

PAUSHAK

40th ANNUAL REPORT 2012-13

PAUSHAK LIMITED

ALEMBIC ROAD, VADODARA - 390 003.

PAUSHAK LIMITED

Board of Directors

Mr. Chirayu Amin - Chairman
Mrs. Malika C. Amin
Mr. Udit C. Amin
Mr. Amit M. Goradia
Mr. Santosh Jejurkar
Mr. V. H. Gandhi

Company Secretary

Mr. Charandeep Singh Saluja

Statutory Auditors

J. R. S. Patel & Co.,
Chartered Accountants
106, Anurag Commercial Centre,
R. C. Dutt Road,
Vadodara - 390 007

Bankers

IDBI Bank Limited

Registered Office

Alembic Road, Vadodara - 390 003.

Manufacturing Facilities

Panelav, Tal. Halol
Dist. Panchmahal - 389 350. Gujarat

Registrar and Transfer Agents

M/s. Link Intime Private Limited
B-102-103, Shangrila Complex,
1st Floor, Nr. Radha Krishna Char Rasta,
Akota, Vadodara - 390 020.
Phone : 0265 - 2356573 / 2356794 / 2356796
Fax : 0265 - 2356791
E-mail : vadodara@linktime.co.in

Stock Exchange

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Scrip Code : 532742

NOTICE

NOTICE is hereby given that the Fortieth Annual General Meeting of Paushak Limited will be held at "Sanskriti", Alembic Corporate Conference Center, Opp. Pragati Sahakari Bank Limited, Alembic Colony, Vadodara-390 003, on Thursday, the 8th August, 2013 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit & Loss and Cash Flow Statement of the Company for the year ended on 31st March, 2013 and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. C. R. Amin who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Amit Goradia who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. J.R.S. Patel & Co., Chartered Accountants as Statutory Auditors from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

6. To consider and, if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:
"**RESOLVED THAT** Mr. Abhijit Joshi, who was appointed as an Additional Director of the Company w.e.f. 1st May, 2013 and who vacates his office at this Annual General Meeting be and is hereby appointed as the Director of the Company not liable to retire by rotation."
7. To consider and, if thought fit, to pass with or without modifications the following resolution as a Special Resolution:
"**RESOLVED THAT** pursuant to provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) ('the Act') the approval of the shareholders be and is hereby accorded to the appointment of Mr. Abhijit Joshi as Whole-time Director of the Company for a period of 5 years effective from 1st May, 2013 on such terms and conditions as set out herein below, with liberty and authority to the Board of Directors to alter and vary the terms and conditions of said appointment from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequate profits in any financial year, the Company shall pay to Mr. Abhijit Joshi in respect of such financial year, remuneration by way of salary, allowances, perquisites and other benefits as the Board of Directors may deem fit, subject to limits prescribed under the provisions Schedule XIII of the Act.

Terms and Conditions of Appointment:

1. **Term of Appointment:** 5 years from 1st May, 2013 to 30th April, 2018. He shall not be liable to retire by rotation.
2. **Remuneration :**
Basic Salary, Perquisites and other allowance/benefits up to maximum CTC of ₹ 30 Lacs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time.
Perquisites and Allowances:
 - a) Housing: Company Leased Housing Accommodation or House Rent Allowance as per the rules of the Company.
 - b) Leave Travel Concession for self and family as per rules of the Company.
 - c) Medical Reimbursement, Medical Insurance and Personal Accident Insurance, as per rules of the Company.
 - d) Conveyance: As per rules of the Company.
 - e) Mobile phone facility as per rules of the Company.
 - f) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per rules of the Company.

- g) Leave: As per rules of the Company.

Privilege Leave accumulated and not availed of during this tenure as Whole-time Director may be allowed to be encashed as per rules of the Company.

- h) Other perquisites, allowances, benefits and amenities as per the service Rules of the Company as applicable from time to time.

