

**AUNDE India Limited**

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**19<sup>th</sup> ANNUAL REPORT  
2015 - 2016**

**AUNDE India Limited****19TH ANNUAL REPORT FOR THE YEAR ENDED 31ST MARCH 2016**

1. Date of Annual General Meeting : Tuesday, 6th September, 2016
2. Time and Venue : 11.30 a.m. at Plot No. 146  
Waghdhara Village Road  
Dadra – 396 193  
UT of Dadra & Nagar Haveli
3. Book Closure : Tuesday, 30th August, 2016 to  
Tuesday, 6th September, 2016  
(both days inclusive)

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**Mr. Ajay Anand**  
Managing Director

**Mr. Rolf Konigs**

**Mr. Kapil Sethi**

**Mr. R.J. Avadhani**  
(Resigned w.e.f. 12.08.2015)

**Mrs. Gurinder Kaur Kalsi**  
(Appointed w.e.f. 12.08.2015)

**Mr. Bheemanna Chikkerur**  
(Appointed w.e.f. 21.12.2015)

**Company Secretary**  
**Ms. Jovita Reema Mathias**

**Statutory Auditors**  
M/s. Majibail & Co.  
Chartered Accountants

**Secretarial Auditors**  
M/s. Sanjay Dholakia & Associates  
Company Secretaries

**Advocates & Solicitors**  
M/s. Vikram Philip & Associates

**Bankers**  
The Saraswat Co-operative Bank Ltd.

**REGISTERED OFFICE :**

Plot No. 146, Waghdhara Village Road,  
Dadra – 396193  
Union Territory of Dadra & Nagar Haveli.  
Ph: 0260 2668539  
Fax: 0260 2668501  
Email: investors@aundeindia.com  
Website: www.aundeindia.com

**CORPORATE OFFICE :**

102, Shiv Smriti Chambers,  
49-A, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018  
Ph: 022 4351 4444  
Fax: 022 2493 6811

**Registrar & Share Transfer Agent**  
Sharex Dynamic (India) Pvt. Ltd.  
Unit-1, Luthra Industrial Premises,  
Andheri – Kurla Road, Safed Pool,  
Andheri (East), Mumbai – 400 072.  
Phone: 022 2851 5606 / 5644  
Website: www.sharexindia.com  
Email: sharexindia@vsnl.com

**BOARD COMMITTEES**

**Audit Committee**

Mr. Kapil Sethi	Chairman
Mr. Ajay Anand	Member
Mrs. Gurinder Kaur Kalsi	Member

**Stakeholders Relationship Committee**

Mr. Kapil Sethi	Chairman
Mr. Ajay Anand	Member
Mrs. Gurinder Kaur Kalsi	Member

**Nomination and Remuneration Committee**

Mr. Kapil Sethi	Chairman
Mr. Rolf Konigs	Member
Mrs. Gurinder Kaur Kalsi	Member

**Investors Queries and Grievances shall be addressed to:**

102, Shiv Smriti Chambers,  
49-A, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018  
Ph: 022 4351 4444  
Fax: 022 2493 6811  
Email: investors@aundeindia.com



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### NOTICE

NOTICE is hereby given that the **19th Annual General Meeting** of the Members of **AUNDE INDIA LIMITED** will be held on Tuesday, 6th September, 2016 at 11.30 a.m. at Plot No. 146, Waghdhara Village Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli, to transact the following business:

#### ORDINARY BUSINESS:

**1. Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2016, together with the Report of Directors' and Auditors' thereon.

**“RESOLVED THAT** the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report and Directors' Report thereon be and are hereby received, considered and adopted.”

**2. Appointment of a Director**

To appoint a Director in place of Mr. Rolf Konigs, (holding DIN : 06500166), who retires by rotation and being eligible offers himself for re-appointment.

**“RESOLVED THAT** Mr. Rolf Konigs (holding DIN: 06500166), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director of the Company.”

**3. Appointment of Auditors**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) and The Companies (Audit and Auditors) Rules, 2014, (**“the Rules”**), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Majibail & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 105870W, who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 20th Annual General Meeting and audit the accounts of the Company for the Financial Year 2016-17 at such remuneration as may be mutually agreed between the Board of Directors and the Auditors.”

#### SPECIAL BUSINESS :

**4. Appointment of a Director**

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

**“RESOLVED THAT** Mr. Bheemanna B. Chikkerur (holding DIN: 07371496), who was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 21st December, 2015, pursuant to provisions of Section 152 and 161(1) and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder as amended from time to time, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation.”

**5. Approval of Remuneration Payable to Mr. Ajay Anand, Managing Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or enactment(s) thereof for the time being in force) read with section II of Part II of Schedule V and other applicable provisions, if any, of the



Companies Act, 2013, on the recommendation of the Board and the Nomination and Remuneration Committee, and subject to such other necessary approval(s), consent(s) or permission(s), as may be required, the consent of the Members of the Company be and is hereby accorded to pay remuneration as set out in the statement annexed hereto as minimum remuneration, to Mr. Ajay Anand (DIN: 00373248), Managing Director in case of no profits or inadequacy of profits in any financial year for next three financial years commencing from April 1, 2016 (unexpired term of his office).

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 196, 197, 198 and the Rules framed thereunder, read together with Schedule V and other applicable provisions, if any of the said Act, and on the recommendation of the Board and the Nomination and Remuneration Committee, Members of the Company do hereby ratify and confirm the remuneration of ₹ 45,00,000/- paid to Mr. Ajay Anand for the financial year ended 31st March, 2016 in absence of adequate profits for the financial year ended 31st March, 2015.

**6. Approval to Increase Borrowing Powers of the Company and Creation of Charge/Providing of Security.**

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

**“RESOLVED THAT** in supersession of the earlier resolution(s) passed by the shareholders in this respect, the consent of Company from time to time as deemed by it to be requisite and proper for the business of the Company from anyone or more of the Company's bankers and/or from anyone or more other banks, persons, firms, companies/bodies corporate, financial institutions, institutional investor(s), mutual funds, insurance companies, pension funds and or any entity/entities or authority/authorities, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans, issue of debentures, commercial papers, long/short term loans, suppliers' credit securities instruments such as floating rate notes, fixed rate notes, syndicated loans, commercial borrowing from the private sector window of multilateral financial institutions, either in rupees and/or in such other foreign currencies as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties, whether immovable or movable and all or any of the undertaking of the Company, provided that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business) shall not exceed ₹ 150,00,00,000/- (Rupees One Hundred and Fifty Crores Only) notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company will or may exceed the aggregate of its paid share capital and free reserves.

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company, as may be agreed to between the Company and the Lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board.

**RESOLVED FURTHER THAT** the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board or any committee or person(s) authorised by the Board, be and is / are hereby authorised to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all acts, deeds, matters and things as may in their/ his absolute discretion deem necessary, proper or desirable and to settle any question(s), difficulty(ies) or doubt(s) that may arise in regard to creating security(ies) as aforesaid or other considered to be in the best interest of the Company.”



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### 7. Approval of Related Party Transactions

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

**“RESOLVED THAT** pursuant to provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of the Companies Act, 2013 and rules made thereunder as amended from time to time, approval of the Members be and is hereby accorded to the Material Related Party Transactions entered into and proposed to be entered into and carried out in ordinary course of business and at arm's length price with Faze Three Ltd., a “Related Party” as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Accounting Standard 18, for the financial year 2016-17.

**RESOLVED FURTHER THAT** the consent be and is hereby accorded for existing Material Related Party Transactions between the Company and Faze Three Limited as per the details mentioned under Item No.7 of the Explanatory Statement annexed to this Notice.”

#### Notes:

1. Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 hours before the commencement of the AGM. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable.  
  
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder of the Company.
2. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the meeting.
3. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking appointment / re-appointment as Director under Item No. 2 and Item No. 4 of the Notice, are also annexed.
4. The Register of Member and the Share Transfer Books of the Company will remain closed from Tuesday, 30th August, 2016 to Tuesday, 6th September, 2016 (both days inclusive).
5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
6. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed 29th August, 2016 as the “cut-off date” to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the Depositories as on the cut-off date, i.e. 29th August, 2016, shall be entitled to avail the facility of remote e-voting or voting in the general meeting.
7. Members may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Electronic copy of the Annual Report including Notice of the 19th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same.



In order to receive copies of Annual Reports and other communication through e-mail, Members are requested to register their e-mail addresses with the Company by sending an e-mail to investors@aundeindia.com. The Ministry of Corporate Affairs has taken a "Green Initiative in the corporate governance" by allowing paperless compliances by companies and has issued circulars stating that the service of notice/ documents including Annual Report can be sent by e-mail to its Members, to support this green initiative of the Government in full measures, Members who have not registered their e-mail address are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants.

8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

Members are requested:

- i. To write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards to the Audited Accounts for the financial year ended 31st March 2016, so as to enable the Company to keep the information ready.
  - ii. To bring their copy of Attendance slip and their photo identity proof at the Annual General Meeting.
  - iii. To inform to the Registrar & Transfer Agent (R&TA) of the Company immediately, about any change in their address, where the shares are held in electronic form, such change is to be informed to the Depository Participant (DP) and not to the Company/ R&TA. To quote Registered Folio No. or DP ID/Client ID No. in all their correspondence.
  - iv. To approach the R&TA of the Company for consolidation of folios.
  - v. To avail Nomination facility by filing in and forwarding the nomination form to the R&TA, if not already done.
  - vi. To send all share transfer lodgments (physical mode)/ correspondence to the R&TA of the Company, Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072 upto the date of book closure.
9. The Company has listed its shares on the BSE Limited. The listing fees till date have been paid.
10. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.
11. i. In compliance with provisions of Section 108 of the Companies Act, 2013, 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 Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
- ii. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The Members who have cast their vote by e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The e-voting period commences on Saturday, 3rd September, 2016 (9:00 am) and ends on Monday, 5th September, 2016 (5:00 pm). During this period, Members' of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, Monday, 29th August, 2016, may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

For Members receiving e-mail on their registered email ids from NSDL:

- a. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat



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mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.

- b. Launch internet browser by typing the URL <https://www.evoting.nsdl.com>
- c. Click on "Shareholder-Login".
- d. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
- e. If you are logging in for the first time, please enter the User ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
- f. Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
- g. Select "EVEN" (E-voting Event Number) of AUNDE INDIA LIMITED which is 104516.
- h. Now you are ready for "e-Voting" as "Cast Vote" page opens.
- i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
- j. Upon confirmation, the message "Vote cast successfully" will be displayed.
- k. Kindly note that vote once casted cannot be modified.
- l. Members can cast their vote online from 9.00 am on Saturday, 3rd September, 2016 till Monday, 5th September, 2016, 5.00 pm.
- m. E-Voting shall not be allowed beyond 5.00 pm on 5th September, 2016.
- n. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail : [sanjayrd65@gmail.com](mailto:sanjayrd65@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- o. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no: 1800-222-990.
- p. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- q. Voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, 29th August 2016.
- r. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the date, 29th August 2016 (cut-off date), may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

**For Members whose e-mail address is not registered:**

1. Initial password is provided separately in the Annual report posted for the AGM: EVEN (e-voting Event Number)      USER ID      PASSWORD
  2. Please follow all steps from Sl. No. 11 (iv) (b) to Sl. No. (o) above, to cast vote.
  3. If you are already registered with NSDL for remote e-voting, you can use your existing user ID and password/PIN for casting your vote.
12. The route map showing directions to reach the venue of the 19th AGM is annexed hereto.
13. The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary (Membership No. FCS-2655 and CP No.1798) as the Scrutinizer to count the votes cast in favour or against the resolutions





proposed from item No. 1 to 7 of the Notice for point No. 11 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013.

14. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
15. The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through ballot paper in the presence of at least two witnesses, not in the employment of the Company, and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
16. The results declared, along with the report of the Scrutinizer, shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
17. A brief resume of Directors proposed to be appointed/re-appointed at this Annual General Meeting pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is as follows:

Name	Mr. Rolf Konigs	Mr. Bheemanna B. Chikkerur
Date of Birth	19/08/1941	27/03/1956
Qualification	Business Graduate	Inter CA
Nature of Expertise	Mr. Rolf Konigs is a Executive Head of AUNDE Achter & Ebels GmbH, Germany (JV Partners). AUNDE Germany is a leading supplier of fabrics to all major automobile manufacturers like Audi, BMW Group, GM Group, Fiat, Ford etc. Mr. Rolf Konigs possess expert skills in the field of Automotive and Technical Fabrics and Textiles.	Mr. Bheemanna B. Chikkerur has expertise in the field of Accounts, Finance and Administration
Experience	More than 4 decades in Automotive and Technical Fabrics and Textiles.	More than 8 years of experience in Accounts, Finance and Administration
Name of other Public Companies in which holds Directorship	None	Faze Three Limited
Name of other Companies in Committees of which holds Membership/ Chairmanship	None	None
Shareholding in AUNDE INDIA LIMITED	Nil	Nil

Date: 26th July, 2016  
Place: Mumbai

By Order of the Board of Directors  
**Jovita Reema Mathias**  
DGM-Legal & Company Secretary



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### Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

#### Item No. 4

The Board of Directors at their Meeting held on 21st December, 2015 appointed Mr. Bheemanna B. Chikkerur as an Additional Director of the Company. Mr. Bheemanna B. Chikkerur has passed Intermediate examination of Chartered Accountant and has wide knowledge of accounts, administration. He has more than 8 years of experience in textile industry. The Board is of the opinion that the association of Mr. Bheemanna B. Chikkerur would be of immense benefit to the Company. Members are requested to approve the appointment of Mr. Bheemanna B. Chikkerur as a Non-Executive Director of the Company.

