

PAUSHAK

43rd ANNUAL REPORT 2015-16

PAUSHAK LIMITED

ALEMBIC ROAD, VADODARA - 390 003.

PAUSHAK LIMITED

Board of Directors

Mr. Chirayu R. Amin - Chairman
Mr. Udit Amin
Mr. Amit Goradia
Mr. V. H. Gandhi
Mr. Atul Patel
Dr. Shamita Amin
Mr. Abhijit Joshi - Whole-time Director

Dy. CFO

Mr. Kaushik Shah

Dy. Company Secretary

Mr. Charandeep Singh Saluja

Statutory Auditors

Maloo Bhatt & Co.
Chartered Accountants
204-207, Parshwa Complex
Nr. Cash N Carry, Ellora park
Vadodara – 390 023.

Manufacturing Facilities

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

Registrar and Transfer Agents

M/s. Link Intime India Private Limited
B-102/103, Shangrila Complex,
1st Floor, Nr. Radhakrishna Char Rasta,
Akota, Vadodara - 390 020.
Phone : +91 265 2356573, 2356794, 2356796
Fax : +91 265 2356791
E-mail : vadodara@linkintime.co.in

Stock Exchange

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

Registered Office

Alembic Road, Vadodara – 390 003.
Phone: +91 265 2280550, 2280880
Fax: +91 265 2282506
Email: paushak.investors@alembic.co.in
Website: www.paushak.com
CIN: L51909GJ1972PLC044638



NOTICE

NOTICE is hereby given that the **Forty Third 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 11th August, 2016 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, 2016 including Balance Sheet as at 31st March, 2016, 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. Udit Amin (DIN: 00244235) 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 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:

Approval of charges for service of documents on the shareholders

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder ('the Act'), whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the shareholder the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

NOTES:

1. **ANY MEMBER ENTITLED TO ATTEND AND VOTE 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 details of Mr. Udit Amin, Director, seeking re-appointment, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 at the Annual General Meeting on 11th August, 2016 is given in Annexure A to this notice.
5. 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.
6. The Register of Members of the Company will remain closed from **4th August, 2016 to 11th August, 2016 (both days inclusive)**, for the purpose of payment of dividend.
7. The dividend when sanctioned will be made payable on or before 16th August, 2016, to those members whose names stand on the Register of Members of the Company on 4th August, 2016 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.

In order to enable the Company to directly credit the dividend amount in the bank accounts:

- (a) Shareholders holding shares in demat accounts are requested to update their Bank Account details with their respective Depository Participants.
- (b) Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts:

Name of first account holder (as appearing in the bank account records), Bank name, branch name, branch address, Account type and account number, IFSC code and MICR code and a copy of cancelled cheque.

8. All the work related to share registry in terms of both - physical and electronic – are being conducted by Company's R & T Agents – M/s. Link-Intime India Pvt. Limited, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390020. Tel: +91 265 2356573, 2356794 Fax: +91 265 2356791 Email Id: vadodara@linkintime.co.in. The Shareholders are requested to send their communication to the aforesaid address.
9. 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.
10. 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.
11. The Company has designated an exclusive E-mail Id: paushak.investors@alembic.co.in for redressal of Shareholders' /Investors' complaints/grievances. In case you have any queries, complaints or grievances, then please write to us at the above mentioned e-mail address.
12. Updation of Email Id: The Shareholders are requested to intimate their Email Id to the Company or update their email registered with Depository Participants, if the same is changed.
13. **Voting process and Declaration of results :**

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 Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

The Chairman of the Company will declare the voting results based on the scrutinizer's report received on e-voting and voting at the meeting. The consolidated scrutinizer's report of the total votes cast in favour or against, if any, will be displayed on the (i) Company's website www.paushak.com; (ii) CDSL website www.evotingindia.com and (iii) Stock Exchange website www.bseindia.com.

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

- (i) The voting period begins 8th August, 2016 (9:00 a.m.) and end on 10th August, 2016 (5:00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th August, 2016, 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 4th August, 2016, may obtain the login Id and password by sending request at helpdesk.evoting@cdslindia.com. The e-voting module shall be disabled by CDSL for voting after 10th August, 2016 (5.00 p.m.).
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details / Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number 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 directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN (160509001) for the relevant Company (PAUSHAK LIMITED) on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) 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 the 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.

PAUSHAK LIMITED

Regd. Off: Alembic Road, Vadodara - 390 003 • CIN: L51909GJ1972PLC044638 • Tel: +91 265 2280550 • Fax: +91 265 2282506 • Web: www.paushak.com • Email: paushak.investors@alembic.co.in

- 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 the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) 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.
- (xx) 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: 15th April, 2016

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

As per the provisions of Section 20 of the Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the shareholder to the Company.

The Board of Directors recommends the resolution at item no. 5 of this Notice for your approval.

