

PAUSHAK

42nd ANNUAL REPORT 2014-15

PAUSHAK LIMITED

ALEMBIC ROAD, VADODARA - 390 003.

PAUSHAK LIMITED

Board of Directors

Mr. Chirayu Amin - Chairman

Mr. Udit Amin

Mr. Amit Goradia

Mr. Vijay Gandhi

Mr. Atul Patel

Dr. Shamita Amin
(w.e.f. 10th March, 2015)

Mr. Abhijit Joshi - Whole-time Director

Dy. CFO

Mr. Kaushik Shah
(w.e.f. 7th August, 2014)

Dy. 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 Limited

Registered Office

Alembic Road, Vadodara – 390 003.
Phone: 0265-2280550, 2280880
Fax: 0265-2282506
Email ID : paushak.investors@alembic.co.in
Website: www.paushak.com
CIN: L51909GJ1972PLC044638

Manufacturing Facilities

Panelav, Tal. Halol,
Dist. Panchamahar – 389 350. Gujarat.

Registrar and Transfer Agent

M/s. Link Intime India Pvt. Ltd.
B-102-103 Shangrila Complex,
1st Floor, Nr. Radhakrishna Char Rasta, Akota,
Vadodara – 390 020.
Phone : 0265 2356573 / 2356794 / 2356796
Fax : 0265 2356791
Email ID : vadodara@linkintime.co.in

Stock Exchange

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Scrip Code: 532742

NOTICE

NOTICE is hereby given that the Forty Second 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 13th August, 2015 at 12.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2015 including Balance Sheet as at 31st March, 2015, Statement of Profit & Loss and Cash Flow Statement of the Company for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Chirayu Amin (DIN: 00242549) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara (Firm Registration No. 129572W) as Statutory Auditors of the Company, to hold office from the conclusion of this meeting up to the conclusion of next Annual General Meeting in place of retiring Auditors, M/s. J.R.S. Patel & Co., Chartered Accountants, Vadodara, who have expressed their unwillingness to be re-appointed and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

Appointment of Dr. Shamita Amin (DIN: 00331702) as an Independent Director

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Dr. Shamita Amin (DIN: 00331702), who was appointed as an Additional Director of the Company w.e.f. 10th March, 2015 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member along with requisite deposit of ₹ 1 Lac, pursuant to the provisions of Section 160 of the Companies Act, 2013, signifying the intention to propose the candidature of Dr. Shamita Amin for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years upto 9th March, 2020.”

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

Revision in remuneration payable to Mr. Abhijit Joshi (DIN: 06568584), Whole-time Director & CEO of the Company

“**RESOLVED THAT** pursuant to the provisions of Section 197 and 198 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof) (‘the Act’), the approval of the shareholders be and is hereby accorded to revise the ceiling of maximum remuneration payable to Mr. Abhijit Joshi, (DIN 06568584), Whole-time Director & CEO of the Company w.e.f. 1st April, 2015, for the remaining tenure of his appointment i.e., up to 30th April, 2018, as recommended by the Board of Directors in their meeting held on 7th May, 2015 and set out hereunder with liberty and authority to the Board of Directors to alter and vary such remuneration from time to time within the permissible limits of the Act, as may be agreed between the Board of Directors and Mr. Abhijit Joshi.

Revised Remuneration:

Basic Salary, Perquisites and other allowance/benefits up to maximum CTC of ₹ 55 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.

PAUSHAK LIMITED

Regd. Off.: Alembic Road, Vadodara – 390 003 CIN : L51909GJ1972PLC044638 Phone : 0265-2280550, 2280880 Fax : 0265-2282506 Email : paushak.investors@alembic.co.in Website : www.paushak.com