None of the Directors / KMPs of the Company and their respective relatives is in anyway concerned or interested in the said resolution, except for Mr. Bheemanna B. Chikkerur.

#### Item No. 5

The Members at their Annual General Meeting held on 20th December 2014 had by way of Special Resolutions approved the appointment of Mr. Ajay Anand as Managing Director of the Company for a period of 5 years commencing 1st April 2014 on terms and conditions, including remuneration payable to the Managing Director.

The terms of appointment of the Managing Director, inter alia, provide for payment of Salary with the authority to the Board or a Committee thereof to fix the salary and annual increments, which would be effective April 1, every year, based on merit and taking into account the Company's performance, incentive remuneration based on certain performance criteria, benefits, perquisites and allowances as per the policy of the Company as may be determined by the Board from time to time.

In case of no profits or inadequacy of profits in any Financial Year, the terms of appointment of Managing Director provide for payment of Minimum Remuneration during the currency of his tenure as per details mentioned herein below, subject to the approval of the members.

Remuneration:

- a. Salary: ₹ 3,75,000/- per month with an annual increase of ₹ 25,000, subject to a maximum of ₹ 5,00,000/-;
- b. Provident Fund: To the extent not taxable under the Income Tax Act, 1961;
- c. Gratuity & Leaves as per the rules of the Company.

Pursuant to the provisions of Section 197 read together with Schedule V of the Act, in respect of the payment of managerial remuneration in case of no profits or inadequacy of profits as calculated under Section 198 of the Act, the Company may pay such remuneration upto the ceiling limits as specified in Section II of Part II of Schedule V and the Members' approval by way of a special resolution has been passed for payment of remuneration for a period not exceeding 3 years. Any remuneration paid/to be paid to the Managing Director in excess of the prescribed limits shall be subject to the approval of the Central Government.

Taking into consideration the above and the terms of appointment and remuneration (including minimum remuneration) agreed with Mr. Ajay Anand, it is proposed to obtain Members approval by way of Special Resolutions, as stated hereinabove, for:

1. payment of minimum remuneration, where the Company has no profits or its profits are inadequate, to Mr. Ajay Anand during the three financial years commencing from April 1, 2016.
2. ratification of remuneration paid to Mr. Ajay Anand for financial year 2015-2016.

The Board and the Nomination and Remuneration Committee of the Board at their respective meetings held

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on July 26, 2016, accorded their approvals to the above and in the interest of the Company have recommended the aforesaid resolutions as set out in this Notice for approval of the Members.

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT.**

**I. General Information:**

Nature of Industry	The Company is into manufacturing of Automotive Fabrics.
Date or expected date of commencement of commercial production	The Company was incorporated in the year 1997 and the commercial production was commenced in 1998.
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.

**Financial performance:**

(₹ in Lacs)

Particular	For the Year Ended 31st March 2016	For the Period Ended 31st March 2015 (9 Months)	For the Year Ended 30th June 2014
Total Income	12556.59	8117.14	13615.02
Depreciation	452.38	313.96	411.20
Total Expenses	11863.26	7903.98	13731.76
Net Profit / Loss	170.72	(481.77)	(137.70)
Paid up Capital	1072.32	1072.32	1072.32
Reserves & Surplus	2234.15	2133.05	2614.82

**Foreign Investments or collaborations, if any:**

The Company has not made any foreign investments. The Company has JV with Aunde Achter & Ebels GmbH, Germany which is a global pioneer in automotive fabrics and seating systems having dynamic worldwide presence.

**II. Information about the appointee -**

Mr. Ajay Anand is the Promoter of the Company and he has been associated with the Company since inception. He is having 2 decades of experience in textile and automotive textile industry. He is involved in day to day operations of the Company and place vital role in decision making. In order to provide fillip to the operations and business of the Company at national and international level, Board of Directors appointed Mr. Ajay Anand as Managing Director of the Company w.e.f. 1st April, 2014 for a period of 5 years.

**Past Remuneration**

Particulars	2015-16	2014-15 (9 Months)
Total Salary (₹)	45,00,000/-	33,75,000/-



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### **Recognition or awards**

Under the dynamic leadership of the Managing Director the Company is being recognised globally for its product quality and has been accredited with ISO 14001:2004, OHSAS 18001:2007 and ISO/TS 16949:2009 certification.

### **Job profile and his suitability**

As Managing Director, Mr. Ajay Anand oversees day-to-day functions of the Company. He has a rich and varied background as a self-made industrialist. As a technical expert, he provides solutions to complex problems faced by the Company in manufacturing and research, gives foresight and vision in Marketing and Planning. His insight & experience has largely contributed to the Company's progress in the present competitive environment.

### **Remuneration proposed**

- a. Salary: ₹ 3,75,000/- per month and authority to Board or a Committee thereof to fix the salary and annual increments based on Company's performance upto a maximum salary of ₹ 5,00,000/- per month.
- b. Benefits, perquisites and allowances as may be determined by the Board from time to time.

### **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person**

While approving the above remuneration, the Nomination and Remuneration Committee considered the challenges posed by the growth opportunities in the automotive industry and the availability of experienced and expert managerial personnel to tackle the same. The Committee considered the achievement of the Managing Director and the responsibilities cast upon him for steering the Company in a competitive and growth oriented scenario in the technical textiles sector which justifies the remuneration. The Committee also noted that the profile of the incumbent Managing Director is eminently suited to the overall profile of this position. For the responsibility shouldered by Mr. Ajay Anand, Managing Director of the Company in navigating the business in these challenging times, the Committee and Board of Directors of the Company considers that the remuneration proposed to him is justified and commensurate with other organizations of the similar type, size and nature.

### **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Apart from receiving managerial remuneration and holding 565251 equity shares representing 5.27% of the total paid up share capital of the Company, Mr. Ajay Anand does not have any other pecuniary relationship with the Company.

### **III. Other Information –**

#### **1. Reasons of loss or inadequacy of profits:**

AUNDE India Limited is into manufacturing of automotive textiles specially car seat fabrics. The growth of the Company depends upon the growth of the Indian Automotive Industry, which is under pressure. The industry has seen a declining trend in the market specially passenger vehicles which has adversely affected Company's sales. Further, the prolonged slowdown in the economic activity, weak consumer sentiments, subdued infrastructure activity, tight financing environment with high interest and increased fuel prices have affected the growth of the automobile industry in turn affected the growth of the Company.

#### **2. Steps taken or proposed to be taken for improvement**

The Company has taken various initiatives to maintain its leadership, improve market share and



financial performance. It has been aggressively pursuing and implementing its strategies to improve volumes and reduce costs through innovative and value added products, The Company has taken steps to strengthen its business by developing fabrics with improved quality and trendy designs which meets the buyer's requirements. The results of these initiatives are likely to be felt in the coming years.

**3. Expected increase in productivity and profits in measurable terms.**

Though the Automobile Industry is witnessing a continued slowdown, in anticipation of revival of the overall economy in future, the aforesaid steps taken/to be taken by the Company are expected to improve the Company's performance and profitability.

None of the Directors / KMPs of the Company and their respective relatives is in anyway concerned or interested in the said resolution, except for Mr. Ajay Anand.

**Item No. 6**

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, only by way of a Special Resolution passed by the members of the Company at a general meeting.

The Shareholders of the Company pursuant to Section 293(1)(d) and other applicable provisions of the Companies Act, 1956 read with Articles of the Association of the Company had authorized the Board of Directors of the Company to borrow monies for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) a sum not exceeding ₹100 Crores (Rupees One Hundred Crores Only) notwithstanding it may exceed the aggregate of the paid up capital of the Company and its free reserve i.e. reserves not set apart for any specific purpose, as per the latest annual audited financial statement.

In view of the overall increase in business activities of the Company, and to meet the capital expenditure for additional working capital requirements, it is considered desirable to increase the Company's existing borrowing limit of ₹ 100 Crore to ₹ 150 Crore.

The proposed enhancement in the borrowings of the Company from ₹ 100 Crore to ₹ 150 Crore may, if necessary, be secured by way of charge/ mortgage/ hypothecation of the Company's assets in favour of all or any of the financial institutions/ banks/ lenders etc.,. It is necessary to obtain members approval under Section 180(1)(a) of the Companies Act, 2013 for creation of charge/ mortgage/ hypothecation.

Your Directors therefore recommend the Resolution at Item No. 6 for approval by the members of the Company to borrow monies and creation of charges/ mortgages on the assets of the Company pursuant to the provisions of Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013.

None of the Directors / KMPs of the Company and their respective relatives is in anyway concerned or interested in the said resolution.

**Item No. 7**

M/s. Faze Three Limited is a Public limited Company and listed on BSE, having its Registered Office and manufacturing plant located at Dapada, Silvassa and dying plant located at Vapi. The Company is into manufacturing of Home Textiles & Furnishing Products like blankets, cushions, cushion covers, bathmats and rugs.

Aunde India Limited has entered into an Exclusive Manufacturing Agreement with Faze Three Limited for using the dyeing facilities of Faze Three located at Phase-I, GIDC, Vapi for dying its fabric. The transactions



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are made in the ordinary course business and are at arm's length and requisite approvals have been taken from the Board and Audit Committee.

As per the requirement of Section 188 of the Companies Act, 2013, read with Companies (Amendment) Act, 2015 and SEBI (Listing Obligations and Disclosure Requirements), 2015 all Material Related Party Transactions shall require approval of the Members through an Ordinary Resolution if the transaction or transactions to be entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last Audited Financial Statements of the Company.

Further as per SEBI (Listing Obligations and Disclosure Requirements), 2015, which were notified on September 2, 2015 and became effective from 1st December, 2015 all existing Material Related Party contracts or arrangements entered into prior to the date of notification of these Regulations and which may continue beyond such date shall be placed for approval of the Members in the first General Meeting subsequent to notification of these regulations.

M/s. Faze Three Limited is a Related Party and the transaction as described hereunder are likely to exceed 10% of the annual turnover of the Company (2015-2016 and 2016 -2017) as per the audited financial statements of the Company and thus, in terms of the Section, the transactions would require the approval of the Members by way of Special Resolution:

Sr. No.	Description	Details			
1	Name of the Related Party	M/s. Faze Three Limited			
2.	Name of the Director or KMP who is related	Mr. Ajay Anand			
3.	Nature of relationship	Associate as defined in AS - 18			
4.	Material transactions (₹ in Lacs)		<b>Actuals</b>		<b>Projected</b>
		<b>Year Ended</b>	<b>March 2015</b>	<b>March 2016</b>	<b>March 2017</b>
		Purchase of Goods	Nil	0.14	5.00
		Payment of Dying Charges	1791.00	2857.00	3000.00
		Lease Rental Expenses	19.33	36.78	40.00
Lease Rental Income	Nil	12.86	15.00		

None of the Directors / KMPs of the Company and their respective relatives is in anyway concerned or interested in the said resolution, except for Mr. Ajay Anand.

