

ANNUAL REPORT 2015–2016

AI CHAMPDANY INDUSTRIES LIMITED

AI CHAMPDANY INDUSTRIES LIMITED

CIN: L51909WB1917PLC002767

CHAIRMAN EMERITUS

Mr. G. J. Wadhwa

BOARD OF DIRECTORS

Mr. D. J. Wadhwa, Chairman

Mr. Harbhajan Singh

Mr. S. M. Palia

Dr. G. Goswami

Mr. N. Das

Dr. B. Sen

Mr. B. Wadhwa

Ms. Ramya Hariharan

Mr. N. Pujara, Managing Director

VICE PRESIDENT (F&A) & CHIEF FINANCIAL OFFICER

Mr. Prakash Nagar

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. B. K. Chowdhury (w.e.f. 01 April 2016)

AUDITORS

D. P. Sen & Co.

Chartered Accountants

FRN 301054 E

BANKERS

Bank of Baroda

Allahabad Bank

Export-Import Bank of India

Kotak Mahindra Bank Ltd.

Bank of Maharashtra

IDBI Bank Ltd.

REGISTERED OFFICE

25, Princep Street

Kolkata-700 072

SHARE DEPARTMENT

25, Princep Street

Kolkata-700 072

Phone: 2237 7880/85

Fax: 033-2236 3754/033-2225 0221

E-mail: cil@ho.champdany.co.in

Website: www.jute-world.com

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WORKS

Wellington Jute Mill 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Anglo India Jute Mill 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Fine Yarn Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Flax Unit 1, West Ghosh Para Road, Jagatdal 24, Parganas (N) West Bengal Pin: 743 125	Weaving Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248	Yarn Unit 9, G T Road Rishra Hooghly West Bengal Pin: 712 248
Libra Carpet Choudwar	Weaving Unit 39, Shalimar Road	Yarn Unit Choudwar	Weaving Unit Naity Road Konnagar Hooghly West Bengal Pin: 712 246	Kankinara Unit Bhutnath Kolay Road Kankinara 24, Parganas (N) West Bengal Pin: 743 126	
Cuttack Odhisra Pin: 754 025	Howrah (South) West Bengal Pin: 711 103	Cuttack Odhisra Pin: 754 025			

AI CHAMPDANY INDUSTRIES LIMITED
DIRECTORS' REPORT

TO THE SHAREHOLDERS

Your Directors are pleased to present the Annual Report of your Company and the Company's Audited Financial Statements for the financial year ended 31 March 2016.

FINANCIAL RESULTS

(Rs. in lacs)

	Year ended 31st March, 2016	Year ended 31st March, 2015
Profit before Finance Cost, Depreciation, and Tax	794.38	1147.32
Finance Cost	1273.40	1234.66
Depreciation and Amortisation	513.17	561.34
Loss Before Tax	(992.19)	(648.68)
Provision for Tax:		
- Current Tax / MAT	-	2.40
- Tax for prior years	-	(7.32)
- Deferred Tax (Asset)	(449.52)	(230.47)
Loss After Tax	(542.67)	(413.29)
Profit/(Loss)Brought Forward from Previous Years	(407.09)	6.20
Loss Carried over	(949.76)	(407.09)

DIVIDEND

In view of loss, your Directors do not recommend any dividend on 2% Preference Shares and on Equity Shares.

OPERATIONS

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and the decline was mainly because of curtailment of production due to acute shortage of raw Jute leading to abnormally high raw jute prices. Production & sales also suffered because of temporary suspension of work at Anglo India Jute Mill (Middle Mill) from 26.05.15 to 13.09.15, Yarn Unit Rishra since 20.06.15 till date, Wellington Jute Mill since 26.03.16 till date and Weaving Unit Rishra since 23.05.15 till date. Export sales were at Rs. 49.74 Crores as against Rs. 60.80 Crores in previous year. Incidentally due to shortage and high raw jute prices, working was affected mostly in all mills. Mills adopted different methods of adjusting their production i.e. working 4 or 5 days / week running 2 shifts / day etc. Overall operating performance was adversely affected for the reasons mentioned in the Management Discussion and Analysis Report annexed hereto.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There have been no change in the nature of business of the Company

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

As approved by way of special Resolution passed by share holders on 14.03.2014 by way of Postal Ballot, the Company sold its Anglo India Jute Mill (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 to M/S. P & A Distilleries Private Limited. (subsequently name changed to Anglo India Jute & Textile Industries Private Limited w.e.f. 14.05.2016).

