

**CHAMPDANY CONSTRUCTIONS 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<sup>st</sup> March 2018.

**Financial Highlights**

During the year under review, performance of your company was as under:

(Rupees in lacs)

Particulars	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2017
Turnover	453.83	23.44
Profit/(Loss) before taxation	34.75	0.36
Less: Tax Expense	10.00	0.01
<b>Profit/(Loss) after tax</b>	<b>24.75</b>	<b>0.35</b>
Add: Balance B/F from the previous year	28.00	27.65
<b>CLOSING BALANCE</b>	<b>52.75</b>	<b>28.00</b>

**Operations**

Profit after tax for the year is Rs 24.75 lacs as compared to profit of Rs 0.35 lacs in the previous year.

**Dividend**

Your Directors regret their inability to declare any dividend for the financial year under review due to inadequate profit.

### Directors

Mr. Jayant Pujara, Director of the Company retires by rotation and being eligible, has offered himself for re-appointment.

Mr Samir kumar Biswas appointed as Additional Director wef 02/11/2017.

Mr M K Roy resigned from the Board wef 02/11/2017.

### Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in preparation of the Annual Accounts, for the year ended March 31, 2018, the applicable accounting standards have been followed and there are no material departures from the same;
- b) 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 as on March 31, 2018 and of the **PROFIT** of the Company for the year ended on that date;
- c) 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) the Directors have prepared the Annual Accounts of the Company 'on a going concern' basis;
- e) 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) 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;

**Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of report**

No material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of report.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future

No significant and material orders were passed by the Regulators for or against the company during the year under review.

### **Statutory Auditors**

M/s. Mookerjee Banerjee & Co. Chartered Accountants (Registration No. 301025E) is proposed to be appointed as statutory auditors of the company from the conclusion of ensuing annual general meeting till the conclusion of the 29<sup>th</sup> annual general meeting for which necessary resolution is being included in the notice of annual general meeting for approval by the shareholders.

### **Auditors' Report**

There was no qualification, reservations or adverse remarks made by the Auditors in their Report.

### **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 I

### **Number of Board Meetings**

During the Financial Year 2017-2018, four Board of Directors Meetings were duly convened and held on 20 05 2017, 21 07 2017, 28 10 2017, & 27 01 2018,

### **Risk Management Policy**

Your company has established a Risk Management Mechanism to manage significant risk faced by your company. The mechanism has been strengthened from time to time with a view to manage risk in the more structured way as an integral part of decision making process.

### **Internal Financial Control**

The company has in place Internal Financial Control Systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational and compliance of various internal controls and other regulatory and statutory compliances.

**Particulars of Advances/ Investments outstanding during the financial year**

Particulars of Advances/ Investments outstanding during the financial year are given in the notes to the financial statements. There was no loans / guarantee/ outstanding during the financial year.

**Particulars of contracts or arrangements made with related parties**

All transactions entered into with the related party- holding company as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm lengths basis and do not attract the provisions of section 188 of the Companies Act, 2013.

**Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo**

The particulars required U/s.134 (3) (m) of the Companies Act, 2013 are not applicable to the Company.

**Particulars of Employees**

There was no employee in receipt of remuneration exceeding the limit under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Acknowledgment**

The Directors express their sincere appreciation to the valued shareholders, bankers for their support

Place: Kolkata  
Dated: 23<sup>th</sup> May, 2018

For and on behalf of the Board  
Sd/-  
( Jayant Pujara)  
Sd/-  
( Sunil Kumar Acharya)  
Directors

}

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31<sup>st</sup> March, 2018  
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

- (i) CIN: U17232WB1993PLC061248  
(ii) Registration Date: 27 12 1993  
Chamdany  
(iii) Name of the Company: Constructions Ltd.  
(iv) Category / Sub-Category of the Company: Limited Company  
33, Chittaranjan Avenue,  
Kolkata-700 012  
Tel:2237-7880  
(v) Address of the Registered office and contact details  
(vi) Whether listed company: Yes / No No  
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: Nil