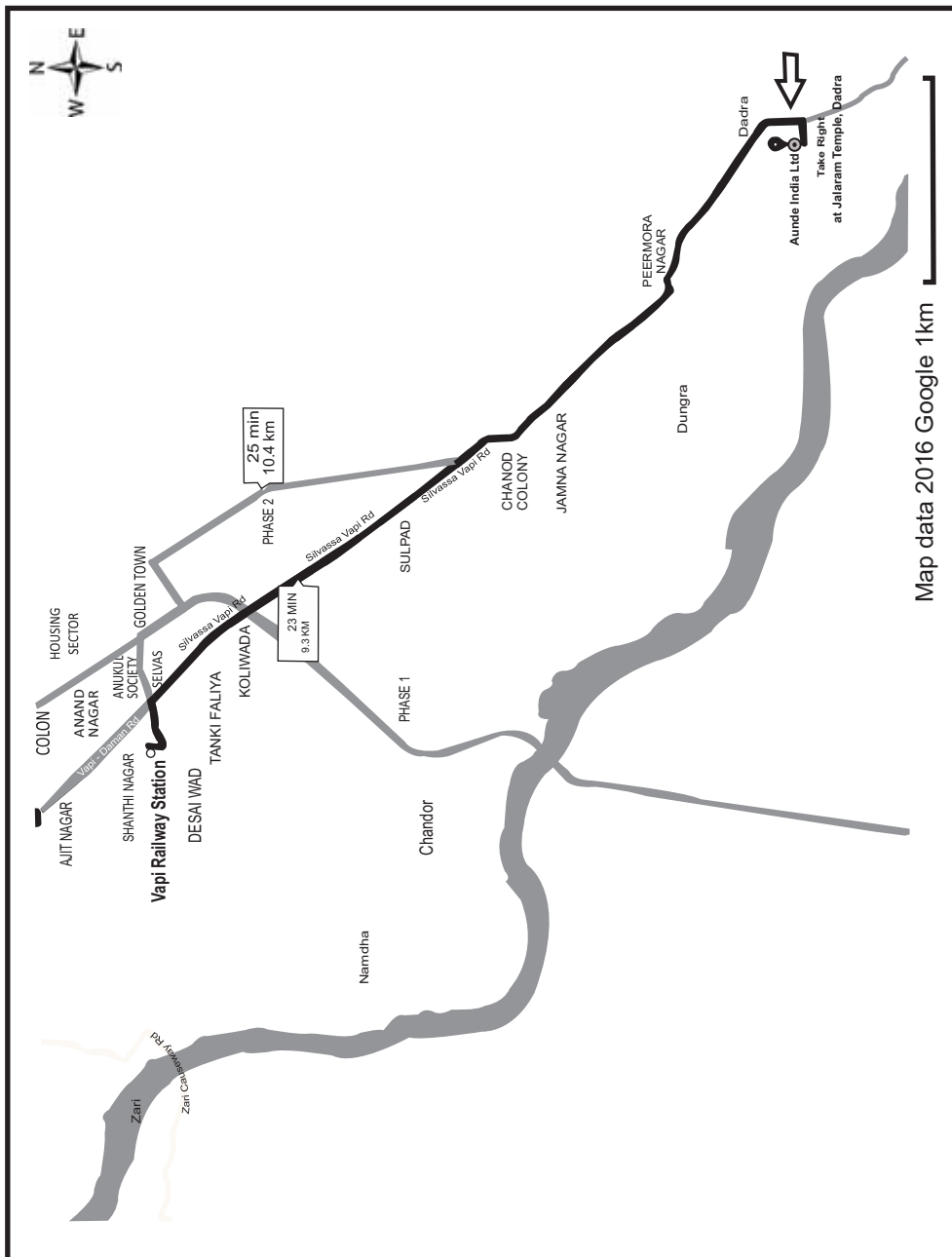
Date: 26th July, 2016  
Place: Mumbai

By Order of the Board of Directors  
**Jovita Reema Mathias**  
DGM-Legal & Company Secretary



**ROUTE MAP OF AGM VENUE  
Vapi Railway Station to Aunde India Ltd**

Drive 9.3 km, 23 min





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### DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 19th Annual Report and the Audited Accounts for the year ended 31st March, 2016.

#### 1. FINANCIAL HIGHLIGHTS

(₹ in Lacs)

Particulars	For the year ended 31.03.2016	For the period ended 31.03.2015 (9 Months)
Revenue from operations (Net)	12495.83	8081.52
Expenses	(11863.27)	(7903.98)
Other Income	60.77	35.62
<b>Profit before Interest, Tax, Depreciation &amp; Amortization, finance cost and exceptional items</b>	<b>693.33</b>	<b>213.16</b>
Less:		
1. Finance Cost/ Interest	86.27	628.02
2. Depreciation & amortization expenses	452.38	313.96
<b>Profit / (Loss) before taxation</b>	<b>154.68</b>	<b>(728.82)</b>
Provision for taxation (incl. deferred tax)	(16.02)	(247.05)
<b>Profit/ (Loss) for the year carried to Balance Sheet</b>	<b>170.72</b>	<b>(481.77)</b>

#### 2. PERFORMANCE HIGHLIGHTS:

The Company's total revenue from operations stood at ₹ 12495.83 Lacs and the revenue for previous year (9 months ended) was at ₹ 8081.52 Lacs, The revenue from operation comprises of Domestic Sales of ₹13,018.29 Lacs and Exports ₹ 934.52 Lacs. The Company earned Profit before Interest, Tax, Depreciation & Amortization, Finance Cost and Exceptional Items of ₹ 693.33 Lacs and profit after tax of ₹ 170.72 Lacs as compared to Loss of ₹ 481.77 for the year ended 31.03.2015 (9 months).

##### Company overview:

The Company is into manufacturing of specialized Car seat fabric and supplies fabric to OEM's like Maruti Suzuki, Ford India, Hyundai, Mahindra & Mahindra and Honda Motors. AUNDE India holds a significant place in the Indian technical textile industry as there are fewer players in the technical textile segment and especially in car seat fabric manufacturing. The Company currently holds appx. 31% of the total Indian Automotive Fabric market and is striving to capture 45% of the market share by 2019.

The long term association with Aunde Global Group has enabled the Company to reap the benefits in the area of manufacturing innovative products. AUNDE India has various tie ups with other members of the Group, like Aunde Italy for catering to Fiat India, Aunde Australia for catering to Ford India and Aunde Brazil for catering to GM Motors. On account of the strong foothold of the Company in the Market, its innovative and improved designs and persistent efforts made by the development team and Company's marketing team the Company was able to achieve higher sales during the year.





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**3. CHANGE IN THE NATURE OF THE BUSINESS**

There were no changes in the nature of business during the year under review as prescribed in Rule 8 of the Companies (Accounts) Rules, 2014.

**4. DIVIDEND:**

In order to conserve the resources of the Company, the Board of Directors are not recommending any dividend for the Financial Year.

**5. DETAILS OF BOARD MEETINGS:**

During the year under review, the Company has conducted 6 (Six) Board Meetings on 9th June, 2015, 12th August, 2015, 29th August, 2015, 10th November, 2015, 21st December, 2015 and 21st January, 2016.

**6. DIRECTORS**

Mr. Rolf Konigs, Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment.

Mr. Bheemanna B. Chikkerur was appointed as an Additional Director of the Company by the Board of Directors at their meeting held on 21st December, 2015, and offers himself to be appointed as Director at this AGM.

The Board recommends their appointment.

The details of Committees of Board of Directors are provided in the Corporate Governance Report.

**7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

The information as required under Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is annexed to this report as Annexure I.

**8. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION**

A separate section on Corporate Governance is included in the Annual Report as Annexure II and the Certificate from M/s. Sanjay Dholakia & Associates, Practicing Company Secretaries confirming the compliance of conditions on Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (previously Clause 49 of the Listing Agreement), is enclosed to the Corporate Governance Report.

**9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMY OVERVIEW**

India has registered a steady pace of economic growth in Fiscal Year 2016. Additionally, macroeconomic parameters such as inflation, fiscal deficit and current account balance have exhibited distinct signs of improvement. Wholesale price inflation has been in negative territory for more than a year and the all-important consumer price inflation has declined to nearly half of what it was a few years ago. However, weak growth in advanced and emerging economies has taken its toll on India's exports. Nevertheless, trade and current account deficits have improved due to relatively lower prices for crude oil which is imported by India. Growth in agriculture has slackened due to two successive years of less than-normal monsoon rains. The rupee has depreciated with respect to the US dollar, like several other currencies in the world.

**Technical/Automotive Textiles**

Technical Textiles are defined as Textile material and products manufactured primarily for their technical



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performance and functional properties rather than aesthetic and decorative characteristics. Technical textile broadly refers to woven / knitted and non-woven clothes made for technical applications.

There has been a sharp increase in the global demand for Technical Textiles in various areas namely Meditech, Buildtech, Mobiltech, Protech, Hometech, Sporttech, Packtech, Geotech etc. The automotive textile industry, the Company's core business sector, which is also known as mobiltech segment depends largely on the growth of the automotive sector in India, which has been brisk in recent years. India's mobiltech segment is hence expected to grow at a rate of 17% to US\$ 1,870 Million by 2016-17 as per estimates of the Working Group on Textiles and Jute Industry, Ministry of Textiles, Government of India.

### COMPANY OVERVIEW AND OUTLOOK

The Company achieved a turnover of ₹ 125 Crores for FY15-16 registering a growth of 11%. The Company at present holds a significant place in the Indian Automobile Industry and Aunde has successfully showcased its new technologies and innovations in offering to the OEM's like Maruti Suzuki, Renault, Nissan, Honda, Mahindra & Mahindra, Volkswagen & TATA's and was reciprocated with an overwhelming response and some of these technologies already hold a place in future programs. With the technological advance and innovative products, Aunde has created a new prospect in upcoming opportunities with OEM's with their upcoming projects.

### OPPORTUNITIES AND CHALLENGES

Government has taken some measures in FY 2015-16 to improve the competitiveness of Indian textile exports such as:

- ◆ Approved an Amended Technology Upgradation Fund Scheme (A-TUFS) in place of the existing Revised Restructured TUFS for technology upgradation of the textiles industry supporting CAPEX spends.
- ◆ Focus on setting up of integrated textile parks and 'Make In India' mission.
- ◆ Completion of review of National Textile Policy 2000 and expected announcement of new National Textile Policy in 2016.

The new National Textile Policy will aim to achieve exports of US\$ 300 billion by 2024-25 and create additional 35 million jobs in the sector. Free Trade Agreements (FTAs) between India and major markets such as Europe, US, China, Australia, Canada, etc. or relevant sectoral agreements can be a major growth driver for the industry by granting favorable duty structure for Indian textile products. Similarly, bilateral/multilateral trade agreements between groups of countries, for e.g. Trans-Pacific Partnership (TPP), could potentially harm the Indian textile exports in some segments.

The Company is strategically strong to seize any new opportunities in the automotive textile market. The management has taken into account the declining trends in the automobile industry and pressure on the YOY sales and margins. The implementation of cost effective measures have been helped the company to remain competitive in the Market. However, the increased cost of raw materials, labour and other resources have affected companies sales growth and profitability.

The management is well equipped to address the threats & challenges of the automobile textile industry with its experienced personnel, technologically innovative products & reputed clientele.

### HUMAN RESOURCES/ INDUSTRIAL RELATIONS

Aunde India Limited believes that people are its most valued resource and their efficiency plays a key role in achieving set goals and building a competitive work environment. A productive and innovative workplace has



been and will continue to remain a key requirement for successful business performance in the Company's perspective. We strive to provide great place to work to our people through challenging and learning environment.

### **POLLUTION AND ENVIRONMENTAL CONTROLS**

Company believes that profitability not only depends on the actual profit but also the benefit derived by the community through the activities of the Company. Aunde India Limited is conscious of the vulnerability and the essence of a healthy and clear environmental surrounding. The Company has framed a policy for securing the quality of environment and requires its stakeholders to adhere to such policy.

#### **10. RESERVES:**

The Company has not transferred any amount to reserves in current Financial Year.

#### **11. DEPOSITS:**

The Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, or under Chapter V of the Companies Act, 2013.

#### **12. NOMINATION AND REMUNERATION COMMITTEE POLICY**

The Company has constituted Nomination and Remuneration Committee pursuant to Section 178(1) of the Companies Act, 2013 and Clause 19 of SEBI (LODR), Regulations, 2015 and has defined the policy on Director's appointment and payment of remuneration including criteria for determining qualifications, positive attributes, independence of Directors, etc. The policy is available on the website of the company at [www.aundeindia.com](http://www.aundeindia.com).

#### **13. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company's management is responsible for establishing and maintaining an adequate system of internal financial control over financial reporting. The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, excluding transaction with proper authorization and ensuring compliance of corporate policies.

#### **14. INDIAN ACCOUNTING STANDARD (IND AS)**

The Indian Accounting Standards (IND AS) were notified by the Ministry of Corporate Affairs on February 16, 2015. These standards will become applicable to the Company with effect from 1st April, 2017 with comparatives for the previous year ending 31st March, 2016. Your Company has taken adequate steps in this regard to ensure a smooth transition to IND AS.

#### **15. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief according to the information and explanations obtained by them, Board of Directors of the Company makes the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the Annual Financial Statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies as mentioned in Notes to Financial Statements have been selected and



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applied consistently and made judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;

- (iii) that 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;
- (iv) that the Annual Financial Statements have been prepared on a going concern basis;
- (v) that the proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### 16. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE

Aunde Achter & Ebels GmbH, Germany is the JV partner of the Company and is holding 42.82 % shares of the Company.

### 17. SIGNIFICANT MATERIAL ORDER PASSED BY COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

### 18. RISK MANAGEMENT POLICY

The Company has framed a Risk Management Policy which was approved by the Board pursuant to the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (previously Clause 49 of the Listing Agreement). There is a continuous process for identifying, evaluating and managing significant risks faced through a risk management process designed to identify the key risks faced by the Company. Risks would include significant weakening in demand from core-end markets, inflation uncertainties and any adverse regulatory developments, etc. During the period a risk analysis and assessment was conducted and no major risks were noticed.

### 19. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

As required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, details of Remuneration to Directors and Key Managerial Personnel is provided in Form MGT-9 annexed to this Report.

The Company has no employee who- (i) if employed throughout the Financial Year, was in receipt of remuneration, in aggregate, more than ₹ 60 Lacs, or (ii) if employed for part of the Financial Year, was in receipt of remuneration, in aggregate, more than ₹ 5 Lacs per month. Hence, the information required to be given pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is not applicable to the Company.

### 20. CORPORATE SOCIAL RESPONSIBILITY STATEMENT (CSR)

The Company does not fulfill any criteria provided under Sub-section 1 of Section 135 of the Companies Act, 2013, hence, the Company has not carried out any CSR activities.



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**21. ANNUAL PERFORMANCE EVALUATION OF BOARD**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

**22. DECLARATION FROM INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

**23. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

Pursuant to the SEBI Regulations, the Company has worked out a familiarization programme for the Independent Directors, with a view to familiarize them with their role, rights and responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc.