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company shall pay in respect of such financial year, the remuneration paid for immediately preceeding financial year as minimum remuneration by way of salary, allowances, perquisites and other benefits, subject to the provisions of the Act and necessary approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be necessary and 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. **A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy, provided such person shall not act as a proxy for any other person or shareholder.**
3. The Proxy Form, duly completed, must reach the Registered Office of the Company not later than forty-eight hours before the time of commencement of the meeting.
4. The Register of Members and Transfer books of the Company will remain closed from Thursday, the 6th August, 2015 to Thursday, the 13th August, 2015 (both days inclusive) for the purpose of payment of dividend.
5. The dividend when sanctioned will be made payable on or before 20th August, 2015 to those members whose names stand on the Register of Members of the Company on 6th August, 2015 in case of physical shares and to those members as per the beneficiary position to be given by NSDL and CDSL. Members are requested to notify promptly any change in their registered addresses.
6. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day except Saturdays and holidays up to the date of Annual General Meeting.
7. Shareholders who have not encashed their dividend warrants for the financial year ended on 31st March, 2015 are requested to approach the Company or the R&T Agents of the Company.
8. 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 ID: vadodara@linkintime.co.in. The Shareholders are requested to send their communication to the aforesaid address.
9. 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.
10. The Company has designated an exclusive Email ID: paushak.investors@alembic.co.in for redressal of Shareholders'/ Investors' complaints/grievance. In case you have any queries, complaints or grievances, then please write to us at the above mentioned e-mail address.
11. Updation of Email ID: The Shareholders are requested to intimate their Email ID to the Company or update their Email ID registered with Depository Participants, if the same is changed.
12. **Voting through electronic means :**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to exercise their right to vote by electronic means. The facility of casting votes using an electronic voting system from a place other than the AGM venue ('remote e-voting') will be provided to the members by Central Depository Services (India) Limited (CDSL).

The company is providing facility for voting by electronic means and the business may be transacted through such electronic voting. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

A. The 'Step by Step' procedure and instructions for casting your vote electronically are as under:

- i. The e-voting period begins on 10th August, 2015 (9:00 a.m.) and end on 12th August, 2015 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as at the cut-off date of 6th August, 2015, may cast their vote electronically. Any Person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on 6th

August, 2015 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. The e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- iii. Next click on “Shareholders” tab to cast your votes.
- iv. Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

PAN	Enter your 10 digits alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on address label/sticker affixed on the back page of the Annual Report. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the date of birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format
Dividend Bank Details#	Enter your dividend bank details as recorded in your demat account or in the company records for the said demat account or folio.

please enter DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or member, please enter the member id/folio no. in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on “SUBMIT” tab.
- ix. Members holding shares in physical form will then reach directly to the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily change their login password in the new password field. Kindly note that this password can be used by the Demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. Click on the EVSN for the relevant Company (PAUSHAK LIMITED) on which you choose to vote.
- xi. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.
- xiii. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK” else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvi. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Note for Non – Individual Shareholders and Custodians.

Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

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The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

xviii. Mr. Sushil Samdani, Partner, M/s. Samdani Shah & Associates, Practising Company Secretaries, Vadodara has been appointed as the Scrutinizer for conducting the e-voting process.

Registered Office:
Alembic Road,
Vadodara – 390 003
Date: 7th May, 2015

By Order of the Board,

Charandeep Singh Saluja
Dy. Company Secretary

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 5

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, had appointed Dr. Shamita Amin as an Additional Director with effect from 10th March, 2015.

Dr. Shamita Amin (DIN:00331702) is M.B.B.S., M.D. She has experience of 35 years as Consulting Physician and Associate Professor in S.S.G. Hospital & Medical College, Vadodara. The other details of Dr. Shamita Amin in terms of Clause 49 of the Listing Agreement are provided in Corporate Governance Report. Copy of the draft letter for appointment of Dr. Shamita Amin as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company.

In the opinion of the Board, Dr. Shamita Amin fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management.

The Board of Directors is of the opinion that her vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No. 5 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof other than Dr. Shamita Amin, has any concern or interest, financial or otherwise, in the resolution at Item No. 5 of the Notice.

Item No. 6

The Board of Directors of the Company at its meeting held on 7th May, 2015, on the recommendation of Nomination and Remuneration Committee, approved, subject to the approval of Shareholders in Annual General Meeting, revision in remuneration payable to Mr. Abhijit Joshi, Whole-time Director & CEO of the Company w.e.f 1st April, 2015.

Mr. Abhijit Joshi is providing dedicated and meritorious services and significant contribution to the growth of the Company. Considering the significant progress made by the Company and considering industry benchmarks for the remuneration of similar position, the Board has approved revision in remuneration to Mr. Abhijit Joshi, Whole-time Director & CEO of the Company.

The actual remuneration shall be decided by the Board of Directors at the end of every financial year which shall be within overall limits of remuneration payable as per Companies Act, 2013 and rules made thereunder.

None of the Directors, Key Managerial Personnel of the Company or their relatives, except Mr. Abhijit Joshi, has any concern or interest, financial or otherwise, in the resolution at Item No. 6 of the Notice.