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Renting	773	46.38
2	Trading of Raw Jute	462	53.62
3			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	AI Chamdany Industries Ltd.	L51909WB1917PL C002767	Holding	100%	2(46)
2					



b) Banks/ FI									
c) Central Govt.									
d) State Govt(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
<b>Sub-total (B)(1):-</b>									
<b>2. Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian									
(ii) Overseas									
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-							-	-
ii) Individual shareholders holding nominal share capital in excess of 1 lakh									
c) Others (specify)									
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding(B) = (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>		8101959	8101959	100	-	8101959	8101959	100	-



(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	AI Champdany Industries Ltd. and its nominees	8101959	100	-	8101959	100	-	-
2								-
3								-
4							-	-
5							-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change) - No change

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	8101959	100	8101959	100
	Date wise Increase / Decrease in Promoters Shares holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year	8101959	8101959	8101959	100



*(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NOT APPLICABLE*

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shares holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the end of the year ( or on the date of separation, if separated during the year)	-	-	-	-

**(v) Shareholding of Directors and Key Managerial Personnel:  
Not Applicable**

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	-			
	Date wise Increase / Decrease in Shares holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the end of the year (or on the date of separation, if separated during the year)				

**V. INDEBTEDNESS- NA**

Indebtedness of the Company including interest outstanding / accrued but not for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total ( i+ii+iii)</b>				
<b>Change in indebtedness during the financial year</b>				
Addition				
Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
<b>Total ( i+ii+iii)</b>				

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL - NA**

*A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others, specify...		
5	Others, please specify...		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors					
	Fee for attending board committee meeting					
	Commission					
	Others, please specify					
	Total (1)					
4	Other Non-Executive	Mr Jayant Pujara	Mr M K Kõy	Mr S K Acharya	Mr Samir Kumar Biswas	
	Fee for attending board committee meeting	Rs.1000	Rs.750	Rs.1000	Rs.250	Rs. 3000
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD NIL

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	as % of profit				
	others, specify...				
5	Others, please specify...				
	Total				

**VII. PENALTIES/ PUNISHMENT/COMPOUNDING OF OFFENCES: NO**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment /Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					

**INDEPENDENT AUDITOR'S REPORT**

**CHAMPDANY CONSTRUCTIONS LIMITED**  
**Report on the Financial Statements**

We have audited the accompanying financial statements of **CHAMPDANY CONSTRUCTIONS LIMITED** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 excepting that the Building held for earning rental income should have been classified as 'Investment Property' along with disclosure of its fair value as on the Balance Sheet date.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of



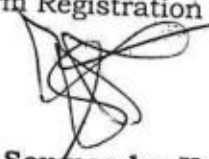


the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) As required by the Companies (Auditor's Report) Order, 2010, we give an Annexure A to this report stating our comments against the various points mentioned therein.
- (g) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.



For Mookerjee Banerjee & Co.,  
Chartered Accountants,  
Firm Registration No. 301025E

  
(CA Soumendra Kumar Ghosh)  
Partner  
Membership No. 050114

Place: Kolkata  
Date: 23rd May, 2018



**Annexure A to Independent Auditors' Report as referred to paragraph (f) therein**

			Auditors' Remarks
(i)	(a)	Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	(b)	Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	The company does not have any fixed assets other than Land and Building.
	(c)	Whether title deeds of immovable properties are held in the name of the company. If not, provide details thereof.	The Company acquired the immovable properties from A I Champdany Industries Ltd. its Holding Company, for which necessary papers have been verified
(ii)		Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, how they have been dealt with in the books of account;	No inventory, hence not applicable.
(iii)		Whether the company has granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so,	No
	(a)	Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	Not applicable.
	(b)	Whether receipt of the principal amount and interest are regular. If not provide details thereof; and	Not applicable.
	(c)	If overdue amount is more than rupees five lakhs, whether reasonable steps have been taken by the company for recovery of the	Not applicable.