RISK MANAGEMENT FRAMEWORK

Your company has a Risk Management Framework approved by the Board of Directors. The Risk Management Framework provides the mechanism for risk assessment and its mitigation .The Risk Management framework is being periodically reviewed by the Audit Committee and the Board of Directors.

DISCLOSURE ON SEXUAL HARRASSMENT OF WOMEN IN WORKPLACE

The Company has received no complaints from any women employee during the year regarding Sexual Harassment of Women in Workplace (Prevention Prohibition & Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES

There was no employee in receipt of remuneration of Rs. 60 lacs or more per annum during the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CHANGES IN KEY MANAGERIAL PERSONNEL

COMPANY SECRETARY

During the year, on resignation of Mr. Swaroop Saha from 30th May, 2015, Mr. Sandip Mandhana was appointed as the Company Secretary and Compliance Officer from 01st June, 2015. Subsequently on resignation of Mr. Sandip Mandhana from 31st January, 2016, Mr. Binod Kumar Chowdhury Sr. General Manager (Accounts) of the Company was appointed as the Company Secretary and Compliance Officer from 01st April, 2016.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 particulars regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are set out in a separate statement attached to this report and forms part of it.

DIRECTORS

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company, Shri D. J. Wadhwa, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

The company has received declarations from all the independent directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act 2013 and Regulation 16 (b) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations")

DISCLOSURES ON MANAGERIAL REMUNERATION

Details of Managerial Remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure I of this Report.

STATUTORY AUDITORS

At the 97th Annual General Meeting held on 14th August, 2015, the members had appointed M/s D. P. Sen & Co., Chartered Accountants, having registration number 301054E as the Statutory Auditors of the Company till the conclusion of the next Annual General Meeting.

The Company has received a consent letter from M/s D. P. Sen & Co., Chartered Accountants, to the effect that their appointment, if made, at the ensuing AGM would be in terms of Sections 139 and 141 of the Companies Act, 2013 and the rules made thereunder. The Board proposes to appoint M/s D. P. Sen & Co., Chartered Accountants as the Statutory Auditors of the Company from the conclusion of ensuing 98th AGM till conclusion of 99th AGM.

COST AUDITORS

M/s N Radhakrishnan & Co, Cost Accountants has been appointed as Cost Auditor for auditing the cost accounts of the Company for the year ended 31 March 2017 by the Board of Directors. The remuneration proposed to be paid to the Cost Auditor requires ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to the Cost auditor is being sought at the ensuing Annual General Meeting.

M/s N. Radhakrishnan & Co., Cost Accountants, has given his consent to act as Cost Auditor of the Company confirming that his appointment is within the limits of Section 139 and certified that he is free from any disqualifications specified under Section 148(5) and all other applicable provisions of the Companies Act, 2013.

The Cost Audit Report for the year 2014-15 has been filed with the Ministry of Corporate Affairs within the due date of filing.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanation received from the day to day operating management, your Directors make the following statements pursuant to Sub-Section (5) of Section 134 of the Companies Act, 2013:

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that 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 loss of the Company for that period;
- c) that 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) that the Directors have prepared the annual accounts for the financial year ended 31st March, 2016, on a going concern basis;
- e) that the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and;
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed as Annexure II.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by M/s K. Arun & Co., Company Secretaries, is enclosed as part of this report as Annexure III.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITOR IN HIS REPORT AND BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT

Qualified opinion by the Statutory Auditors in their Report have been adequately dealt with in the Note 44 of the Accounts, which is explained hereunder.