The policy for familiarization programme for the Independent Directors is available on the website of the Company [www.aundeindia.com](http://www.aundeindia.com).

**24. VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Company has framed Whistleblower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the audit committee. The said policy has been posted on the website of the Company at [www.aundeindia.com](http://www.aundeindia.com).

**25. STATUTORY AUDITORS**

M/s. Majibail & Co., Chartered Accountants, Mumbai (Firm Rgn. No. 105870W) being eligible offer themselves for re-appointment. M/s. Majibail & Co. has confirmed that the appointment will be within the prescribed limits specified in Section 139 of the Companies Act, 2013. Members are requested to appoint the auditors.

**26. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Sanjay Dholakia & Associates, Practising Company Secretaries (Membership No. 2655, C.P. No. 1798) to undertake Secretarial Audit. The Report is annexed herewith as Annexure III.



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### 27. OBSERVATIONS – AUDITOR & SECRETARIAL AUDITOR

Secretarial Auditor: As mentioned in the report, the Company was required to appoint a Chief Financial Officer (CFO as KMP), a Woman Director and an Independent Director on the Board. Your Directors would like to inform you that the Company has appointed Mrs. Gurinder Kaur Kalsi as Director on 12th August, 2015 in compliance with provisions. Similarly, Company is also in process of appointing Chief Financial Officer and Independent Director on the Board of the Company.

### 28. RELATED PARTY TRANSACTIONS

All transactions entered into with related party during the Financial Year as defined under Section 188(3) of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the Financial Year which were in conflict with the interest of the Company.

All Related Party Transactions are approved by Audit Committee. Prior omnibus approval is obtained from the Audit Committee in respect of the transactions which are repetitive in nature. The transactions entered into pursuant to omnibus approval so granted are reviewed on a quarterly basis by the Audit Committee.

Suitable disclosure as required by the Accounting Standards (AS 18) has been made in the notes to the Financial Statements. The Company has proposed to take approval of Members regarding Related Party Transactions propose to be enter into with related parties in next financial year through Ordinary Resolution.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company. The same can be accessed on [www.aundeindia.com](http://www.aundeindia.com).

None of the transactions with related parties falls under the scope of section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given as Annexure IV in Form AOC-2 and the same forms part of this report.

### 29. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form No. MGT -9, as provided under sub-section (3) of Section 92 of the Companies Act, 2013 annexed to the Boards' report as Annexure V.

### 30. COST RECORDS AND AUDIT

Pursuant to the directives of the Central Government under the provisions of Section 148(1) of Companies Act, 2013, Company has maintained cost records and included the same in Books of Accounts.

The Company does not fulfill the criteria's mentioned in Rule 4 of Companies (cost records and audit) Rules, 2014, and hence Cost Audit is not applicable for the Financial year 2015-16.

### 31. ACKNOWLEDGMENT

Your Directors wish to place on record their appreciation for the co-operation extended by all the employees, Bankers, Financial Institutions, various State and Central Government authorities and Stakeholders.

For and on behalf of the Board

Place : Mumbai  
Date : 22nd April, 2016

Ajay Anand  
Managing Director



**ANNEXURE I**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS**

Statement Pursuant to Section 134 (3) of the Companies Act, 2013 read with Rule 8(3) of Chapter IX of Companies (Accounts) Rules, 2014.

**a. Research & Development**

- (i) Specific area in which R & D is carried out by the Company:
  - Introduction of New Products and Improving the Processes of existing products.
  - Making new Designs acceptable to international customers.
- (ii) Benefits derived as a result of R & D activities:
  - Product Range Extension
  - Improvement of Quality and yield
  - Cost reduction leading to competitiveness
  - Development of Various Designs as well as new products, with high standard in international market.
  - Reduction in Cost and Time cycle.
- (iii) Future Plan of Action
  - Development of Innovative Products for the market.
  - Development of new designs for Export of high value products.
  - Expanding the market by going in for diversification in the home product range.
  - Developing new products range to have edge over others with high standards of quality and unique design to compete with other indigenous manufacturers to improve the export turnover base.

**b. Conservation of Energy**

A.	(i) Electricity	For the year ended March 31st 2016	For the period ended March 31st 2015 (9 Months)
	<b>a) Purchased</b>		
	KWs Units (in Lacs)	36.04	22.07
	Total Cost (₹ in Lacs)	158.59	100.88
	Rate Per Unit (₹)	4.40	4.57
	<b>b) Own Generation (Through DG Set)</b>		
	Kws Units (in Lacs)	0.59	0.43
	Total Cost (₹ in Lacs)	8.37	5.90
	Rate Per Unit (₹)	14.19	13.66
	<b>(ii) Coal, Firewood, Rice Husk etc.</b>		
	(Qty in Qntls)	NIL	NIL
	<b>Total Cost (₹ in Lacs)</b>	<b>166.97</b>	<b>106.78</b>
B.	<b>Foreign Exchange Earnings and Outgo</b>		
	(₹ in Lacs)		
	Total Foreign Exchange Earned	911.83	1580.51
	Total Foreign Exchange Used	637.49	914.99



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### ANNEXURE II

#### CORPORATE GOVERNANCE REPORT

The Company's philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It intends to enhance shareholders value by undertaking the best possible Corporate Governance practices. A high standard of Corporate Governance is maintained by being transparent, accountable and being in continuous interaction with shareholders, employees, lending institutions, banks, governmental agencies and all the dealers.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing Agreement with BSE Ltd. The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements and regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

#### BOARD OF DIRECTORS

##### Profile

Sr. No.	Name of the Director	Profile
1	Mr. Ajay Anand	Mr. Ajay Anand is Managing Director of the Company. As Managing Director, he oversees day to day functioning of the Company and plays a vital role in strategic decision making . Mr. Ajay Anand has rich experience of two decades in textile and technical textile industry.
2	Mr. Rolf Konigs	Mr. Rolf Konigs is a Non-Executive Director of the company and retires by rotation at the ensuing Annual General Meeting of the Company, and being eligible offers himself for re-appointment. Mr. Rolf Konigs is business head of AUNDE Achter & Ebels GmbH and has rich experience of four decades in Automotive Textile Industry.
3	Mr. Bheemanna B. Chikkerur	Mr. Bheemanna B. Chikkerur was appointed as an Additional and Non-Executive Director of the Company w.e.f. 21st December 2015. Mr. Bheemanna Chikkerur is Inter CA and has more than 8 years of experience in Accounts, Finance and Administration.
4	Mr. Kapil Sethi	Mr. Kapil Sethi is a Non-Executive and Independent Director of the Company. Mr. Kapil Sethi has a wide experience in Accounts and Finance.
5	Mrs. Gurinder Kaur Kalsi	Mrs. Gurinder Kaur Kalsi is a Non-Executive and Independent Director of the Company. Mrs. Gurinder Kaur Kalsi has academic qualification in B.A. and has textile industry knowledge.

The Board plays a pivotal role in ensuring good governance and acts in a democratic manner. The Board members have complete freedom to express their opinion and decisions are taken on the basis of consensus arrived after due deliberation.



## AUNDE India Limited



### Composition of Board

The Board of Directors consists of 5 Directors as on 31st March, 2016.

During the year under review, the Company has conducted 6 (Six) Board Meetings on 9th June, 2015, 12th August, 2015, 29th August, 2015, 10th November, 2015, 21st December, 2015, 21st January, 2016.

The necessary quorum was present for all the meetings.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies (including Aunde India Limited) as on March 31, 2016 are given here below. Other Directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

Name of Director	Category	Attendance		Particulars of Directorship, Committee membership / Chairmanship		
		Board Meeting	Last AGM	Director	Chairman	Member
Mr. Ajay Anand	Promoter, Executive	6	No	3	0	6
Mr. Rolf Konigs	Non-Executive & Non -Independent	1	No	1	0	1
Mr. R. J. Avadhani*	Non-Executive & Non -Independent	2	No	1	0	2
Mr. Bheemanna Chikkerur**	Non-Executive & Non -Independent	4	No	2	0	0
Mr. Kapil Sethi	Non-Executive & Independent	4	No	1	2	0
Mrs. Gurinder Kaur Kalsi***	Non-Executive & Independent	4	No	2	0	4

\*Mr. R. J. Avadhani Ceased to be Director and Member in Committees w.e.f. 12.8.2015

\*\*Mr. Bheemanna Chikkerur was Appointed as Director w.e.f. 21.12.2015

\*\*\*Mrs. Gurinder Kaur Kalsi was Appointed as Director and became Member in Committees w.e.f. 12.8.2015

### Details of other Directorship held by the Directors of the Companies

Name of the Director	Name of the Company	Position	Number of Shares held in the Aunde India Ltd.
Mr. Ajay Anand	Faze Three Limited.	Managing Director	565251
	V R Woodart Limited.	Director	
Mr. Rolf Konigs	Nil	Nil	Nil
Mr. R. J. Avadhani	Nil	Nil	Nil
Mr. Bheemanna Chikkerur	Faze Three Limited.	Director	Nil
Mr. Kapil Sethi	Nil	Nil	Nil
Mrs. Gurinder Kaur Kalsi	Faze Three Limited.	Director	Nil



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### OTHER INFORMATION

- During the Financial Year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- The Terms and Conditions of appointment of the Independent Directors are disclosed on the website of the Company.
- During the year, one meeting of the Independent Directors was held on November 10, 2015. The Independent Directors, inter-alia, reviewed the performance of Non-independent directors, Chairman of the Company and the Board as a whole.
- The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.
- The details of the familiarization programme of the Independent Directors are available on the website of the Company at [www.aundeindia.com](http://www.aundeindia.com).

### COMMITTEES OF THE BOARD

#### A. Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

The Composition of Committee is as follows:

Sr. No.	Name of the Director	Status	Category	No. of Meetings Attended
1.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	4
2.	Mr. Ajay Anand	Member	Executive & Non Independent	4
3.	Mr. R. J. Avadhani	Member	Non -Executive & Non-Independent	2
4.	Mrs. Gurinder Kaur Kalsi	Member	Non -Executive & Independent	2
5.	Mr. Rolf Konigs	Member	Non-Executive & Non-Independent	0

Audit Committee met 4 (Four) times during the year on 9th June, 2015, 12th August, 2015, 10th November, 2015 and 21st January, 2016.

Ms. Jovita Reema Mathias, DGM-Legal and Company Secretary acts as the Secretary to the Committee.

The terms of reference of the Audit Committee:

- Overview of the Company's financial reporting process and the disclosure of its financial information;
- Review with the management of the Annual Financial Statements;
- Review of Related Party Transactions;
- Review of Company's financial and risk management policies;
- Review with the management of performance of statutory and internal auditors, and adequacy of the internal control systems;
- Review with the management of the quarterly financial statements;
- Recommend to the Board, the appointment, re-appointment or removal of the Statutory Auditor and the fixation of audit fees;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Discussion with internal auditors any significant findings and follow up thereon and in particular internal control weaknesses and reviewing the adequacy of internal audit function;
- To review the functioning of the Whistle Blower mechanism;



**B. Nomination & Remuneration Committee:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 178 of the Act.

Functions of Committee -

- The Committee has defined the policy on Director's appointment and payment of remuneration including criteria for determining qualifications, positive attributes and independence of Director;
- Recommend to the Board appointment of Key Managerial Personnel;
- Oversee familiarization program for directors.

Composition:

Sr.No.	Name of the Director	Status	Category	No. of Meetings Attended
1.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	2
2.	Mr. R. J. Avadhani	Member	Non-Executive & Independent	1
3.	Mr. Rolf Konigs	Member	Non-Executive & Non- Independent	0
4.	Mrs. Gurinder Kaur Kalsi	Member	Non-Executive & Independent	1

Ms. Jovita Reema Mathias, DGM-Legal and Company Secretary acts as the Secretary to the Committee.

The Committee is constituted to formulate and recommend to the Board from time to time, a compensation structure for members of the Board and Key managerial Personnels. The Committee had their meeting on 1st August, 2015 to recommend the appointment of Mrs. Gurinder Kaur Kalsi as an additional and Independent Director. The Committee also met on 14th December, 2015 to recommend appointment of Mr. Bheemanna Chikkerur as Non-Executive Director of the Company.

The details of remuneration paid to Managing Director for Financial Year 2015-2016 is given as follows: (No sitting fees paid to the following directors):

Director	Designation	Remuneration (including all perquisites)	Service Contract
Mr. Ajay Anand	Managing Director	₹ 45.00 Lacs	5 years

Apart from sitting fees for the attending Board/ Committee meetings, no other fees / compensation is paid to Non-Executive Directors. Your Company does not have any stock option scheme for its Directors and employees.

Details of Sitting Fees paid:

Sr.No	Name of the Director	Category	Sitting Fees
1.	Mr. Kapil Sethi	Non-Executive & Independent	₹ 8,000/-
2.	Mr. R. J. Avadhani	Non-Executive & Independent	₹ 4,000/-
3.	Mrs. Gurinder Kaur Kalsi	Non-Executive & Independent	₹ 8,000/-
4.	Mr. Bheemanna Chikkerur	Non-Executive & Non-Independent	₹ 2,000/-



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### C. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Companies Act, 2013.