		principal and interest;	
(iv)		In respect of loans, investments and guarantees, whether provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide details thereof.	Yes
(v)		In case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any deposits from the public hence not applicable.
(vi)		Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained;	Not applicable.
(vii)	(a)	Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditors.	<ol style="list-style-type: none"> <li>1. Payment of Municipal tax of Rs.9,07,956/-remains outstanding as on 31/03/2018.</li> <li>2.. Goods and Services Tax of Rs. 13,96,163/- remains unpaid as on 31/03/2018.</li> </ol>



	(b)	Whether dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	None
	(viii)	Whether the company has defaulted in repayment of dues to a financial institution or bank or debenture holders? If yes, the period and amount of default to be reported (in case of banks and financial institutions, lender wise details to be provided).	No
	(ix)	Whether moneys raised by way of public issue/follow-on offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays/default and subsequent rectification, if any, as may be applicable, be reported;	Not applicable.
	(x)	Whether any fraud by the company or any fraud on the Company by its officers/employees has been noticed or reported during the year, If yes, the nature and the amount involved be indicated.	No
	(xi)	Whether managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.	No remuneration paid to or provided for Directors other than fees payable to attend the Board meetings.
	(xii)	Whether the Nidhi Company has	Not applicable.



	complied with the Net Owned Fund in the ratio of 1.20 to meet out the liability and whether the Nidhi Company is maintaining 10% liquid assets to meet out the unencumbered liability.	
(xiii)	Whether all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc as required by the accounting standards and Companies Act, 2013.	Yes
(xiv)	Whether the company has made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised, If not, provide details thereof.	No
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether provisions of Section 192 of Companies Act, 2013 have been complied with.	No



For Mookerjee Banerjee & Co.  
Chartered Accountants  
Firm's Registration 301025E

CA Soumendra Kumar Ghosh  
Partner  
Membership number: 050114

Place: Kolkata  
Date: 23rd May, 2018

## ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Referred to in point no. (g) of the Independent Auditors' Report of even date to the members of Champdany Constructions Limited on the standalone financial statements for the year ended March 31, 2018.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act.

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

### Management's Responsibility for Internal financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accounts of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan





and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that –
  - (1) pertain to the maintenance of records that, in reasonable default, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

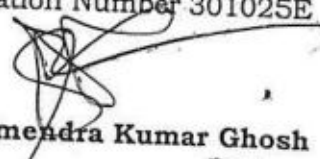
**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: Kolkata  
Date: 23<sup>rd</sup> May, 2018

For Mookerjee Banerjee & Co.  
Chartered Accountants  
Firm's Registration Number 301025E

  
CA Soumendra Kumar Ghosh  
Partner  
Membership Number : 050114



**Champdany Constructions Limited**  
**Balance Sheet as at 31 March, 2018**

Amount in Rupees

Particulars		Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>A EQUITY AND LIABILITIES :-</b>					
<b>1 Shareholders' funds</b>					
	(a) Share capital	2	81,019,590	81,019,590	81,019,590
	(b) Reserves and surplus	3	6,838,441	4,362,733	4,374,085
			87,858,031	85,382,323	85,393,675
<b>2 Current liabilities</b>					
	(a) Short Term Borrowings	4	11,455,394	834,000	-
	(b) Trade Payable	5	34,638,625	-	139,002
	(c) Other current liabilities	6	11,244,379	3,574,290	668,614
	(d) Short Term Provision	7	1,000,000	-	-
			58,338,398	4,408,290	807,616
	<b>TOTAL (1+2)</b>		<b>146,196,429</b>	<b>89,790,613</b>	<b>86,201,291</b>
<b>B ASSETS :-</b>					
<b>1 Non current assets</b>					
	(a) Fixed assets	8	81,981,280	82,420,252	82,859,224
	(i) Tangible assets		1,757,997	1,757,997	1,804,164
	(b) Non-current investments	9	-	210,000	315,000
	(c) Other non-current assets	10	-	-	-
			83,739,277	84,388,249	84,978,388
<b>2 Current assets</b>					
	(a) Current investments	11	6,229,508	-	-
	(b) Trade receivable	12	24,337,663	282,766	873,932
	(c) Cash and cash equivalents	13	5,517	4,566,985	26,441
	(d) Short-term loans and advances	14	31,765,808	438,742	244,448
	(e) Other current assets	15	118,656	113,871	78,082
			62,457,152	5,402,364	1,222,903
	<b>TOTAL (1+2)</b>		<b>146,196,429</b>	<b>89,790,613</b>	<b>86,201,291</b>
Significant Accounting Policies		1			
Accompanying notes form integral part of the financial statements					