"The Company is providing Gratuity Liability on accrual basis for all its units and only in respect of one unit i.e. Jagatdal it was accounted for on cash basis for the intervening period of 1996-97 to 2006-07 as explained in Note No.44 to the Accounts. However this qualification will not appear from Annual Accounts of current FY 2016-17 onwards as the Unit for which this qualification was appearing has been hived off to the new buyer w.e.f. 01.05.2016 with all its Gratuity Liability both past & future."

The Secretarial Auditor have not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

The Cost Auditor has not given any qualification, reservation or adverse remark or disclaimer in their Audit Report.

MEETINGS OF THE BOARD

Four Meetings of the Board of Directors were held during the year. For further details please refer to report on Corporate Governance annexed in this Annual Report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act 2013 and the Accounting Standard (AS21), the Consolidated Financial Statement is provided in the Annual Report.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary i.e. Champdany Construction Ltd is presented in a separate section in Form AOC 1 as Annexure IV.

LISTING WITH THE STOCK EXCHANGES

The Company's shares are listed on the Bombay Stock Exchange and National Stock Exchange and annual listing fees for financial year 2016-17 has been paid to the BSE and NSE.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant & Material Orders relating to settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc. were passed by the Regulators for or against the Company during the financial year ended 31st March 2016.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The internal Auditors continuously monitor the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's risk management with regard to the Internal financial Control system.

The Audit Committee meets regularly to review reports submitted by the Internal Auditors. The Audit Committee also meet the Company's Statutory Auditors to ascertain their views on the financial statements, including the financial reporting system and compliance to accounting policies and procedures followed by the Company. In order to strengthen further our existing internal financial control system, the Company has engaged Ernst & Young to study and suggest improvements in our system.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

During the year, the Company has not given any loans, provided any guarantees or made any investments as covered under Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS, ARRANGEMENTS ENTERED INTO WITH RELATED PARTIES

During the financial year, the Company had not entered into any contract / arrangement / transactions with related parties which are materially significant.

All contracts/transactions/arrangements entered by the Company with Related parties during the financial year were in the ordinary course of business and on arm's length basis and the provisions of Section 188 are not attracted. Thus, disclosure in Form AOC-2 is not required.

PREVENTION OF INSIDER'S TRADING

In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and its subsequent Amendments in 2008 and 2015, the Company has adopted a model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company. The Code, inter alia, prohibits purchase, sale of the shares of the Company by the Directors, Officers and Designated Employees while in possession of the unpublished price sensitive information in relation to the Company. The Company secretary is the Compliance Officer for the purpose of these Regulations.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and Analysis Report for the year under review as stipulated under Regulation 34 of the Listing Regulations is presented in a separate section forming part of this Annual Report

CORPORATE GOVERNANCE

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance as prescribed by SEBI. The Corporate Governance Report and a Certificate from the Auditors of the Company certifying compliance with the conditions of Corporate Governance are attached hereto and form part of the Directors' Report.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

INDUSTRIAL RELATIONS

Industrial Relations in all units and branches of the Company remained generally cordial and peaceful throughout the year, except Units under suspension of work, etc. as mentioned in Management Discussion & Analysis Report annexed herewith.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation of the continuous support, encouragement and co-operation received from the Company's bankers, the Government of West Bengal, customers, employees, shareholders and other business associates.

Place: Kolkata
Dated: 14th June'2016

On Behalf of the Board
B. Wadhwa }
N. Pujara } Directors

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Structure and Development:

During the year under review, Industry suffered due to severe shortage of raw jute due to Crop being lower by almost 24% than earlier year. This resulted in abnormal rise in raw Jute prices putting further pressure on the operations. The production therefore in the Industry is estimated to be approx 20% less than earlier year.

B. Opportunities/Threats, Risks & Concerns:

■ Opportunities

As per initial projections given by the Government Procurement agencies it is likely that there will be good demand for B Twill Jute Bags from July'16 onwards which coupled with expected bumper Jute crop to arrive in the market from July / Aug'16 may ease both availability and price of raw jute, and should augur well for the Industry going forward, barring unforeseen situation. Opportunity also lies in diversification of products range by installing new generation equipments and innovation of value added products by way of different blends of man made / natural fibres. Your Company having hived off its labour intensive and conventional Unit, namely Anglo India Jute (Middle Mill) will now focus more on enhancing production of diversified items while also giving thrust on improving the productivity.