Sr. No.	Name of the Director	Status	Category	No. of Meetings Attended
1.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	4
2.	Mr. Ajay Anand	Member	Executive & Non-Independent	4
3.	Mr. R. J. Avadhani	Member	Non-Executive & Independent	2
4.	Mrs. Gurinder Kaur Kalsi	Member	Non-Executive & Independent	2

Ms. Jovita Reema Mathias, DGM-Legal and Company Secretary acts as the Secretary to the Committee

Details of investor complaints received and redressed during the year 2015- 16 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	Nil	Nil	Nil

### D. General Body Meetings :

Year	Date	Venue	Time	Special Resolution
2012-13	30th November, 2013	Plot No. 146, Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli	10.30 am	–
2013-14	20th December, 2014	Plot No. 146, Waghdhara Village Road, Dadra–396 193, Union Territory of Dadra & Nagar Haveli	10.30 am	1. Appointment of Mr.R.J.Avadhani as an Independent Director 2. Appointment of Mr.Kapil Sethii as an Independent Director 3. Appointment of Mr.Ajay Anand as Managing Director 4. Amendment to Articles of Association
2014-15	29th September 2015	Plot No. 146, Waghdhara Village Road, Dadra–396 193, Union Territory of Dadra & Nagar Haveli	12.45 pm	2. Approval of Related Party Transactions

- No postal Ballot was conducted during the year.
- No Extraordinary General Meeting was held during the year.

### E. Means of Communication:

The Company publishes its annual, half yearly and the quarterly financial results in the following Newspapers:

- (i) Times of India (English) – Surat Edition
- (ii) Economic Times ( Gujarati) – Gujarat Edition

Company's results and official news releases, if any, are also displayed on the Company's website at [www.aundeindia.com](http://www.aundeindia.com).

## AUNDE India Limited



### F. General Shareholder Information:

AGM, Date, Time and Venue	Tuesday, 6th September, 2016 11.30 a.m. Plot No. 146, Wagdhara Village Road, Dadra – 396 193 Union Territory of Dadra & Nagar Haveli
Company's Financial Year	1st April to 31st March
Financial Calendar For 2016-17(Tentative)	
Adoption of Quarterly & Annual Results :	
June 30, 2016	2nd week of August 2016
September 30, 2016	2nd week of November 2016
December 31, 2016	2nd week of February 2017
Audited results for March 31, 2017	Last week of May 2017
Date of Book Closure	From 30th August, 2016 to 6th September, 2016 (Both days inclusive)
Listing on Stock Exchanges	BSE Limited
Stock Code	532459 on BSE Limited
Demat ISIN No. for NSDL and CDSL	INE207D01017
Registrar and Transfer Agents	Sharex Dynamic (India) Pvt. Ltd. Unit-1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072. Phone: 022 2851 5606 /5644 Website:www.sharexindia.com Email:sharexindia@vsnl.com
Share Transfer System	The transactions of the shares held in Demat and Physical form are handled by the Company's Share Transfer & Registrar Agent M/s. Sharex Dynamic (India) Pvt. Ltd.

### G. Market price data

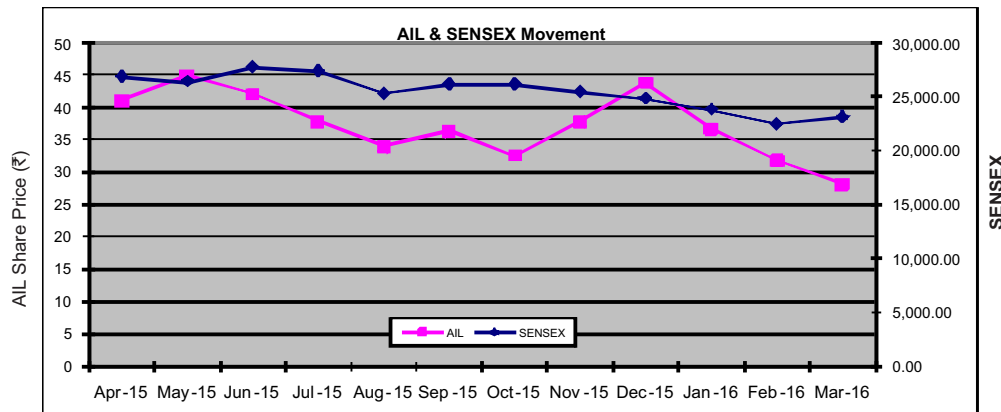
Monthly high and Low quotations along with the volume of shares traded at BSE Ltd during the Financial Year 2015-2016.

Month	Stock Price on BSE		Volume	BSE Sensex High	BSE Sensex Low
	Month's High Price	Month's Low Price			
Apr-15	48.30	38.10	8,259	29094.61	26897.54
May-15	45.00	39.05	3,110	28071.16	26423.99
Jun-15	51.95	42.25	22,472	27968.75	26307.07
Jul-15	44.90	34.75	1,60,860	28578.33	27416.39
Aug-15	39.00	32.40	88,315	28417.59	25298.42
Sep-15	41.50	32.45	2,609	26471.82	24833.54
Oct-15	36.90	29.90	12,093	27618.14	26168.71
Nov-15	37.90	30.35	2,03,734	26824.30	25451.42
Dec-15	44.95	35.75	75,361	26256.42	24867.73
Jan-16	43.95	35.00	32,746	26197.27	23839.76
Feb-16	39.65	28.00	14,183	25002.32	22494.61
Mar-16	33.60	28.10	18,453	25479.62	23133.18



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### H. Monthly high and Low compared with BSE Sensex



### I. Distribution of shares and shareholding as on 31st March 2016

Sr. No.	No. of Equity Shares held		Shareholders		Shareholding	
	From	To	Nos.	%	Nos.	%
1	Upto	100	399	21.94	23064	0.22
2	101	200	844	46.40	131189	1.22
3	201	500	290	15.94	107578	1.00
4	501	1000	124	6.82	99849	0.93
5	1001	5000	112	6.16	273380	2.55
6	5001	10000	20	1.10	141827	1.32
7	10001	100000	17	0.93	564308	5.26
8	100001 and above		13	0.71	9382012	87.49
		<b>TOTAL</b>	<b>1819</b>	<b>100.00</b>	<b>10723207</b>	<b>100.00</b>

### J. Plant Location

Plot No. 146, Wagdhara Village Road, Dadra – 396 193 Union Territory of Dadra & Nagar Haveli.

### K. Corporate office address for correspondence:

#### Aunde India Limited

102, Shiv Smriti Chambers,  
49-A, Dr. Annie Besant Road,  
Worli, Mumbai – 400 018.

Phone : 022 6660 4600 / 4351 4444;

Fax : 022 2493 6811

Website: [www.aundeindia.com](http://www.aundeindia.com)

Email Id: [investors@aundeindia.com](mailto:investors@aundeindia.com)

**L. Other disclosures**

## i. Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the Financial Year were in the ordinary course of business. The Transaction were approved by the Audit Committee. The Board has approved a Policy for Related Party Transactions which has been uploaded on the Company's website at <http://www.aundeindia.com/aunde/investor/5policies.html>

## ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2013-14, 2014-15 and 2015-16 respectively: Nil

iii. The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of SEBI Listing Regulations, 2015 for Directors and employees to report concerns about unethical behaviour. The said policy is available on the website at <http://www.aundeindia.com/aunde/investor/5policies.html>iv. The Company has also adopted Policy on Determination of Materiality for Disclosures and Policy for Preservation of Documents. The said policy is available on the website at <http://www.aundeindia.com/aunde/investor/5policies.html>**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT****To the Members of****AUNDE India Limited**

Sub: Compliances with Code of Conduct

I hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

**Place : Mumbai****Date : 22nd April, 2016****Ajay Anand****Managing Director**



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### CEO / CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS 2015

To,

The Board of Directors

Aunde India Limited

We have reviewed financial statements and the cash flow statement of Aunde India Limited for the year ended 31st March 2016 and to the best of our knowledge and belief:

- A. (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;  
(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated to the Auditors and the Audit Committee:
- (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

Place: Mumbai

Date: 22nd April, 2016

Ajay Anand  
Managing Director

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### CERTIFICATE ON CORPORATE GOVERNANCE BY PRACTICING COMPANY SECRETARY

To The Members of

AUNDE India Limited

We have examined the compliance of conditions of Corporate Governance by AUNDE India Limited as stipulated in Regulation 34(3) and Schedule V of the SEBI Listing Regulations.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, by the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the following:

1. Woman Director was not appointed by the Company until 12th August, 2015
2. Composition of Board of Directors is short by 1 Independent Director from 21st December, 2015 to 31st March, 2016

No investor grievance(s) is/ are pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

For SANJAY DHOLAKIA & ASSOCIATES

(Sanjay R. Dholakia)

Practicing Company Secretary

Membership No.2655/C.P. No. 1798

Place: Mumbai

Date: 22nd April, 2016





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**ANNEXURE III  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

AUNDE INDIA LIMITED

CIN: L17120DN1997PLC000196

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AUNDE INDIA LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective May 15, 2015);
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective October 28, 2014).
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.



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- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.  
and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) As per Management representation letter following are laws applicable to Company:
  - 1. The Factories Act, 1948
  - 2. The Industrial Dispute Act, 1947
  - 3. The Payment of Wages Act, 1936
  - 4. The Minimum Wages Act, 1948
  - 5. Employees' State Insurance Act 1948
  - 6. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  - 7. The Payment of Bonus Act, 1965
  - 8. The Payment of Gratuity Act, 1972
  - 9. The Contract Labour (Regulation and Abolition) Act, 1970
  - 10. The Maternity Benefit Act, 1961
  - 11. The Industrial Employment (Standing Order) Act, 1946
  - 12. The Apprentices Act, 1961
  - 13. The Environment (Protection) Act, 1986 [Read with The Environment (Protection) Rules, 1986]
  - 14. The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
  - 15. The Water (Prevention and Control of Pollution) Act, 1974 [Read with the Water (Prevention And Control Of Pollution) Rules, 1975]
  - 16. The Air (Prevention and Control of Pollution) Act, 1981
  - 17. The Child Labour (Prohibition and Regulation) Act, 1986
  - 18. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
  - 19. The Maharashtra Shops and Establishment Act 1948
  - 20. The Noise Pollution (Regulation and Control) Rules, 2000
  - 21. National Textile Policy, 2000
  - 22. The Textiles Committee Act, 1963
  - 23. The Handlooms Act, 1985
  - 24. Textiles (Development and Regulation) Order, 2001

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with respect to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and made effective from 1st July 2015.



- (ii) The Listing Agreements entered into by the Company with BSE Limited and The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015 (effective from 1st December 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

1. Pursuant to the provisions of Section 203 of the Companies Act, 2013 Company had not appointed Chief Financial Officer (CFO) till 31st March 2016.
2. Pursuant to the provisions of sub section (1) of Section 149 of the Companies Act, 2013 and as per Clause 49(II)(A)(1) of the Listing Agreement Company had not appointed Woman Director till 12th August 2015.
3. Pursuant to the provisions of sub section (4) of Section 149 of the Companies Act, 2013 and as per Clause 49(II)(A)(2) of the Listing Agreement Company fall short of One Independent Director from 21st December 2015 to 31st March, 2016.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**

**Membership No. 2655 /CP No. 1798**

**Date: 22nd April, 2016**  
**Place: Mumbai**



## 19TH ANNUAL REPORT 2015-2016

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### ANNEXURE TO THE SECRETARIAL AUDITOR'S REPORT

To,

The Members,

AUNDE INDIA LIMITED

CIN: L17120DN1997PLC000196

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the practices and processes, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in my opinion, are material and having major bearing on financials of the Company.

For **SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**

**Membership No. 2655 /CP No. 1798**

**Date: 22nd April, 2016**  
**Place: Mumbai**



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**ANNEXURE IV**

**AOC - 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Aunde India Limited (hereinafter called "the Company") has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2015-16. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- a. Name(s) of the related party and nature of relationship: Faze Three Limited
- b. Nature of contracts / arrangements / transactions: Job Process of Dying Fabric
- c. Duration of the contracts / arrangements / transactions: Not Applicable
- d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e. Date(s) of approval by the Board, if any: 9th June, 2015.
- f. Amount paid as advances, if any: None

Place : Mumbai  
Date : 22nd April, 2016

On behalf of the Board of Directors  
**Ajay Anand**  
Managing Director



## 19TH ANNUAL REPORT 2015-2016

### ANNEXURE V EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 read with  
[The Companies (Management and Administration) Rules, 2014]  
FORM NO. MGT-9

#### I. REGISTRATION AND OTHER DETAILS:

i) CIN	L17120DN1997PLC000196
ii) Registration Date	3 <sup>rd</sup> October, 1997
iii) Name of the Company	Aunde India Limited
iv) Category / Sub-Category of the Company	Company limited by shares / Indian Non - Government Company
v) Address of the Registered office and contact details	Plot No.146, Waghdhara Village Road, Dadra - 396193, Union Territory of Dadra and Nagar Haveli. Ph:0260 2668539 Fax: 0260 2668501 Email: investors@aundeindia.com Website: www.aundeindia.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Private Limited. Unit-1, Luthra Industrial Premises, Andheri-Kurla Road,safed Pool, Andheri (East), Mumbai- 400 072 Ph :022 2851 5606 / 5644 Website : www.sharexindia.com Email : sharexindia@vsnl.com

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

All the Business activities contributing 10% or more of the total turnover of the Company;

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Weaving & finishing of artificial / synthetic textile fabrics on powerlooms (Automotive Textiles)	2476	95.13 %

#### III. PARTICULARS OF HOLDING/ SUBSIDIARY/ASSOCIATES COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held
1	N.A.	N.A.	N.A.	N.A.