In terms of our report of even date,

For **Mookerjee Banerjee & Co.**  
Chartered Accountants  
(Firm Registration No 301025E)

(CA Soumendhra Kumar Ghosh)  
Partner  
Membership No 050114



For and on behalf of the Board

(JAYANT PUJARA) (SUNIL KUMAR ACHARYA)

Place : Kolkata  
Date : 23rd May 2018

Place : Kolkata  
Date : 23rd May 2018

**Champdany Constructions Limited**

**Statement of Profit and Loss for the year ended 31 March, 2018**

Particulars	Note No.	Amount in Rupees	
		2017-2018	2016-2017
1. Revenue from Operations	16		
2. Other Income	17	45,332,071	1,885,102
		51,082	458,904
3. Total Revenue (1+2)		<b>45,383,153</b>	<b>2,344,006</b>
4. Expenses:			
a) Purchase of Raw-Jute (Trading)		34,638,625	-
b) Depreciation & amortisation expense	8	438,972	438,972
c) Diminution in value of Current Investments		858,336	-
d) Other Expenses		5,971,512	1,868,770
<b>Total Expenses (Sub total 4)</b>	18	<b>41,907,445</b>	<b>2,307,742</b>
5. Profit before tax (3-4)		3,475,708	36,264
6. Tax expenses:			
a) Current Tax expenses		1,000,000	-
b) Relating to prior years		-	1,449
7. Profit / (Loss) for the year (5-6)		1,000,000	1,449
		<b>2,475,708</b>	<b>34,815</b>
8. Earnings as per equity share:	19.1		
a). Basic		0.31	0.00
b). Diluted		0.31	0.00

In terms of our report of even date,

For **Mookerjee Banerjee & Co.**  
Chartered Accountants  
(Firm Registration No 301025E)

(CA Soumendra Kumar Ghosh)  
Partner  
Membership No 050114



For and on behalf of the Board

(JAYANT PUJARA) (SUNIL KUMAR ACHARYA)  
Director Director

Place : Kolkata  
Date : 23rd May 2018

Place : Kolkata  
Date : 23rd May 2018

**Champdany Constructions Limited**

Cash Flow Statement For the year ended 31st. March 2018

Amount in Rupees

	2017-2018	2016-2017
<b>A. Cash Flow from Operating Activities</b>		
Net profit/(loss) before tax	3,475,708	36,264
Adjusted for :		
Depreciation	438,972	438,972
Dividend Received	(9,057)	-
Interest Received	(4,785)	1,208
(Profit) / Loss on sale of Investments	1,135,316	-
Amortisation of Authorised Capital	210,000	-
Diminution in value of Current Investments	858,336	105,000
<b>Operating Profit before working capital changes</b>	<u>6,104,490</u>	<u>581,444</u>
Adjusted for :		
(Increase)/decrease in Receivable, Loans & Advance	(55,386,748)	361,083
Increase/(decrease) in other Current Liabilities	53,930,108	3,600,674
Inventories		
<b>Cash generated from operations</b>	4,647,850	4,543,201
Direct taxes	1,000,000	1,449
<b>Net Cash from Operating Activities</b>	<u>(A)</u>	<u>3,647,850</u>
		4,541,752
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	-	-
Proceeds from Sale of Fixed Assets	-	-
Proceeds from Sale of Investments	8,855,630	-
Purchase of Investments	(17,078,790)	-
Dividend Received	9,057	-
Interest Received	4,785	-
<b>Net Cash from Investing Activities</b>	<u>(B)</u>	<u>(1,208)</u>
		(1,208)
<b>C. Cash Flow from Financing Activities</b>		
Interim Dividend Paid	-	-
<b>Net Cash (used) in Financing Activities</b>	<u>(C)</u>	<u>-</u>
		-
<b>Net increase/(decrease) in Cash or Cash Equivalents</b>	<u>(A+B+C)</u>	<u>(4,561,468)</u>
<b>Cash and Cash Equivalents (Opening Balance)</b>	4,566,985	4,540,544
<b>Cash and Cash Equivalents (Closing Balance)</b>	<u>5,517</u>	<u>26,441</u>
		<u>4,566,985</u>