None of the Directors, key managerial personnel & relatives thereof has any concern or interest financial or otherwise in the resolution at item No. 5 of this Notice.

Registered office:

Alembic Road,
Vadodara - 390 003.
Date: 15th April, 2016

By Order of the Board,

Charandeep Singh Saluja

Dy. Company Secretary

ANNEXURE – A

Details of the Director seeking re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are as under:

Name of Director	Mr. Udit Amin
Age	35 years
Qualifications	Graduate in Economics
Experience	12 years
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	N.A.
Remuneration last drawn	N.A.
Nature of expertise in specific functional areas	Management & Leadership
Date of first appointment on to the Board	18 th August, 2006
No. of Shares held in the Company as on 31 st March, 2016	26,997 Equity shares
Relationship with other Directors, Manager and other Key Managerial Personnel	Mr. Udit Amin is the son of Mr. Chirayu R. Amin.
No. of Meetings of the Board attended during the year	4
Directorship in other Companies as on 31 st March, 2016	Alembic Limited Sierra Investments Private Limited
Chairmanship/Membership of Committees of other Board	Alembic Limited - Member of Stakeholders Relationship Committee.

BOARD'S REPORT

To
The Members,
Your Directors have pleasure in presenting their 43rd Annual Report on the working of the Company together with the Audited Statement of Accounts for the year ended on 31st March, 2016.

1. Financial Summary and Highlights:

(₹ in lacs)

Particulars	Year ended on 31 st March, 2016	Year ended on 31 st March, 2015
Profit for the year before Interest, Depreciation and Tax	1,947.20	2,016.24
Deducting therefrom:		
Interest	6.03	3.91
Depreciation	280.20	213.61
Profit/Loss for the year before Tax	1,660.97	1,798.72
Less: Provision for Deferred Tax Liabilities/(Asset)	31.10	59.29
Less: Provision for Income Tax	390.00	440.00
Add: Excess Provision of Income Tax	1.94	-
Profit/Loss after Tax	1,241.82	1,299.43
Add: Profit brought forward from last year	1,454.27	1,270.64
Balance available for appropriation	2,696.08	2,570.07
Less: Appropriations		
Dividend on Equity Shares	96.21	96.21
Dividend Distribution Tax on Equity Shares	19.59	19.59
Transfer to General Reserve	1,000.00	1,000.00
Surplus carried to Balance Sheet	1,580.28	1,454.27

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, 2016 as against ₹ 3/- per share (i.e. 30%) for the year ended 31st March, 2015.

4. Management Discussion and Analysis Report:

As per the provision of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report has been included and is enclosed as Annexure-A to this Report.

5. Operations and State of Affairs of the Company:

The Company's Gross Sales including export incentives were ₹ 7,789.23 Lacs for the year under review as compared to ₹ 6,898.64 Lacs for the previous year.

The Profit before interest, depreciation and tax was ₹ 1,947.20 Lacs for the year under review as compared to ₹ 2,016.24 Lacs for the previous year. The Company made a Net Profit of ₹ 1,241.82 Lacs for the year under review as compared to Net Profit of ₹ 1,299.43 Lacs for the previous year.

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 Schedule V of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. Udit Amin, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

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.

9. Meetings of the Board:

Four (4) Board Meetings were held during the financial year ended 31st March, 2016. 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 Section 149(6) of the Companies Act, 2013.

11. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Member / Team Leader
- Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- Key set Goals/KRA and achievements
- Professional Conduct and 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 inter alia reviews the Internal Control System, Scope of Internal Audit and Compliance of various regulations. The Committee also reviewed at length, the 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 and keeping in view 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. Corporate Social Responsibility:

During the year, the Company along with other entities in the group, settled a Trust in the name of Alembic CSR Foundation and obtained requisite statutory approvals for enabling it to carry out CSR activities for the entire group.

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, 2016 in the format prescribed under Rule 9 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure B.

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 Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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, Guarantees 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 C.

20. Listing of Shares:

The Equity Shares of the Company are listed on BSE Limited (BSE) with scrip code number 532742. The Company confirms that the annual listing fees to the BSE Limited for the financial year 2016-17 has been paid.

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

M/s. Maloo Bhatt & Co, Chartered Accountants, Vadodara (Firm Registration No. 129572W) Statutory Auditors of the Company will be retiring at the conclusion of the ensuing Annual General Meeting. The Audit Committee and Board of Directors of the Company respectively at their meeting held on 15th April, 2016 proposed, subject to approval of the shareholders, the appointment of M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara as Statutory Auditors of the Company, 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.

The Auditor's Report for financial year 2015-16 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

(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 2016-17.

The Secretarial Audit Report of M/s. Samdani Shah & Associates, Practising Company Secretaries for the financial year ended 31st March, 2016 is annexed as Annexure D.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.