**IV. SHARE HOLDING PATTERN**

**a) Category-wise Share Holding:**

Category code	Category of Shareholder	Number of shares held at Beginning of the year (01.04.2015)				Number of shares held at the end of the year (31.03.2016)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
1	Indian									
(a)	Individuals/ HUF	1287200	0	1287200	12.00	1297726	0	1297726	12.10	0.10
(b)	Central / State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	2124000	0	2124000	19.81	2125275	0	2125275	19.82	0.01
(d)	FI/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total(A)(1)</b>	<b>3411200</b>	<b>0</b>	<b>3411200</b>	<b>31.81</b>	<b>3423001</b>	<b>0.00</b>	<b>3423001</b>	<b>31.92</b>	<b>0.11</b>
2	Foreign									
a	NRI	0	0	0	0.00	0	0	0	0.00	0.00
b	Bodies Corporate	0	4591200	4591200	42.82	0	4591200	4591200	42.82	0.00
c	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
d	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>4591200</b>	<b>4591200</b>	<b>42.82</b>	<b>0</b>	<b>4591200</b>	<b>4591200</b>	<b>42.82</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>3411200</b>	<b>4591200</b>	<b>8002400</b>	<b>74.63</b>	<b>3423001</b>	<b>4591200</b>	<b>8014201</b>	<b>74.74</b>	<b>0.11</b>
<b>(B)</b>	<b>Public shareholding</b>									0
1	Institutions	150	0	150	0.00	0	0	0	0.00	0.00
(a)	Mutual Funds/ UTI	150	0	150	0.00	150	0	150	0.00	0.00
(b)	FI / Banks	0	0	0	0.00	0	150	150	0.00	0.00
(c)	Central / State Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(1)</b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>0.00</b>	<b>150</b>	<b>150</b>	<b>300</b>	<b>0.00</b>	<b>0.00</b>
B 2	Non-institutions									
(a)	Bodies Corporate	1520884	183281	1704165	15.89	1404902	179900	1584802	14.78	(1.11)
(b)	Individuals									
I	i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	421220	169403	590623	5.51	594150	197583	791733	7.38	1.87
II	ii. Individual shareholders holding nominal share capital in excess of ₹1 lakh	316568	108750	425318	3.97	260921	71250	332171	3.10	(0.87)
(c)	Any Other									
(c-i)	Clearing Member	201	0	0	0.00	0	0	0	0.00	0.00
(c-ii)	NRI	200	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(2)</b>	<b>2259073</b>	<b>461434</b>	<b>2720507</b>	<b>25.37</b>	<b>2259973</b>	<b>448733</b>	<b>2708706</b>	<b>25.26</b>	<b>(0.11)</b>
<b>(B)</b>	<b>Total Public Shareholding</b>									
	<b>(B)= (B)(1)+(B)(2)</b>	<b>2259373</b>	<b>461434</b>	<b>2720807</b>	<b>25.37</b>	<b>2260123</b>	<b>448883</b>	<b>2709006</b>	<b>25.26</b>	<b>(0.11)</b>
	<b>TOTAL (A)+(B)</b>	<b>5670573</b>	<b>5052634</b>	<b>10723207</b>	<b>100</b>	<b>5683124</b>	<b>5040083</b>	<b>10723207</b>	<b>100.00</b>	<b>-</b>



## 19TH ANNUAL REPORT 2015-2016

### b) Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of the shareholder	Details of Shareholding at the beginning of the period(01/04/2015)			Details of Shareholding at the end of the period (31/03/2016)			% change during the year
		Number of shares held	%	% of shares Pledged/ Encumbered	Number of shares held	%	% of shares Pledged/ Encumbered	
1	Ajay Anand	565251	5.27	0	565251	5.27	0	0.00
2	Rashmi Anand	213750	1.99	0	213750	1.99	0	0.00
3	Ajay Anand (HUF)	435000	4.06	0	435000	4.06	0	0.00
4	Anadry Investments Pvt Ltd	5700	0.05	0	5700	0.05	0	0.00
5	Hemambar Investments Pvt Ltd	315300	2.94	0	315300	2.94	0	0.00
6	Instyle Investments Pvt Ltd	1435500	13.39	0	1436775	13.40	0	0.01
7	Joint Producers Pvt Ltd	315000	2.94	0	315000	2.94	0	0.00
8	Mamata Finvest Pvt Ltd	52500	0.49	0	52500	0.49	0	0.00
9	Rohina Anand	1249	0.01	0	7000	0.07	0	0.06
10	Vishnu Anand	1000	0.01	0	5625	0.05	0	0.04
11	Sanjay Anand	70950	0.66	0	71100	0.66	0	0.00
12	AUNDE Achter & Ebels GmbH	4591200	42.82	0	4591200	42.82	0	0.00
<b>TOTAL</b>		<b>8002400</b>	<b>74.63</b>	<b>0</b>	<b>8014201</b>	<b>74.74</b>	<b>0</b>	<b>0.11</b>

### c) Change in Promoters' Shareholding (please specify, if there is no change):

SI No.	Shareholder's Name	Details of Shareholding at the beginning of the period (01/04/2015)		Details of Shareholding at the end of the period (31/03/2016)	
		No. of Shares	%	No. of Shares	%
1	Instyle Investments Pvt Ltd.	1435500	13.39	1436775	13.40
2	Rohina Anand	1249	0.01	7000	0.07
3	Vishnu Anand	1000	0.01	5625	0.05
4	Sanjay Anand	70950	0.66	71100	0.66

### d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	No. of Shares at the beginning of the period (01-04-2015)	% of total Shares of the company	No. of Shares at end of the period (31-03-2016)	% of total Shares of the company
1	Foresight Holdings Pvt. Ltd	587256	5.48	587256	5.48
2	Sagun Commercials Pvt. Ltd	244000	2.28	244000	2.28
3	Desana Impex Limited	237005	2.21	237005	2.21
4	Rangila Vanijya Pvt. Ltd.	199100	1.86	199100	1.86
5	Makarand Exim Pvt. Ltd.	150650	1.40	150650	1.40
6	Rajiv Rai Sachdev (HUF)	63750	0.59	63750	0.59
7	Rajasthan Global Securities Pvt Ltd	0	0.00	55145	0.51
8	Sanjiv Dhireshbhai Shah	50369	0.47	50369	0.47
9	Rajiv Rai Sachdev	48750	0.45	48750	0.45
10	Vayu Investments Pvt Ltd	30000	0.28	30000	0.28





**(e) Shareholding of Directors and Key Managerial Personnel:**

Name	Shareholding at the beginning of the period 01/04/2015		Cumulative Shareholding during the period 31/03/2016	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Ajay Anand	565251	5.27	565251	5.27
Jovita Reema Mathias	10	0.00	10	0.00

**V. INDEBTEDNESS**

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

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	836.72	2419.7	0	3256.42
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>836.72</b>	<b>2419.7</b>	<b>0</b>	<b>3256.42</b>
Change in Indebtedness during the financial year				
• Addition	1900	376.24	0	
• Reduction	-440.39	-203.78	0	
<b>Net Change</b>	<b>1459.61</b>	<b>172.46</b>	<b>0</b>	<b>1632.07</b>
Indebtedness at the end of the financial year				
i) Principal Amount	2296.33	2592.16	0	4888.49
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>2296.33</b>	<b>2592.16</b>	<b>0</b>	<b>4888.49</b>



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### VI. Remuneration of Directors and Key Managerial Personnel

#### a. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lacs)

Sr.No.	Particulars of Remuneration	Mr. Ajay Anand	Total Amount
		Managing Director	
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	43.80 1.20 -	43.80 1.20 -
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>45.00</b>	<b>45.00</b>

#### b. Remuneration to other Directors:

(Amount in ₹)

A. Independent Directors				
	Particulars of Remuneration	Mr. Kapil Sethi	Mr. R. J. Avadhani	Mrs. Gurinder Kaur Kalsi
	Fee for attending Board Meetings/ Committee Meetings	8,000	4,000	8,000
	Commission	-	-	-
	Other, please specify	-	-	-
	<b>Total</b>	<b>8,000</b>	<b>4,000</b>	<b>8,000</b>
B. Other Non-Executive Directors				
	Particulars of Remuneration	Mr. Bheemanna Chikkerur		
	Fee for attending Board Meetings/ Committee Meetings	2,000		
	Commission	-		
	Other, please specify	-		
	<b>Total</b>	<b>2,000</b>		



**c. Remuneration to Key Managerial Personnel other than MD/Manager / WTD**

(₹ in Lacs)

Sr	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8.45	8.45
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.15	1.15
	(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...	-	-
	Others, please specify	-	-
	<b>Total</b>	<b>9.60</b>	<b>9.60</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Authority [RD / NCLT/ COURT]
A. Company					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-
B. Directors					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-
C. Other Officers in Default					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-

For and on behalf of the Board

Place : Mumbai  
Date : 22nd April, 2016

**Ajay Anand**  
Managing Director



## 19TH ANNUAL REPORT 2015-2016

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### INDEPENDENT AUDITOR'S REPORT

#### To the Members of AUNDE INDIA LIMITED

##### Report on the Financial Statements

We have audited the accompanying financial statements of Aunde India Limited ('the Company'), which comprise the balance sheet as at March 31, 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

##### Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 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 thereunder.

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 March 2016 and its profit and its cash flows for the year ended on that date.



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**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. 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;
  - (e) on the basis of the written representations received from the Directors as on March 31, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Majibail & Co.,  
Chartered Accountants  
Firm's Registration No. 105870W**

**M.V. RAO  
Proprietor  
Membership No. 7082**

**Place: Mumbai  
Date: 22nd April, 2016**



## 19TH ANNUAL REPORT 2015-2016

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### “ANNEXURE A” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading of “report on other legal and regulatory requirement” of our report of even date to the financial statements of the company for the year ended March 31, 2016

- i.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties are held in the name of the company.
- ii.
  - (a) The management has conducted the physical verification of inventory at reasonable intervals.
  - (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii.
  - (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally 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, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
  - (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer



- including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Majibail & Co.,  
Chartered Accountants  
Firm's Registration No. 105870W**

**Place: Mumbai  
Date: 22nd April, 2016**

**M.V. RAO  
Proprietor  
Membership No. 7082**



## 19TH ANNUAL REPORT 2015-2016

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### **“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Aunde India Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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 Accountants of India. 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 Companies Act, 2013.

#### **Auditors' Responsibility**

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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**

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 detail, 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





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accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

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**

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, 2016, 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.

**For Majibail & Co.,  
Chartered Accountants  
Firm's Registration No. 105870W**

**Place: Mumbai  
Date: 22nd April, 2016**

**M.V. RAO  
Proprietor  
Membership No. 7082**



## 19TH ANNUAL REPORT 2015-2016

<b>BALANCE SHEET</b>	<b>Notes</b>	<b>As At 31st March, 2016 (₹ in lacs)</b>	<b>As At 31st March, 2015 (₹ in lacs)</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	1,072.32	1,072.32
Reserves and Surplus	4	2,234.15	2,133.05
		<b>3,306.47</b>	<b>3,205.37</b>
<b>Non-current liabilities</b>			
Long-term Borrowings	5	4,537.24	2,858.95
Deferred Tax Liabilities (Net)	6	542.68	561.28
Other Long Term Liabilities	7	-	533.99
		<b>5,079.92</b>	<b>3,954.22</b>
<b>Current liabilities</b>			
Short-term Borrowings	8	2,121.61	3,562.81
Trade Payables	9	2,091.98	2,398.15
Other Current Liabilities	10	578.43	1,008.09
Short-term Provisions	11	59.58	61.50
		<b>4,851.60</b>	<b>7,030.54</b>
<b>Total</b>		<b>13,237.99</b>	<b>14,190.13</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed Assets			
Tangible Assets	12	5,193.11	5,309.95
Capital Work-In-Progress		37.58	313.70
Non-current Investments		-	-
Long-term Loans and Advances	13	274.85	267.35
		<b>5,505.53</b>	<b>5,891.00</b>
<b>Current assets</b>			
Inventories	14	3,745.40	4,357.50
Trade Receivables	15	3,355.14	2,646.51
Cash and cash equivalents	16	192.94	349.18
Short-term Loans and Advances	17	333.17	816.42
Other Assets	18	105.80	129.52
		<b>7,732.45</b>	<b>8,299.13</b>
<b>Total</b>		<b>13,237.99</b>	<b>14,190.13</b>
Significant accounting policies and other notes	2 to 35		

The Accompanying notes are an integral part of the financial statements

As per our report of even date  
**For MAJIBAIL & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 105870W**