3. Minimum Remuneration:

The minimum remuneration, in the event of loss or inadequacy of profits in any financial year, payable to Mr. Abhijit Joshi as Whole-time Director by the Company will be in accordance with the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or re-enactment thereof or subject to such approvals as may be required from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

NOTES:

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy Form, duly completed, must reach the Registered Office of the Company not later than forty-eight hours before the time of holding the meeting.
3. The Register of Members and Transfer books of the Company will remain closed from Thursday, the 1st August, 2013 to Thursday, the 8th August, 2013 (both days inclusive) for the purpose of payment of dividend.
4. The dividend if approved will be made payable on or after Tuesday, 13th August, 2013 to those members whose names stand on the Register of Members of the Company on Thursday, the 8th August, 2013. Members are requested to notify promptly any change in their registered addresses.
5. Shareholders who have not encashed their dividend warrants for the financial year ended on 31st March, 2012 are requested to approach the Company or the R&T Agents of the Company.
6. All the work related to share-registry in terms of both - physical and electronic are being conducted by Company's R&T Agents - Link Intime India Private Limited, B-102-103, Shangrila Complex, 1st Floor, Nr. Radhakrishna char rasta, Akota, Vadodara – 390 020. Phone: (0265) 2356573/2356794/2356796 Telefax: (0265) 2356791 Email: vadodara@linkintime.co.in. Shareholders are requested to send their communication to the aforesaid address.
7. The Equity Shares of the Company are compulsorily traded in dematerialized (demat) mode as mandated by the SEBI. Therefore, those members who hold shares in physical mode are advised to get their shares dematerialized (i.e. conversion of physical shares into electronic mode) at the earliest.
8. The Ministry of Corporate Affairs has vide its Circulars No. 17/2011 dated 21st April, 2011 and No. 18/2011 dated 29th April, 2011 has taken a Green Initiative in the Corporate Governance by allowing paperless compliances by the Companies by way of service of notice/documents including Annual Report by e-mail to its members. To support this green initiative of the Government in full measure, members holding shares in electronic mode are requested to register their e-mail address with their Depository Participants. Members holding shares in physical mode may submit their e-mail address to the R&T Agents of the Company.

Registered Office:
Alembic Road,
Vadodara – 390 003
Date: 24th April, 2013

By Order of the Board

Charandeep Singh Saluja
Assistant Company Secretary

Explanatory Statement as required under Section 173 of the Companies Act, 1956

Item No. 6

The Board of Directors at its meeting held on 24th April, 2013 appointed Mr. Abhijit Joshi as Additional Director of the Company with effect from 1st May, 2013. Mr. Abhijit Joshi has done his Masters in Organic Chemistry and Production Management. He has vast experience of 32 years in the fields of Basic Research, Tech-transfer, Production and Manufacturing site administration, etc. He has worked with various well known Indian as well as Multinational Companies in pharmaceutical space.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office of the Director upto the date of the ensuing Annual General Meeting. The Company has received a notice under Section 257 of the Companies Act, 1956 proposing his candidature for appointment as Director of the Company.

In order to enable the Company to avail the benefit of his experience, your Directors consider it desirable that Mr. Abhijit Joshi be appointed as a Director of the Company.

Except Mr. Abhijit Joshi, none of the Directors of the Company is in any way, concerned or interested in the proposed resolution.

Item No. 7

The Board of Directors at its meeting held on 24th April, 2013 considered it necessary to have a full time Executive Director to take care of business operations of the Company. With this view, the Board appointed Mr. Abhijit Joshi as Whole-time Director of the Company w.e.f. 1st May, 2013. Mr. Abhijit Joshi is an Associate Vice President – Production of the Company. His terms and conditions for appointment are as under:

Terms and Conditions of Appointment:

1. **Term of Appointment:** 5 years from 1st May, 2013 to 30th April, 2018. He shall not be liable to retire by rotation.

2. **Remuneration :**

Basic Salary, Perquisites and other allowance/benefits up to maximum CTC of ₹ 30 Lacs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time.

