### **Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Pudumjee Paper Products Limited on the financial statements as of and for the year ended March 31, 2018  
Page 1 of 3

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) The title deeds of immovable properties, as disclosed in Note 3 on property, plant and equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on such physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to 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 in respect of the loans and investments made, and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act to the extent notified. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, professional tax, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax with effect from July 1, 2017, and other material statutory dues, as applicable, with the appropriate authorities.





**J M Agrawal & Co.**

Chartered Accountants

### **Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Pudumjee Paper Products Limited on the financial statements for the year ended March 31, 2018  
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- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales-tax, service-tax, duty of customs, value added tax, goods and service tax with effect from July 1, 2017 which have not been deposited on account of any dispute. The particulars of dues of duty of excise, as at March 31, 2018, which have not been deposited on account of a dispute, are as follows:

| <b>Sr. No.</b> | <b>Nature of the dues</b> | <b>Amount (Rs. lakhs)</b> | <b>Forum where the dispute is pending</b> |
|----------------|---------------------------|---------------------------|-------------------------------------------|
| 1.             | Excise                    | 20.96                     | CESTAT Mumbai                             |
| 2.             | Excise                    | 0.77                      | Asst. commissioner, central excise Dept.  |

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.
- ix. During the year ended March 31, 2018, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.





**J M Agrawal & Co.**

Chartered Accountants

**Annexure A to Independent Auditors' Report**

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Pudumjee Paper Products Limited on the financial statements for the year ended March 31, 2018  
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- xv. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company



Place: Lonavala  
Date: May 26, 2018

For J M Agrawal & Co.  
Firm Registration Number: 100130W  
Chartered Accountants

Punit Agrawal  
Partner  
Membership Number: 148757



**J M Agrawal & Co.**

Chartered Accountants

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Pudumjee Paper Products Limited on the financial statements for the year ended March 31, 2018

Page 1 of 2

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of Pudumjee Paper Products Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. 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 Act.

#### **Auditors' Responsibility**

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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.





**J M Agrawal & Co.**

Chartered Accountants

### **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Pudumjee Paper Products Limited on the financial statements for the year ended March 31, 2018

Page 2 of 2

### **Meaning of Internal Financial Controls Over Financial Reporting**

6. 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**

7. 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**

8. 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 March 31, 2018, 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.

Place: Lonavala  
Date: May 26, 2018



For J M Agrawal & Co.  
Firm Registration Number: 100130W  
Chartered Accountants

Punit Agrawal  
Partner  
Membership Number: 148757



PUDUMJEE

**PUDUMJEE PAPER PRODUCTS LTD.**  
Registered Office

VJ:

26<sup>th</sup> May, 2018

The Manager,  
Listing Department,  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No. C/1, G Block,  
BandraKurla Complex, Bandra (E),  
Mumbai – 400 051.

**Scrip Code:- PDMJEPAPER**

The Manager,  
Corporate Relationship Department,  
**BSE Ltd.,**  
PhirozeJeejeebhoy Towers,  
Dalal Street,  
MUMBAI – 400 001.

**Scrip Code:- 539785**

Dear Sir/Madam,

Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### DECLARATION

We hereby declare that, the Statutory Auditors, M/s. J. M. Agrawal & Co., Chartered Accountants (Firm Registration No.: 100130W) have issued Audit Report with unmodified opinion on Audited Financial Statements/Results for the Quarter and Year Ended on 31<sup>st</sup> March, 2018.

This declaration is issued in compliance of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended.

Kindly take the aforesaid on your record.

Thanking you,  
Yours Faithfully,

For **Pudumjee Paper Products Limited,**

H. P. Birla  
Chief Financial Officer

#### Registered Office:

Thergaon, Chinchwad, Pune-411033 Tel: +91-20-40773333, Fax: +91-20-4077 3388  
E-Mail : [pune@pudumjee.com](mailto:pune@pudumjee.com), [sk@pudumjee.com](mailto:sk@pudumjee.com). CIN: L21098PN2015PLC153717  
**GSTIN 27AAHCP9601Q1ZQ**

#### Corporate Office:

Jatia Chambers, 60, Dr. V.B. Gandhi Marg, Kalaghoda. Mumbai-400001 India.  
Tel: +91-22-30213333, 22674485, 66339300, Fax: +91-22-22658316.  
E-Mail: [pudumjee@pudumjee.com](mailto:pudumjee@pudumjee.com); Website: [www.pudumjee.com](http://www.pudumjee.com)



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