Your Directors recommend the approval of proposed resolution by the Members.

By Order of the Board,

Registered Office:
Alembic Road,
Vadodara – 390 003
Date: 7th May, 2015

Charandeep Singh Saluja
Dy. Company Secretary

BOARD'S REPORT

To

The Members,

Your Directors have pleasure in presenting their 42nd Annual Report on the working of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2015.

1. Financial Summary and Highlights:

Particulars	(₹ in Lacs)	
	Year ended on 31 st March, 2015	Year ended on 31 st March, 2014
Profit for the year before Interest, Depreciation and Tax	2,016.24	1,452.87
Deducting therefrom:		
Interest	3.91	12.41
Depreciation	213.61	178.48
Profit/(Loss) for the year before Taxes	1,798.72	1,261.98
Less: Provision for Deferred Tax Liabilities/(Asset)	59.29	(20.12)
Less: Provision for Income Tax	440.00	400.00
Profit/(Loss) after Taxes	1,299.43	882.10
Add: Profit brought forward from last year	1,270.64	1,262.62
Balance available for appropriation	2,570.07	2,144.72
Less: Appropriations		
Dividend on Equity Shares	96.21	96.21
Dividend Distribution Tax on Equity Shares	19.59	16.35
Transfer to General Reserve	1,000.00	750.00
Surplus carried to Balance Sheet	1,454.27	1,282.16

2. Transfer to Reserves:

An amount of ₹ 1,000 Lacs from the net profits for the Financial Year under review is proposed to be carried to General Reserves.

3. Dividend:

Your Directors recommend dividend of ₹ 3/- per share (i.e. 30%) on the equity shares of ₹ 10/- each for the year ended on 31st March, 2015 as against ₹ 3/- per share (i.e. 30%) for the year ended 31st March, 2014.

4. Operations and State of Affairs of the Company:

The Company's Gross Sales including export incentives were ₹ 6,898.64 Lacs for the year under review as compared to ₹ 5,632.74 Lacs for the previous year.

The Profit before interest, depreciation and tax was ₹ 2,016.24 Lacs for the year under review as compared to ₹ 1,452.87 Lacs for the previous year. The Company made a Net Profit of ₹ 1,299.43 Lacs for the year under review as compared to Net Profit of ₹ 882.10 Lacs for the previous year.

5. Management Discussion and Analysis Report:

As per the terms of Clause 49(VIII)(D) of the Listing Agreement with Stock Exchange, the Management Discussion and Analysis Report has been included and forms part of the Annual Report of the Company.

6. Corporate Governance:

A Report on Corporate Governance along with a certificate from M/s. Samdani Shah & Associates, Practising Company Secretaries on compliance of the conditions of Corporate Governance pursuant to the Clause 49 of the Listing Agreement forms part of the Annual Report of the Company.

7. Directors:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Chirayu Amin, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

During the year under review, the Board has appointed Dr. Shamita Amin (DIN – 00331702) as an Additional Non-Executive Independent Director w.e.f. 10th March, 2015. She holds office up to the ensuing Annual General Meeting of the Company. The Company has received a notice together with requisite deposit of ₹ 1 Lac under Section 160 of the Companies Act, 2013 from a member of the Company proposing her candidature for the office of an Independent Director, for a term of 5 consecutive years upto 9th March, 2020.

8. Key Managerial Personnel:

Mr. Abhijit Joshi, Whole-time Director and CEO, Mr. Kaushik Shah, Dy. CFO and Mr. Charandeep Singh Saluja, Dy. Company Secretary are Key Managerial Personnel of the Company.

During the year under review, pursuant to provisions of the Companies Act, 2013, Mr. Kaushik Shah has been appointment as Dy. Chief Financial Officer of the Company w.e.f. 7th August, 2014.

9. Meetings of the Board:

Four (4) Board Meetings were held during the financial year ended 31st March, 2015. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

10. Independent Directors:

The Independent Directors of the Company have given the declaration to the Company that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

11. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors.

The following were the Evaluation Criteria:

(a) For Non-Executive & Independent Directors:

- Knowledge and Skills
- Professional conduct
- Duties, Role and functions

(b) For Executive Directors:

- Performance as Team Leader/Member.
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals/KRA and achievements
- Professional Conduct, Integrity
- Sharing of Information with the Board

The Directors expressed their satisfaction with the evaluation process.