Perquisites and Allowances:

- Housing: Company Leased Housing Accommodation or House Rent Allowance as per the rules of the Company.
- Leave Travel Concession for self and family as per rules of the Company.
- Medical Reimbursement, Medical Insurance and Personal Accident Insurance, as per rules of the Company.
- Conveyance: As per rules of the Company.
- Mobile phone facility as per rules of the Company.
- Contribution to Provident Fund, Superannuation Fund and Gratuity Fund shall be as per rules of the Company.
- Leave: As per rules of the Company.
Privilege Leave accumulated and not availed of during this tenure as Whole-time Director may be allowed to be encashed as per rules of the Company.
- Other perquisites, allowances, benefits and amenities as per the service Rules of the Company as applicable from time to time.

3. **Minimum Remuneration:**

The minimum remuneration, in the event of loss or inadequacy of profits in any financial year, payable to Mr. Abhijit Joshi as Whole-time Director by the Company will be in accordance with the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, or any amendment or re-enactment thereof or subject to such approvals as may be required from time to time."

This may be treated as an abstract of terms and memorandum of interest pursuant to section 302 of the companies Act, 1956.

Your Directors recommend the appointment of Mr. Abhijit Joshi as Whole-time Director for your approval.

None of the Directors of the Company are in any way concerned or interested in the resolution except Mr. Abhijit Joshi.

Registered Office:
Alembic Road,
Vadodara – 390 003
Date: 24th April, 2013

By Order of the Board

Charandeep Singh Saluja
Assistant Company Secretary

DIRECTORS' REPORT

To

The Members,

Your Directors present their 40th Annual Report on the working of the Company together with the Audited Accounts for the year ended on 31st March, 2013.

1. Financial Results:

Particulars	Year ended on 31 st March, 2013 ₹	Year ended on 31 st March, 2012 ₹
Profit for the year before Interest, Depreciation and Tax	12,71,98,844	6,09,33,331
Deducting therefrom:		
Interest	19,05,717	31,14,451
Depreciation	1,79,75,179	1,65,20,227
Profit/(Loss) for the year before Taxes	10,73,17,948	4,12,98,653
Less: Provision for Deferred Tax Liabilities/(Asset)	(14,50,417)	(4,39,259)
Less: Provision for Income Tax	3,10,00,000	88,50,000
Less: Excess Provisions for earlier years	(1,76,716)	(15,86,727)
Profit/(Loss) after Taxes	7,79,45,081	3,44,74,639
Add: Profit brought forward from last Year	10,95,73,900	9,25,54,037
Balance available for appropriation	18,75,18,981	12,70,28,676
Less: APPROPRIATIONS		
Dividend on Equity Shares	96,21,342	64,14,228
Dividend Distribution Tax on Equity Shares	16,35,147	10,40,548
Transfer to General Reserve	5,00,00,000	1,00,00,000
Surplus carried to Balance Sheet	12,62,62,492	10,95,73,900

Dividend:

Your Directors are pleased to recommend dividend of ₹ 3/- per share, i.e., 30 per cent (Previous Year ₹ 2/- per share) on the equity shares of ₹10/- each for the year ended on 31st March, 2013.

2. Operations:

The profit before interest, depreciation and tax was ₹ 1271.99 lacs for the year under review as compared to ₹ 609.33 lacs for the previous year. The Company made a net profit of ₹ 779.45 lacs for the year under review as compared to net profit of ₹ 344.75 lacs for the previous year. The Company's Gross Sales including export incentives were ₹ 5429.55 lacs for the year under review as compared to ₹ 3549.54 lacs for the previous year.

3. Management Discussion and Analysis Report:

Management Discussion and Analysis Report as required under the Listing Agreement with the Stock Exchange is enclosed as **Annexure-I** to this report.

4. Corporate Governance:

Your Company complies with the provisions of Corporate Governance as envisaged in the Listing Agreement. A separate report on Corporate Governance is enclosed as a part of the Annual Report, along with the Auditor's Certificate on the compliance.