For Mookerjee Banerjee & Co.  
Chartered Accountants  
(Firm Registration No 301025E)

*(Signature)*

(CA Soumendra Kumar Ghosh)  
Partner  
Membership No. 050114



For and on behalf of the Board

*(Signature)*  
(JAYANT PUJARA)  
Directors

*(Signature)*  
(SUNIL KUMAR ACHARYA)  
Directors

Place : Kolkata  
Date : 23rd May 2018

Place : Kolkata  
Date : 23rd May 2018

## Champdany Constructions Limited

### Notes to the financial statements

#### 1. Significant Accounting Policies

##### 1.1 Basis of Preparation of Financial Statements :

The financial statements have been prepared on a going concern basis as per the new Indian Accounting Standards and the provisions of the Companies Act, 2013 to the extent applicable for preparation of these financial statements

##### 1.2 Fixed Assets and Depreciation :

a) Fixed assets are considered at their original cost of acquisition including incidental expenses and depreciation on building has been provided on straight line method.

b) Building held for earning rental income has been included in Fixed Assets and not treated as Investment property.

##### 1.3 Investments

a) The carrying amount of Current Investments have been measured at Fair Value on the basis of market quotation of shares on 31st March and the differential amount between the Fair Value and Cost has been taken to Statement of Profit & Loss.

b) The carrying amount of Non-current Investments have been measured at Fair Value based on the Net Worth as per latest available Annual Reports of the companies in which the investments are held. The differential amount between the such value and cost has been transferred to Investments Revaluation Reserve under Reserves & Surplus.

##### 1.4 Taxes on Income :

Current Tax is determined on the amount of tax payable in respect of taxable income for the period, considering the provisions of the Income Tax Act 1961.

##### 1.5 Earning per Share :

Earning per Equity Share (basic/diluted) is arrived at based on net profit/loss after tax to basic/weighted average number of Equity Shares.



## Champdany Constructions Limited

### Notes to the financial statements

#### 2. Share Capital

Face Value	As on 31-03-2018		As on 31-03-2017		Amount in Rupees As on 01-04-2016	
	No of Shares	Value	No of Shares	Value	No of Shares	Value
2.1 <u>Authorised:</u>						
Equity shares - 10	22,000,000	220,000,000	22,000,000	220,000,000	22,000,000	220,000,000
2.2 <u>Issued, Subscribed and Paid-up</u>						
Equity Shares						
Fully paid up - 10	8,101,959	81,019,590	8,101,959	81,019,590	8,101,959	81,019,590
		81,019,590		81,019,590		81,019,590

All the shares are held by the holding company AI Champdany Industries Ltd. and out of the same

#### 2.3 Reconciliation of Number of Shares

	No of Shares	Value	No of Shares	Value	No of Shares	Value
Outstanding as at 1st April, 2017	8,101,959	81,019,590	8,101,959	81,019,590	8,101,959	81,019,590
Issued and Allotted during the previous year	-	-	-	-	-	-
Outstanding as at 31st March 2018	8,101,959	81,019,590	8,101,959	81,019,590	8,101,959	81,019,590