**For and on behalf of the Board**

**M. V. RAO**  
Proprietor  
M.No. 7082

**AJAY ANAND**  
Managing Director

**B. CHIKKERUR**  
Director

Place : Mumbai  
Date : April 22, 2016

**JOVITA REEMA MATHIAS**  
DGM-Legal & Company Secretary

## AUNDE India Limited



STATEMENT OF PROFIT & LOSS	Notes	For the Year ended 31st March, 2016 (₹ in lacs)	For the Period ended 31st March, 2015 (₹ in lacs)
<b>Income</b>			
Revenue from Operations	19	13,973.81	8,831.70
Less : Excise Duty on Domestic Sales		(1,477.98)	(830.94)
Other Income	20	60.77	116.38
<b>Total Revenue</b>		<b>12,556.59</b>	<b>8,117.14</b>
<b>Expenses</b>			
Cost of Raw Materials consumed	21	7,351.13	4,953.06
Changes in inventories of Finished goods & Work-in-progress	22	775.41	136.83
Employee Benefit Expenses	23	738.54	518.60
Other expenses	24	2,998.19	2,295.49
<b>Total Expenses</b>		<b>11,863.26</b>	<b>7,903.98</b>
<b>Earnings before Interest, Tax &amp; Depreciation</b>		<b>693.33</b>	<b>213.16</b>
Depreciation expense	25	452.38	313.96
Finance costs	26	86.27	628.02
<b>Profit / (Loss) before Tax</b>		<b>154.69</b>	<b>(728.82)</b>
Tax expense:			
Current tax		34.00	67.48
MAT Credit Entitlement		(31.42)	(318.69)
Deferred tax		(18.60)	4.16
Total Tax expense		(16.02)	(247.05)
<b>Profit / (Loss) for the period</b>		<b>170.72</b>	<b>(481.77)</b>
Earnings per equity share			
Equity share of ₹ 10/- each			
Basic		1.59	(4.49)
Diluted		1.59	(4.49)
Significant accounting policies and other notes	2 to 35		

The Accompanying notes are an integral part of the financial statements

As per our report of even date  
**For MAJIBAIL & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 105870W**

**For and on behalf of the Board**

**M. V. RAO**  
Proprietor  
M.No. 7082

**AJAY ANAND**  
Managing Director

**B. CHIKKERUR**  
Director

Place : Mumbai  
Date : April 22, 2016

**JOVITA REEMA MATHIAS**  
DGM-Legal & Company Secretary



## 19TH ANNUAL REPORT 2015-2016

### Cash Flow Statement

	For the Year ended 31st March, 2016 (₹ in lacs)	For the Period ended 31st March, 2015 (₹ in lacs)
Cash Flow from Operating activities		
Profit before tax	154.69	(728.82)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation / amortization expense	452.38	313.96
Interest on Banks and Financial Institutions	621.86	506.94
Interest on Unsecured loans	(535.59)	121.09
Interest Income	(2.52)	(5.05)
Profit / Loss on sale of Asset	(1.30)	-
Operating profit before working capital changes	<b>689.51</b>	<b>208.11</b>
Movements in Working Capital :		
Increase / (decrease) in trade payables	(306.16)	254.93
Increase / (decrease) in short term provisions	(1.91)	69.59
Increase / (decrease) in current liabilities	(429.66)	203.16
(Increase) / decrease in trade receivables	(708.62)	316.58
(Increase) / decrease in inventories	612.10	(82.39)
(Increase) / decrease in long term loans and advances	23.93	173.76
(Increase) / decrease in short term loans and advances	483.24	-
(Increase) / decrease in other current assets	23.72	(36.04)
Increase / (Decrease) in Long Term Liabilities	(533.99)	-
Direct taxes paid (net of refunds)	(34.00)	(67.48)
<b>Net Cash generated by / (used in) operating activities</b>	<b>(181.86)</b>	<b>1,040.22</b>
Cash Flow From Investing Activities		
Purchase of Fixed Assets, CWIP and capital advances	(129.03)	(142.94)
Proceeds from Sale of Fixed assets, CWIP	1.30	-
Interest received	2.52	5.05
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(125.21)</b>	<b>(137.89)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from issuance of share capital	-	-
Proceeds from Long term borrowings	2,284.16	-
Repayment of long term borrowings	(605.87)	(80.98)
Proceeds from short term borrowings	-	-
Repayment of short term borrowings	(1,441.19)	39.36
Interest on Banks and Financial Institutions	(621.86)	(506.94)
Interest on Unsecured loans	535.59	(121.09)
<b>Net cash flow from / (used in) Financing activities (C)</b>	<b>150.83</b>	<b>(669.65)</b>
Net increase / (decrease) in cash and cash equivalents (a+b+c)	(156.24)	232.69
Cash and cash equivalents at the beginning of the year	349.18	116.49
<b>Cash and cash equivalents at the end of the year</b>	<b>192.94</b>	<b>349.18</b>
<b>Components of Cash and cash equivalents</b>		
Cash on hand	4.43	4.20
Cheques/draft on hand	141.37	-
With Banks		
On current accounts	7.86	3.26
On deposit account	39.29	341.72
<b>Total cash and cash equivalents (note 16)</b>	<b>192.94</b>	<b>349.18</b>

\* The amounts of period ended 2015 are presented in line of last years audited balance sheet and the comparable are provided.

As per our report of even date

For and on behalf of the Board

**For MAJIBAIL & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 105870W**

**M. V. RAO**  
Proprietor  
M.No. 7082

**AJAY ANAND**  
Managing Director

**B. CHIKKERUR**  
Director

Place : Mumbai  
Date : April 22, 2016

**JOVITA REEMA MATHIAS**  
DGM-Legal & Company Secretary



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## Notes Forming Part of the Financial Statements.

### 1 Corporate Information

Aunde India Limited (the company) is a public company incorporated & domiciled in India. The company's equity shares are listed on BSE Limited. The Company is engaged in manufacturing of Automotive Fabrics and is a nominated supplier to all the major OEM's in India viz. Hyundai, Ford, Maruti Suzuki, Honda, Mahindra, Toyota, Renault, Nissan, etc.

### 2. Basis of Accounting

The Financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply with all material respects with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for change in accounting policy as explained below:

#### 2.1 Summary of significant accounting policies

##### Change in accounting policy - Depreciation on fixed assets

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the year ended March 31, 2015, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The company has adopted the same change from the current year ended March 31, 2016. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

##### Useful lives/ depreciation rates

Depreciation rates prescribed under Schedule XIV of the Companies Act, 1956, were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act, 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, this change in accounting policy did not have any material impact on financial statements of the company

##### a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



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### b. Tangible and Intangible Fixed Assets

Fixed assets, except land and buildings acquired before 1 April 2007, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### c. Depreciation on Tangible Fixed Assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets. Individual assets costing up to Rupees five thousand are depreciated in full in the period of purchase.

Asset Description	Useful Life in years
Factory Building	30
Residential & Office Building	60
Plant and Machinery	15
Laboratory Equipments	10
Furniture and fixtures	10
Office Equipments	5
Computers	3
Computer Server	5
Electrical Installations	5
Fire Hydrant Systems	15
Vehicles	8

### d. Intangible Assets

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.



The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized

**e. Borrowing Costs**

Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with arranging the borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**f. Impairment of Tangible Fixed Assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from continuing use of the asset and its eventual disposal. An impairment loss is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

**g. Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

**h. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



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### **i. Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **j. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

#### Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have been passed to the buyer, usually on delivery of the goods. Domestic sales are inclusive of excise duty. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

#### Interest

Interest income is recognized on a time proportion basis taking into account outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### **k. Foreign Currency Transaction and balances**

#### Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

#### Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined. The exchange differences arising on restatement of monetary items are recognized as income or as expenses in the period in which they arise in the statement of profit and loss. Company has included the Foreign Exchange Fluctuation Gain in sales.

### **l. Income taxes**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date





Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**m. Retirement and other Employee benefits**

Retirement benefit in the form of provident fund and family pension fund is a defined contribution scheme and is charged to the statement of profit and loss. The company has no other obligation, other than the contribution payable to the provident fund and family pension fund.

**n. Segment reporting**

The company has only one segment of activity namely "Automotive Fabrics".

**o. Earnings per Share**

Basic earnings per share are calculated by dividing the net for profit and loss after taxes for the period attributable to equity shareholder by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus elements in aright issue, share split, and reserve shares split (consolidation of shares) that have changed the number of equity outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss after taxes for the period attributable to equity shareholders and weighted average number of share outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**p. Provisions**

Provisions are recognized when there is a present obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligations and reliable estimate can be made of the amount of obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

**q. Contingent liabilities / Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.



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### r. Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprises cash at bank and in hand and short term investments with an original maturity of three months or less.

### s. Measurement of EBITDA

As permitted by the Guidance note on the revised schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest tax. Depreciation and amortization (EBITDA) as a separate line items on the face of the statement of the profit & loss accounts. The company measured EBITDA on the basis of Profit & loss for continuing operation. In its measurement, the company does not include depreciation and amortization expense, finance costs, exceptional items and tax expense.

### 3. Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs
Authorised				
Equity Shares of ₹ 10/- each	<u>11,000,000</u>	<u>1,100.00</u>	<u>11,000,000</u>	<u>1,100.00</u>
<b>Issued, Subscribed &amp; Fully paid up</b>				
Equity Shares of ₹ 10/- each	<u>10,723,207</u>	<u>1,072.32</u>	<u>10,723,207</u>	<u>1,072.32</u>

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number	₹ in Lacs	Number	₹ in Lacs
At the beginning of the year	10,723,207	1,072.32	10,723,207	1,072.32
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	10,723,207	1,072.32	10,723,207	1,072.32

#### b. Terms/rights attached to Equity Shares

The Company has only one class of Equity shares having a par value of ₹ 10/- per share. All the equity shares rank pari passu in all respect.

#### c. The company has not issued bonus shares and shares for consideration other than cash nor the company has bought back any shares during the previous year

#### d. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Shares of ₹ 10/- each fully paid				
Aunde Achter & Ebels GmbH	4591200	42.82	4591200	42.82
Instyle Investments Pvt Ltd	1436775	13.40	1435500	13.39
Ajay Anand	565251	5.27	565251	5.27
Foresight Holdings Pvt Ltd	587256	5.48	587256	5.48

As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

# AUNDE India Limited



## Notes Forming Part of the Financial Statements

### 4. Reserves & Surplus

(₹ in Lacs)

Particulars	As at	As at
	31st March, 2016	31st March, 2015
<b>a. General Reserve</b>		
Balance as per last financials	1,691.94	1,691.94
Transferred from Statement of Profit and Loss	-	-
	1,691.94	1,691.94
<b>b. Surplus / (Deficit) in statement of profit &amp; loss</b>		
Balance as per last financials	441.12	922.88
Adjustments for change in useful life of assets	(69.62)	-
Balance at the end of the period	371.49	922.88
Profit/(Loss) for the current year	170.72	(481.77)
<b>Net Deficit in the statement of Profit and Loss</b>	<b>542.21</b>	<b>441.12</b>
<b>Total Reserves and Surplus</b>	<b>2,234.15</b>	<b>2,133.05</b>

### 5. Long Term Borrowings

(₹ in Lacs)

Particulars	As at	As at	As at	As at
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
	<b>Non-Current Maturities</b>		<b>Current Maturities</b>	
<b>Secured</b>				
(a) <b>Term loans</b>				
from banks	1,926.70	362.65	335.96	382.34
(b) <b>Other Loans</b>				
(Against Hypothecation of Vehicles ) (refer note 5.1)	18.38	77.76	15.30	24.36
(c) <b>Unsecured Loans</b>				
(refer to Note No. 27)	2,592.16	2,418.53	-	-
<b>Total</b>	<b>4,537.24</b>	<b>2,858.95</b>	<b>351.26</b>	<b>406.70</b>

#### Note No.5.1

The term loans from Saraswat Bank are secured by way of hypothecation of specific Plant & Machineries/ Fixed assets purchased / installed out of the sanctioned Term Loans amount, Pledge of Margin Money TDRs against LCs (F/I) and collaterally secured by way of EMT of Land & Building at Plot No. 146/145(1), Waghdhara Village Road, Dadra - 396 193, Union Territory of Dadra & Nagar Haveli and further charge on entire Plant & Machineries installed at Survey No. 356/1-2, Village Dadra, Dadra - 396193 and at Plot No.71, Phase -1, Indl Area, GIDC, Vapi-396195.