5. Research & Development:

We have focused our R&D to ensure that we retain a dominant position in the market by better processes to improve quality consistency and cost of production. We have scaled up and stabilized a new set of products in the previous year and are also looking at developing more products at the lab scale for the future growth of the Company.

6. Safety, Health & Environment:

The Company continues to maintain and improvise upon the high standards of safety at the manufacturing site. It is ensured that all safety rules and statutory requirements are complied during production, storage, handling and transportation of products to prevent any accident. Mock-drills of on-site emergency plans are carried out periodically. The Company maintained emission within the specified limits of standard. The preservation of Environment and Pollution Control are among the top priorities of your Company. We have upgraded and invested in many new systems and equipment to improve the safety and reliability of our manufacturing plants.

7. Fixed Deposits:

The Company has not accepted fixed deposits during the year. There are no fixed deposits outstanding as at 31st March, 2013.

8. Particulars of employees:

During the period under review, there is no employee in respect of whom information as per Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975, is required to be given in this Directors' Report.

9. Energy, Technology and Foreign Exchange:

Information pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988, is given in the **Annexure-II** hereto and forms part of this Report.

10. Directors:

The Board of Directors at its meeting held on 24th April, 2013 has appointed Mr. Abhijit Joshi as Additional Director and Whole-time Director of the Company w.e.f. 1st May, 2013. He holds office upto the ensuing Annual General Meeting of the Company. The Company has received a notice u/s 257 of the Companies Act, 1956 from a shareholder of the Company proposing the candidature of Mr. Abhijit Joshi as Director not liable to retire by rotation.

As per the provisions of the Companies Act, 1956, Mr. C. R. Amin and Mr. Amit Goradia, Directors of the Company, retire by rotation and are eligible for re-appointment.

11. Auditors:

M/s. J.R.S. Patel & Co., Chartered Accountants, Vadodara are retiring at the ensuing Annual General Meeting and being eligible for re-appointment have expressed their willingness to continue as Statutory Auditors, if re-appointed. Your Directors recommend their appointment as the Statutory Auditors from the conclusion of ensuing Annual General Meeting to the conclusion of next Annual General Meeting.

12. Cost Auditor:

The Board of Directors appointed Mr. H. R. Kapadia, Cost Accountant, Vadodara as Cost Auditor of the Company for conducting audit of the cost accounts maintained by the Company relating to the manufacture of chemicals for the year 2012-13.

13. Directors' Responsibility Statement:

In terms of the provisions of Companies Act, 1956, the Directors state that:

- i) In preparation of the Annual Accounts for the year, the applicable Accounting Standards have been followed.
- ii) Accounting policies as listed in Note AA to the financial statements have been selected and consistently applied and reasonable and prudent judgments have been made so as to give true and fair view of the state of affairs of the Company as on 31st March, 2013 and profit of the Company for the accounting year ended on that date.
- iii) Proper and sufficient care for maintenance of adequate accounting records has been taken in accordance with the provisions of the Act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- iv) The Annual Accounts have been prepared on going concern basis.

14. Acknowledgement:

Your Directors wish to place on record their sincere appreciation for the support received from the Company's employees, bankers, Government Authorities, Valuable Customers, Vendors and the Shareholders.

Registered office:

Alembic Road
Vadodara - 390 003.
Date: 24th April, 2013

By Order of the Board

Chirayu R. Amin
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS**Annexure-I to Directors' Report****(A) Industry Structure and Development**

The Company has grown its pharma intermediate business via increasing sales of the existing products, through better customer servicing as well as by developing new products, which are expected to grow in the near future.

The Company continues to retain a stable base in the speciality chemicals area and has also extended its reach into the international chloroformates market. The Company has reduced its presence in the cosmetics industry, as it is now focusing on a more profitable product mix in other areas.