#### 2.4 Shareholders holding more

	No of Shares	No of Shares
A.I. Champdany Industries Ltd.	8,101,959	8,101,959



**Champdany Constructions Limited**

Amount in Rupees

	As on 31st. March 2018	As on 31st. March 2017	As on 1st April, 2016
<b>3. Reserves and Surplus</b>			
Surplus / (deficit):			
Opening Balance -	2,799,736	2,764,921	3,250,587
Add: Profit/(Loss) for the year -	2,475,708	34,815	(485,666)
	<u>5,275,444</u>	<u>2,799,736</u>	<u>2,764,921</u>
Investment Revaluation Reserve	1,562,997	1,562,997	1,609,164
	<u>6,838,441</u>	<u>4,362,733</u>	<u>4,374,085</u>
<b>4. Short Term Borrowings</b>			
Interest Free Advance from Group Companies	11,455,394	834,000	-
	<u>11,455,394</u>	<u>834,000</u>	<u>-</u>
<b>5. Trade Payable</b>			
Creditors for Raw Jute Purchase	34,638,625	-	139,002
	<u>34,638,625</u>	<u>-</u>	<u>139,002</u>
<b>6. Other Current Liabilities</b>			
Sundry Creditors for Expenses	314,951	750,734	668,614
Taxes (GST & KMC Tax)	2,304,119	282,766	-
Security Deposit	8,312,562	2,540,790	-
Temporary Bank overdrawn (Cheques issued for more than the balance available in Bank Account)	312,747	-	-
	<u>11,244,379</u>	<u>3,574,290</u>	<u>668,614</u>
<b>7. Short Term Provision</b>			
For Income Tax	1,000,000	-	-
	<u>1,000,000</u>	<u>-</u>	<u>-</u>





**Champdany Constructions Limited**

**8. Fixed Assets:**

Sl	Particulars of Assets	Gross Block			Depreciation / Amortisation			Amount in Rupees			
		Gross Cost/ Value as on 01.04.17	Addition	Deduction/ Adjustment as on 31.03.18	Gross Balance as on 31.03.18	Total as on 01.04.17	Total as on 31.03.18	Deduction/ Adjustment for the year	Total as on 31.03.18	W.D.V as on 31.03.17	W.D.V as on 01.04.16
i)	<b>Tangible Assets</b>										
	Land	58,128,400	-	-	58,128,400	-	-	-	58,128,400	58,128,400	58,128,400
	Building (At Rampur, Budge Budge Tank Road South 24 Parganas)	27,747,153	-	-	27,747,153	3,455,301	438,972	-	3,894,273	23,852,880	24,291,852
	<b>Total:</b>	<b>85,875,553</b>	<b>-</b>	<b>-</b>	<b>85,875,553</b>	<b>3,455,301</b>	<b>438,972</b>	<b>-</b>	<b>3,894,273</b>	<b>81,981,280</b>	<b>82,420,252</b>
ii)	<b>Intangible Assets</b>										
iii)	<b>Capital Work-in-progress</b>										
iv)	<b>Intangible assets under Development</b>										
	<b>Grand Total (i+ii+iii+iv)</b>	<b>85,875,553</b>	<b>-</b>	<b>-</b>	<b>85,875,553</b>	<b>3,455,301</b>	<b>438,972</b>	<b>-</b>	<b>3,894,273</b>	<b>81,981,280</b>	<b>82,420,252</b>
	Previous year	85,875,553	-	-	85,875,553	3,016,329	438,972	-	3,455,301	82,420,252	83,298,196