■ Threats / Risks and Concerns

Discussion is going on in the Ministry of Textile, Government of India, for dilution of Jute Packaging (compulsory use for packaging commodities) Act 1987 which is due for annual extension as is being done every year. However, efforts are being made by the Industry body to persuade the Government not to dilute the mandatory packaging order in the larger interest of farmers, workers, environment and until the Industry is ready to face this challenge by way of concerted efforts by the Industry to modernise & develop diversified products and create new demands. Besides, both Central and State Government

should also extend their support by devising an Incentive based effective policy to encourage the Industry for modernisation, research & development and innovation of value added range of products. Productivity in the Industry is also quite low compared to wage structure which keeps going up being linked to inflation, hence workers Unions also need to Co-operate with the Industry and link wages to productivity for long term survival of the Industry.

C. Outlook:

There is an expectation of Bumper raw jute crop which will arrive in the market from July/Aug onwards because the farmers have gone for higher acreage of jute cultivation this year due to record high prices realised by them for the previous crop & with expected above normal monsoon, Government procurement Agencies have also projected higher B Twill bags requirements. Considering the above factors it is hoped that performance of Jute Industry including your Company may be better this year, barring unforeseen situation.

Your Company after having sold its Anglo India Jute (Middle Mill) located at Jagatdal, Dist. 24 Parganas (North), West Bengal w.e.f 01.05.2016 is now planning to focus more and more on value added products and also ramping up production at its other Units. Since AIJM – Middle Mill was highly labour intensive having very low productivity, manufacturing mostly conventional products, its hiving off should result in overall improvement in the operating performance of the Company. Sales turnover may be lower initially but may gradually increase with the Company's efforts in enhancing production at other Units in a phased manner.

Efforts are continuing to resume operations at Wellington Jute Mill and other Units located at Rishra, Dist-Hooghly, West Bengal which are currently under temporary suspension of work due to acute shortage of raw jute and low productivity. Resumption of operations at these Units also depends upon the outcome of negotiations underway with the Workers Unions to benchmark productivity levels at these Units to Industry standards which at present is very poor when compared with Industry norms.

D. Internal Control System & Adequacy:

The Company has a proper internal control system in place across all its operations. Internal audit work has been assigned to a professional firm of Chartered Accountants who have expressed satisfaction about the adequacy of internal control systems and procedures followed by the Company. The Audit Committee reviews the observations of the internal auditors and implementation aspects on a regular basis.

E. Financial & Operating Performance:

Sales / Income from operation was Rs. 216.16 Crores compared to Rs. 301.78 Crores in the previous year and it declined mainly due to lower production which had to be curtailed because of acute shortage of raw Jute and suspension of work in some units. Export Sales was at Rs. 49.74 Crores compared to Rs. 60.80 Crores in the previous year. Overall operating performance was adversely effected for the reasons explained in this report.

F. Material Development in Human Resources/Industrial Relations Front:

The Company continues to rationalize its workforce and put emphasis on providing quality training under the Company's programme.

Yarn Unit and Libra Carpet Unit located at Choudwar, District Cuttack, Odisha, Yarn and Weaving Unit at Konnagar continued to be under suspension of work.

Due to very low productivity, temporary suspension of work had to be declared at Weaving Unit Rishra w.e.f 23rd May 2015 continuing till date, Anglo India Jute Mill (Middle Mill) from 26th May 2015 to 13th September 2015, Yarn Unit Rishra from 20th June 2015 continuing till date with intermittent small operations in between. Due to severe Raw Jute shortage & low productivity Wellington Jute Mill also had to temporarily suspend operations from 26th March 2016 which is continuing till date, however negotiations are underway with Workers Unions for increasing productivity & adhering manning norms in line with Industry Standards.

G. Cautionary Statements:

Certain statements in this report may be construed as forward looking statements which have been made as required by laws and regulations, as applicable. There are several factors, which would be beyond the control of management and as such, may affect the actual results, which could be different from that envisaged.

AI CHAMPDANY INDUSTRIES LIMITED

Annexure to the Directors' Report

Information as per Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2016.