(B) Opportunities, Threats, Risks, Concerns and Outlook

There is an opportunity for the Company to grow further in the phosgene related business. It would try to retain the leading position in the domestic market, while attempting to increase its presence in custom molecules, for the European and US markets. The Company has an opportunity to grow in the chloroformate business globally and is working on products and processes that will help capture a larger market share in the future.

The Company's endeavour is to widen its presence in multiple segments and to increase customer base to reduce the dependence on any specific customer / market. The concern for the Company now is to grow its topline without significant increase in Capex and Fixed Cost. The Company aims to achieve this goal through better processes to increase output and efficiency with the same plant configuration.

The Company has received a clearance from the Ministry of Environment and Forests for expansion of its licensed phosgene capacity. The approval from the Ministry of Industries and the Gujarat Pollution Control Board is sought for implementing the expansion. The outlook for the Company is positive and it will aim to achieve further growth.

(C) Financial Performance

The total income of the Company for the year under review was ₹ 5196.40 lacs as compared to ₹ 3474.48 lacs for the previous year. The profit before interest, depreciation and tax was ₹ 1271.99 lacs for the year under review as compared to ₹ 609.33 lacs for the previous year. The Company made a net profit of ₹ 779.45 lacs for the year under review as compared to net profit of ₹ 344.75 lacs for the previous year.

(D) Internal Control Systems and Adequacy

The Company maintains a system of well-established policies and procedure for its internal control of operations and activities. The Company has appointed M/s. K. C. Mehta & Co., Chartered Accountants, Vadodara, as the Internal Auditors.

(E) Human Resource: Developing Human Capital

The Company has developed internal talent, from the present environment, instead of hiring from outside. It would like its own people to grow into bigger roles and handle larger portfolios. Based on this philosophy, the company has given its senior team more responsibilities and hopes to encourage their growth keeping in mind the overall corporate objectives and goals.

Annexure-II to Directors' Report

Particulars required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

(A) Conservation of Energy**(a) The energy conservation measures taken:**

- (i) Optimized distillation parameters in some products to generate more output, thereby reducing the usage of energy.
- (ii) The Company has shifted more products from batch process to continuous process, which will result in tremendous reduction in energy use.
- (iii) Reduced cycle times of the batch processes to reduce energy use and increase output.
- (iv) The Graphite Steam ejector nozzles were replaced with Hastelloy. This has reduced its steam consumption at the vacuum systems.
- (v) Steam Ejectors in scrubbing systems have been replaced with a Teflon Venturi, which has also given a significant energy savings.

(b) Additional investment and proposals, if any, being implemented for reduction in the consumption of energy.

The Company continuously makes investments in its facility for better maintenance and safety of the operations. It has improved the material storage areas by utilizing existing space optimally.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production of goods:

Shifting of the vacuum system and cooling tower near to TCC /ISO-2 has resulted in a significant reduction in process-cycle-time & has given a better control over expenses in maintenance-breakdowns. Exact quantification of amount of energy saving and its impact on cost of production is not feasible.

(B) Consumption per unit of Production

On account of the fact that a number of different products are manufactured in the Company, some through continuous process and others through batch process, with varying cycle times and batch sizes, it is not feasible to report the fuel consumption per unit of production.

FORM "A"**Form for disclosure of particulars with respect to conservation of energy:**

A Power and Fuel consumption	2012-13	2011-12
1. Electricity:		
(a) Purchased Units (KWH)	38,20,908	40,78,520
Total Amount (₹)	2,70,51,358	2,68,71,039
Average Rate (₹/ Unit)	7.08	6.59
(b) Own Generation (KWH)	29,300	22,600
2. Bio-Mass Briquettes		
Quantity (Kgs.)	28,71,480	32,31,055
Total Amount (₹)	1,55,11,682	1,57,88,977
Average Rate (₹/Kg)	5.40	4.88
3. Furnace Oil:		
Quantity (Kgs.)	23,887	29,070
Total Amount (₹)	10,10,405	10,47,027
Average Rate (₹./Kg)	42.30	36.01
4. L.D.O. (Ltr.)	8,540	8,629
Total Amount (₹)	4,32,749	2,98,071
Average Rate (₹/Lit.)	50.67	34.54