**Champdany Constructions Limited**

Amount in Rupees

	As on 31-03-2018			As on 31-03-2017		As on 01-04-2016	
	Face Value	Qty	Amount	Qty	Amount	Qty	Amount
<b>9. Non-Current-Investment (held at cost unless stated otherwise)</b>							
<b>9.1 Unquoted</b>							
Equity shares							
Circus Avenue Properties Private Ltd.	10	2500	1,608,024	2500	1,608,024	2500	1,644,885
Coopers Capital Markets Ltd.	100	1000	71,335	1000	71,335	1000	72,273
Eastern Services Ltd.	10	2500	10,955	2500	18,955	2500	17,412
Libra Transport Ltd.	100	200	59,682	200	59,682	200	69,593
National Electronics Private Ltd.	100	250	1	250	1	250	1
			<u>1,757,997</u>		<u>1,757,997</u>		<u>1,804,164</u>
<b>10. Other Non-Current Assets</b>							
Miscellaneous Expenditure							
Filing Fees with ROC for increase in Authorised Share Capital			210,000		315,000		420,000
Less : Written Off			210,000		105,000		105,000
			<u>-</u>		<u>210,000</u>		<u>315,000</u>
<b>11. Current Investments</b>							
Name	Face Value	Qty	Amount	Qty	Amount	Qty	Amount
Balkrishna Industries Ltd	2	60	84,119		-		-
Dhruv Electronics Ltd.	1	783	110,755		-		-
Castrol India Ltd.	5	834	166,237		-		-
Mahindra & Mahindra	5	3475	2,556,818		-		-
Moil Ltd.	10	376	73,564		-		-
Monte Carlo Ltd.	10	300	140,700		-		-
Reliance Industries Ltd.	10	1476	0		-		-
Talros Engg. Ltd.	10	2000	583,600		-		-
Tata Elxsi Ltd.	10	2000	1,656,061		-		-
Vakrangee Ltd.	1	3465	877,653		-		-
			<u>6,229,508</u>		<u>-</u>		<u>-</u>
<b>12. Trade receivable</b>							
(Unsecured, considered good)							
Debts Due over six months			-		-		200,966
Debts Due within six months			24,337,003		282,766		506,966
			<u>24,337,663</u>		<u>282,766</u>		<u>873,932</u>
<b>13. Cash &amp; Cash Equivalents</b>							
Balances with banks			4,357		4,565,825		25,037
Cash-in-Hand			1,160		1,160		1,404
Total			<u>5,517</u>		<u>4,566,985</u>		<u>26,441</u>
<b>14. Short term Loans &amp; Advances</b>							
(Unsecured, considered good)							
i) Income Tax Advance (including TDS Rs.21,25,916/- prev year Rs.2,30,294/-)			2,356,210		230,294		36,000
ii) Mat Credit Entitlement			208,448		208,448		208,448
iii) Interest free Advance to Group Companies			29,201,150		-		-
Total			<u>31,765,808</u>		<u>438,742</u>		<u>244,448</u>
<b>15. Other current assets</b>							
(Unsecured, considered good)							
i) Security Deposit (CESC)			118,656		113,871		78,082
Total			<u>118,656</u>		<u>113,871</u>		<u>78,082</u>



**Champdany Constructions Limited**

Amount in Rupees

	<u>2017-2018</u>	<u>2016-2017</u>
<b>16. Revenue from Operation:</b>		
Occupation & Service Charges	21,023,616	1,885,102
Sale of Raw-Jute (Trading)	24,308,455	-
<b>Total</b>	<b><u>45,332,071</u></b>	<b><u>1,885,102</u></b>
<b>17. Other Income</b>		
Other Non Operating Income	37,240	450,000
Interest on Security Deposit (CESC)	4,785	-
Interest on I.T. Refund	-	1,208
Liabilities no longer required written back	-	7,696
Dividend from Equity Shares	9,057	-
<b>Total</b>	<b><u>51,082</u></b>	<b><u>458,904</u></b>
<b>18. Other Expenses</b>		
Advertisement	2,000	-
Audit Fees	6,900	6,000
Brokerage	1,168,286	-
Directors' Fees	3,000	3,000
Electricity Charges	438,779	494,123
Insurance Premium	54,251	52,871
Legal Expenses	111,000	-
Loss on Sale of Current Investments	1,135,316	-
Rates & Taxes	227,808	-
Municipal Tax	302,320	-
Professional Service Charges	89,145	28,033
Rent	1,200	1,200
Security Service Charges	1,458,641	833,378
Bank Charges	2,762	356
Conveyance	86,166	15,443
Filling Fees	8,900	4,200
Repair & Maintenance Charges	578,175	231,480
Miscellaneous Expenses	45,851	6,666
Printing & Stationery	390	44
Staff Welfare	14,644	12,534
Amortization of Expenses relating to Increase of Authorised Capital	210,000	105,000
Advance Written off	-	74,442
Security Transaction Tax	25,978	-
<b>Total</b>	<b><u>5,971,512</u></b>	<b><u>1,868,770</u></b>