12. Audit Committee:

The Audit Committee comprises of Mr. Amit Goradia, Mr. V. H. Gandhi and Mr. Atul Patel. Mr. Amit Goradia is Chairman of the Audit Committee. All the Directors in Audit Committee are Non-Executive Independent Directors.

The Committee reviewed the Internal Control System, Scope of Internal Audit and compliance of various regulations. The Committee reviewed at length the Annual Financial Statements and approved the same before they were placed before the Board of Directors.

13. Vigil Mechanism:

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and Listing Agreement, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is also uploaded on the website of the Company.

14. Internal Control Systems:

The Company's internal control procedures ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations. The Company's internal auditor team carries out extensive audits throughout the year across all functional areas, and submits its reports to the Audit Committee of the Board of Directors.

15. Policy on Corporate Social Responsibility:

In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The composition of the Committee, contents of CSR Policy and report on CSR activities carried out during the Financial Year ended 31st March, 2015 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure A.

16. Policy on Nomination and Remuneration:

The contents of Nomination and Remuneration Policy of the Company prepared in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 (IV) of the Listing Agreement are provided in the Corporate Governance Report.

17. Related Party Transactions:

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under Listing Agreement is as under:

<http://www.paushak.com/pdf/RPT-Policy.pdf>

18. Fixed Deposits:

During the year under review, the Company has not invited/accepted any deposits from public.

19. Loans, Guarantee or Investments:

Details of Loans granted, Guarantees given and Investments made during the year under review, covered under the provisions of Section 186 of the Companies Act, 2013 are given as Annexure B.

20. Listing of Shares:

The Equity Shares of the Company are listed on BSE Limited (BSE) with scrip code number 532742. The Annual Listing Fee for the financial year 2015-16 has been paid to the Stock Exchange.

21. Auditors:**(a) Statutory Auditors:**

M/s. J.R.S. Patel & Co., Chartered Accountants, Vadodara (Firm Registration No. 107709W) Statutory Auditors of the Company will be retiring at the conclusion of the ensuing Annual General Meeting and have expressed their unwillingness to be re-appointed at the ensuing Annual General Meeting. The Audit Committee and Board of Directors of the Company respectively at their meeting held on 7th May, 2015 proposed, subject to approval of the shareholders, the appointment of M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara as Statutory Auditors of the Company in place of present Auditors to hold office from the conclusion of ensuing Annual General Meeting up to the conclusion of next Annual General Meeting of the Company. M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara have given their consent confirming that their appointment, if made, would be in accordance with the provisions of Section 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

(b) Secretarial Auditors:

The Board of Directors of the Company appointed M/s. Samdani Shah & Associates, Practising Company Secretaries, Vadodara as Secretarial Auditors for undertaking Secretarial Audit of the Company for the financial year 2015-16.

The Secretarial Audit Report of M/s. Samdani Shah & Associates, Practising Company Secretaries for the financial year ended 31st March, 2015 is annexed as Annexure C.

(c) Internal Auditors:

The Board of Directors has appointed M/s. K.C. Mehta & Co., Chartered Accountants as Internal Auditors of the Company for the financial year 2015-16.

There is no qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their report or by the Secretarial Auditors in their Secretarial Audit Report and hence no explanation or comments of the Board is required in this matter.

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The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

22. Particulars of employees and related disclosures:

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as Annexure D.

During the year under review there is no employee in respect of whom information as per Section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.

23. Conservation of energy, Technology Absorption, Foreign Exchange earnings and outgo:

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure E.

24. Extracts of Annual Return:

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, forms part of this report as Annexure F.

25. Material Changes:

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2015. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

26. Directors' Responsibility Statement:

In terms of the provisions of Companies Act, 2013, the Directors state that:

- i) in preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) the directors had selected such accounting policies as listed in Note AA to the financial statements and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year as on 31st March, 2015 and of the profit of the Company for that period;
- iii) the directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the directors had prepared the annual accounts on a going concern basis; and
- v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. Acknowledgement:

Your Directors wish to place on record their appreciation and sincere thanks to the banks, customers, vendors, shareholders for their continued support and co-operation. Your Directors also acknowledge the hard work, dedication and commitment of the employees.

By Order of the Board,

Registered office:

Alembic Road
Vadodara - 390 003.
Date: 7th May, 2015

Chirayu Amin
Chairman