FORM "B"**Form for disclosure of particulars with respect to technology absorption.****(A) Research & Development (R&D)**

- (1) Specific areas where research work was carried out by the Company's Research Centre, which is approved by DSIR are as follows :
 - (i) Improvement in cycle times and yield improvement.
 - (ii) Process development at lab scale for new products.
 - (iii) Pilot plant trials of new products and speciality chemicals.
- (2) Future plan of action:
A number of other products are under various stages of development and these will be taken to completion over this year.

(B) Technology Absorption, Adaptation & Innovation

- (1) Efforts towards technology absorption:
The Company expects two major products to be commercialized in the period of next six months. R&D priority would be to ensure that the scale-up activities are carried out smoothly, safely and that the operating personnel effectively absorb the technology, for regular commercial levels.
- (2) Benefits of the above:
The commercialization of the new products will help increase the Company's product-base and sales-volume. It will help seed a new focus market, for the coming years.
- (3) Information regarding technology imported, during the last 5 years:
There was no technology import, during the last 5 years.

Report on Corporate Governance

1. Company's Philosophy

The Company strongly believes in adopting the best practices in the areas of Corporate Governance. The Company's policy and practices are aimed at efficient conduct of business and effectively meeting its obligation to the shareholders. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

2. Board of Directors

• Composition of the Board:

The Company's Board meets the requirement of composition of the Board under Corporate Governance. As on 31st March, 2013, the Board consists of Six Directors and all of them are non-executive directors. Moreover, three Directors are Independent Directors. However, the Board of Directors at its meeting held on 24th April, 2013 has appointed Mr. Abhijit Joshi as Additional Director and Whole-time Director of the Company with effect from 1st May, 2013.

• Number of Board Meetings held and the dates of the Board Meetings:

During the financial year ended 31st March 2013, 4 (Four) Meetings of Board of Directors were held as on 8th May, 2012, 8th August, 2012, 6th November, 2012 and 5th February, 2013.

• Attendance of each Director at the Board Meetings and the last AGM

Name of Director	Category	No. of other Directorships	No. of other board committees of which member / chairman#	No. of Board Meetings Attended	Attend-ance at the last AGM
Mr. C. R. Amin	Chairman & N.E.D.	10	1 (as chairman) 2 (as member)	4 of 4	Yes
Mrs. M. C. Amin	N.E.D.	4	2 (as member)	1 of 4	Yes
Mr. Udit C. Amin	N.E.D.	Nil	Nil	4 of 4	Yes
Mr. Amit Goradia	N.E.D. (I)	Nil	1 (as chairman)	3 of 4	Yes
Mr. Santosh Jejurkar	N.E.D. (I)	Nil	2 (as member)	4 of 4	Yes
Mr. V. H. Gandhi	N.E.D. (I)	Nil	1 (as member)	4 of 4	Yes

#The committees include the committees of Paushak Limited.

N.E.D. - Non-Executive Director

N.E.D. (I) - Non-Executive & Independent Director

Code of Conduct

Pursuant to Clause 49.I.D.(i) of the Listing Agreement, the Board has laid down the Code of Conduct for all the members of the Board and senior management personnel of the Company. The same has been posted on the website of the Company. Further, the Company has received confirmation from all the members of Board and senior management personnel regarding compliance of the code during the year 2012-13. A declaration by CEO to this effect is reproduced hereunder:

Declaration regarding Compliance of Code of Conduct by Directors and Senior Management Personnel of the Company

This is to certify that the Board Members and the Members of Senior Management (i.e. one layer below the Board of Directors) have given declaration regarding the adherence to the Code of Conduct as enunciated by the Company for the year ended 31st March 2013 as required under Clause 49 of the Listing Agreement.

For Paushak Limited

Place: Vadodara

Date: 24th April, 2013.

Sd/-
Abhijit Joshi
CEO