A. CONSERVATION OF ENERGY

The Company continues its efforts to conserve energy and has taken the following steps on ongoing basis:

- Replacement of conventional Fluorescent lamps with Light Emeidie Diode (LED) type lamp fittings.
- Replacing in phased manner High Power Sodium Vapour lamps by Metal Halide Lamp.
- Mounting of spinning motors outside machine frame.
- Putting variable frequency with driving looms.
- Taking care for maximum utilization of energy and to reduce the energy consumption, capacitors have been installed in every department to improve power factor and always try to maintain it to 99% to reduce losses. All motors, electrical & electronic equipments and machine parts are regularly checked and maintained to reduce losses.
- Regular checking and maintenance of Steam pipe lines, valves, steam traps to reduce the loss of steam and finally consumption of fuel in the Boiler.

Continuous monitoring of system voltage and power factor to minimize losses, follow rigid routine preventive / proactive maintenance schedule of machine, use of energy efficient motors, elimination of idle / under loading of machines.

Constant efforts are being made to identify new technologies to improve the working of the plants for reduction in consumption of energy and cost of production.

“FORM A”

a) POWER AND FUEL CONSUMPTION		Current year	Previous year
i) ELECTRICITY			
a) Purchased Units (KWH)		16066615	21839046
Total Amount (Rs. in lacs)		1399.59	1816.12
Rate / Unit (Rs.)		8.71	8.32
b) Own Generation through Diesel Generator (Units)		7214	10203
Units per litre of Oil		3.07	3.10
Cost / Unit (Rs.)		18.32	23.76
ii) COAL			
(B grade used for generation of steam in boiler)			
Quantity (M. Ton.)		1.77	5.92
Total Cost (Rs. in lacs)		0.16	0.55
Average Rate (Rs.)		9319	9319
b) CONSUMPTION PER UNIT OF PRODUCTION			
Electricity (KWH/MT)			
Jute/Jute diversified Products and Services		753	700
Flax Products		5557	4707
Coal per ton of Production (M.Ton)			
Jute/Jute diversified Products & Services		-	-
Flax Products		-	-
Production			
Jute & Jute Diversified Products (M. Ton.)		18526	28390
Flax Product (M. Ton.)		383	422

“FORM B”

B. TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R & D)

R&D Projects are being pursued in house & in conjunction with IJIRA/Jute Board for development of value added items having combinations of jute blended with other natural and manmade fibre and improvement of end products including linen yarn.

BENEFITS DERIVED AS A RESULTS OF THE ABOVE R&D AND FUTURE PLAN OF ACTION:

Technology absorption, adaptation and innovation –

- a) By taking out Motor from Machine to outside Energy saving is 20 units per day per frame.
- b) Motor will remain cool, comparatively clean, wear & tear of Motor will be decreased and most important fire hazards will be eliminated.
- c) Consumption of Bearing will be reduced considerably for spinning section.
- d) By using armoured cable on Spinning Machine Main line fire hazard and line losses will be minimized.

Benefits are expected to accrue in terms of value addition, cost optimization, better turnaround improvement of quality and serviceability.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, EFFORTS IN BRIEF MADE TOWARDS TECHNOLOGY ABSORPTION AND INNOVATION:

Continued assistance being sought for technology transfers and up-gradation from developed countries for perpetual improvement of existing products and developments of newer products. The Company had adopted technology of fine yarn and soil saver; further improvements are anticipated in development of HCF Food Grade jute products.

EXPENDITURE ON R&D:

In accordance with the Company's consistent practice, expenditure on R&D activities remains merged with various heads of account.

DETAILS OF IMPORTED TECHNOLOGY:

No technology has been imported during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products, services and export plans:

The Company has taken several initiatives for development of new products by way of diversification of product folio and cost reduction for export market.

Total foreign exchange used and earned (Rs. in lacs)

	Current Year	Previous Year
Used	: 1261.62	3607.69
Earned	: 4973.76	6080.15

Place: Kolkata
Dated: 14th June'2016

On Behalf of the Board
B. Wadhwa }
N. Pujara } Directors