\* Details of Term Loans from Saraswat Bank

Term Loans	Maturity	Instalments			Rate of Interest
		Periodicity	Numbers	(in Lacs)	
Term Loan Account Number - 32	Jun-17	Quarterly	5	62.92	PLR + 0.25%
Term Loan Account Number - 33	Mar-17	Quarterly	3	20.95	PLR + 0.25%
Term Loan Account Number - 67	Jan-18	Monthly	22	0.84	PLR + 0.25%
Term Loan Account Number - 76	Sep-17	Monthly	18	0.50	PLR + 0.25%
Term Loan Account Number - 84	May-18	Monthly	26	0.31	PLR + 0.25%
Term Loan Account Number - 88	Mar-18	Monthly	24	0.31	PLR + 0.25%
Term Loan Account Number - 901290	Oct-27	Monthly	118	14.00	PLR + 0.25%
Term Loan Account Number - 901291	Feb-23	Monthly	63	4.00	PLR + 0.25%



## 19TH ANNUAL REPORT 2015-2016

### Notes Forming Part of the Financial Statements

<b>6. Deferred Tax Liabilities (Net)</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Difference in WDV between Books of Accounts and Income tax records	542.68	561.28
	<b>542.68</b>	<b>561.28</b>

<b>7. Other Long Term Liabilities</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Interest on Unsecured loans (refer note 7.1)	-	533.99
	<b>-</b>	<b>533.99</b>

Note no. 7.1 - Interest on unsecured loans upto March 31, 2015, viz. 533.99 lacs has been written back during the year. Also Interest provision on the said loans have been discontinued from the current year.

<b>8. Short Term Borrowings</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Loans repayable on demand from banks (secured) (refer note 8.1)	2,121.61	3,562.81
	<b>2,121.61</b>	<b>3,562.81</b>

#### Note No. 8.1

Cash Credit from Saraswat Bank is secured by way of hypothecation of inventories of Raw Materials, Semi-finished Goods & Finished Goods of Auto Fabrics including imported Laminated and coated materials and Book Debts as Primary and Collaterally secured by way of EMT of Land & Building at Plot No. 146/145(1), Waghdhara Village Road, Dadra - 396 193, Union Territory of Dadra & Nagar Haveli and hypothecation of Inventories/Plant & Machineries installed at Survey No. 356/1-2, Village Dadra, Dadra - 396193 and at Plot No.71, Phase 1, Indl Area, GIDC, Vapi-396195.

<b>9. Trade Payable</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Trade Payable	2,091.98	2,398.15
	<b>2,091.98</b>	<b>2,398.15</b>

<b>10 Other Current Liabilities</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
(a) Current maturities of Term Loan	335.96	382.34
(b) Current maturities of Other loan	15.30	24.36
(c) Satutory Liabilities	15.69	26.11
(d) Interest Accrued and due on Borrowings	28.63	14.29
(e) Other liabilities	182.85	560.99
	<b>578.43</b>	<b>1,008.09</b>

<b>11. Short Term Provisions</b> (₹ in Lacs)		
<b>Particulars</b>	<b>As at 31st March, 2016</b>	<b>As at 31st March, 2015</b>
Provision for Salary & Reimbursements	59.58	61.50
	<b>59.58</b>	<b>61.50</b>



**Notes Forming Part of the Financial Statements**  
**12. Tangible Fixed Assets**

Tangible assets particulars	Balance as at 1st April, 2015		Gross block		Balance as at 31st March, 2016	Balance as at 1st April, 2015	Depreciation / amortisation expense for the year	Accumulated depreciation and impairment			Net block	
	Balance as at 1st April, 2015	Disposals	Additions	Disposals				Balance as at 31st March, 2016	Impairment Provision recognised in statement of profit and loss	Eliminated on disposal of assets	Balance as at 31st March, 2016	Balance as at 31st March, 2015
(a) Land	223.79	-	160.12	-	383.91	-	-	-	-	-	-	223.79
Freehold Leasehold	-	-	-	-	-	-	-	-	-	-	-	-
(b) Buildings	943.47	-	13.77	-	957.24	395.94	27.78	423.72	-	-	-	547.53
Owned	-	-	-	-	-	-	-	-	-	-	-	-
(c) Plant and Equipment	7,324.57	-	194.53	-	7,519.10	2,976.30	389.24	3,365.54	-	-	-	4,348.27
Owned	-	-	-	-	-	-	-	-	-	-	-	-
(d) Furniture and Fixtures & Office Equipment	164.37	-	3.46	-	167.83	119.10	3.34	138.81	16.37	-	-	45.27
Owned	-	-	-	-	-	-	-	-	-	-	-	-
(e) Vehicles	264.46	-	10.62	-	275.08	207.00	19.38	226.38	-	-	-	57.46
Owned	-	-	-	-	-	-	-	-	-	-	-	-
(f) Office equipments	143.10	-	18.97	-	162.07	135.72	10.01	145.88	0.15	-	-	7.37
Owned	-	-	-	-	-	-	-	-	-	-	-	-
(g) Electrical Installation	194.95	-	3.67	-	198.62	114.69	2.62	170.40	53.09	-	-	80.26
Owned	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>9,258.70</b>	<b>405.15</b>	<b>405.15</b>	<b>-</b>	<b>9,663.85</b>	<b>3,948.75</b>	<b>452.38</b>	<b>4,470.74</b>	<b>69.62</b>	<b>-</b>	<b>5,193.11</b>	<b>5,309.95</b>

**Note : 12.1**

During the year, pursuant to the notification of Schedule II of the Companies Act, 2013, with effect from April 1, 2015, the Company has revised the estimated useful life of its assets to align with those specified in Schedule II. Assets individually costing 5000/- or less are fully depreciated in the year of acquisition.



## 19TH ANNUAL REPORT 2015-2016

### Notes Forming Part of the Financial Statements

#### 13. Long Term Loans and Advances (₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Advance Income tax (net of provision)	229.29	230.95
b. Security Deposits	45.56	36.39
	<b>274.85</b>	<b>267.35</b>

#### 14. Inventories (valued at lower of cost and net realizable value) (₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Raw Materials and components	856.86	714.13
b. Work-in-progress	528.13	588.76
c. Finished goods	2,314.18	3,028.96
d. Stores and spare	46.23	25.65
	<b>3,745.40</b>	<b>4,357.50</b>

#### 15. Trade Receivables (₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
<b>Unsecured, considered good</b>		
<b>Trade receivables</b>		
- Outstanding for a period exceeding six months	-	-
- Others	3,355.14	2,646.51
	<b>3,355.14</b>	<b>2,646.51</b>

#### 16. Cash and Cash Equivalents (₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
a. Balances with banks	7.86	3.26
b. Cash on hand	4.43	4.20
c. Cheques/draft on hand	141.37	-
d. Bank deposits with Less than 12 months maturity ( refer note 16.1)	39.29	341.72
	<b>192.94</b>	<b>349.18</b>

#### Note No. 16.1

The amounts in Bank deposits above include margin money deposit of ₹ 3,929,364 (PY ₹ 5,532,857) for issue of letters of Credit and bank guarantee held with Saraswat Bank

#### 17 Short Term Loans and Advances (₹ in Lacs)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Staff Advances	17.68	11.75
Excise/ Service Tax/ Cenvat	293.64	407.63
Prepaid Expenses	21.37	11.84
Others	0.49	385.20
	<b>333.17</b>	<b>816.42</b>

## AUNDE India Limited



### Notes Forming Part of the Financial Statements

<b>18. Other Assets</b>			(₹ in Lacs)
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Export Incentive receivable	25.20	57.98	
Rent Receivable	32.68	32.76	
Interest Receivable	47.92	38.50	
Other Receivable	-	0.29	
	<b>105.80</b>	<b>129.52</b>	
<b>19. Revenue from operations</b>			(₹ in Lacs)
Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015	
<b>Sales</b>			
Exports	934.51	1,664.03	
Domestic	13,018.29	7,130.88	
Other Operating revenues (Export Incentives)	21.02	36.79	
	<b>13,973.81</b>	<b>8,831.70</b>	
<b>20. Other income</b>			(₹ in Lacs)
Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015	
Interest Income	2.52	5.05	
Job work Income	18.16	17.88	
Miscellaneous income	0.99	0.03	
Gain arising from foreign exchange difference	20.64	80.76	
Lease Rent	17.15	12.65	
Profit on sale of Assets	1.30	-	
	<b>60.77</b>	<b>116.38</b>	
<b>21. Cost of Raw Materials consumed</b>			(₹ in Lacs)
Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015	
Inventory at the beginning of the year	714.13	462.71	
Add: Purchases	7,493.85	5,204.48	
Less: Inventory at the end of the Year	(856.86)	(714.13)	
	<b>7,351.13</b>	<b>4,953.06</b>	
<b>21.1. Cost of Raw Materials comprises of :</b>			(₹ in Lacs)
Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015	
Yarn	2,670.00	1,912.28	
Foam	2,036.24	1,322.86	
Tricot	160.39	377.98	
Semi-Finished - Woven fabrics	2,484.50	1,339.94	
	<b>7,351.13</b>	<b>4,953.06</b>	



## 19TH ANNUAL REPORT 2015-2016

### Notes Forming Part of the Financial Statements

#### 22. Changes in Inventories of Finished goods and Work-in-progress (₹ in Lacs)

Particulars	31st March, 2016	31st March, 2015	Increase/Decrease
<b>Inventory at the end of the year</b>			<b>March 31, 2016</b>
Work in Progress	528.13	588.76	60.63
Finished Goods	2,314.18	3,028.96	714.78
	<u>2,842.31</u>	<u>3,617.72</u>	<u>775.41</u>
<b>Inventory at the beginning of the Year</b>			<b>March 31, 2015</b>
Work in Progress	588.76	895.20	306.44
Finished Goods	3,028.96	2,859.35	(169.61)
	<u>3,617.72</u>	<u>3,754.55</u>	<u>136.83</u>

#### 23. Employee Benefit Expenses (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Salaries and Incentives	695.87	490.56
Contributions to - Provident fund, E.S.I.C. and other funds	24.92	13.45
Other expenses and provisions	17.75	14.58
	<u>738.54</u>	<u>518.60</u>

#### 24. Other Expenses (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Stentering, Weaving & other Processing Charges	1,126.06	642.26
Power & Fuel	170.80	110.68
Packing Materials expensess	93.47	68.34
Repairs & Maintenance:		
Plant & Machinery	12.76	9.39
Building	10.58	16.45
Other	2.19	1.99
Other Manufacturing expensess	352.80	198.79
Rent, Rates & Taxes	165.57	89.42
Stores and spares consumed	106.79	102.88
Audit Fees (refer note 24.1)	1.65	4.62
Miscellaneous expensess	118.64	86.60
Travelling, Vehicle & Conveyance expensess	78.76	45.82
Legal & Professional Fees	43.39	21.63
Insurance Charges	17.73	10.02
Technical Know how/Royalty fees	-	241.39
Transportation Charges	464.97	394.71
Rebates, Discounts & Customer Claims	232.04	250.49
	<u>2,998.19</u>	<u>2,295.49</u>





**Notes Forming Part of the Financial Statements**

**24.1 Details of Payments to the Statutory Auditor** (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
as auditor	1.15	1.69
for taxation matters	0.23	0.74
for certification	-	1.39
for reimbursement of expenses	0.27	0.80
	<b>1.65</b>	<b>4.62</b>

**25. Depreciation Expense** (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Depreciation on Tangible assets	452.38	313.96
	<b>452.38</b>	<b>313.96</b>

**26. Finance Costs** (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Interest on Banks and Financial Institutions	621.86	506.94
Interest to Others	(535.59)	121.09
	<b>86.27</b>	<b>628.02</b>

**27. Related Party Disclosures**

Name of the Related Party	Relationship
Aunde Achter & Ebels GmbH	Venturer
Madhyam Vinimay Pvt. Ltd.	Associate
Faze Three Limited	Associate
Key Management Personnel (KMP)	
Mr. Ajay Anand	Managing Director
Ms. Jovita Reema Mathias	Company Secretary

Related Party Transaction during the Year: (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Remuneration paid to KMP	45.00	33.75

Unsecured Loans:	Opening Balance (₹ in Lacs)	Loans Received (₹ in Lacs)	Loans Repaid (₹ in Lacs)	Closing Balance (₹ in Lacs)
Aunde Achter & Ebels GmbH	1,275.36	-	-	1,275.36
Mr Ajay Anand	349.17	373.63	-	722.80
Madhyam Vinimay Pvt. Ltd.	594.00	-	-	594.00

Note: Unsecured Loans are classified under Long Term borrowings. Interest on unsecured loans upto March 31, 2015, viz. 533.99 lacs has been written back during the year. Also Interest provision on the aforesaid loans have been discontinued from the current year. (refer note 7.1).



## 19TH ANNUAL REPORT 2015-2016

### Notes Forming Part of the Financial Statements

#### Sale/Purchase of goods and services (₹ in Lacs)

Related Party		Lease Rental Income	Purchase of goods	Lease Rent Expenses	Purchase of services
Faze Three Limited	Year ended March 2016	12.86	0.14	36.78	2,857
	9 months ended March 2015	Nil	Nil	19.33	1,791

#### 28. Contingent liabilities (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Guarantees and Letter of Credit	189.91	211.62
	<b>189.91</b>	<b>211.62</b>

#### 29. CIF Value of Imports (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Raw materials	496.00	575.08
Stores and spares	20.52	14.59
Capital goods	71.98	60.38
	<b>588.50</b>	<b>650.06</b>

#### 30. Expenditure in Foreign Currency (accrual basis) (₹ in Lacs)

Particulars	Year Ended 31st March 2016	Period Ended 31st March, 2015
Travelling Expenses	35.85	15.41
Others	13.14	249.52
	<b>48.99</b>	<b>264.93</b>

#### 31. Value of Imported and Indigenous Raw Materials and Stores & Spares consumed

Particulars	Year Ended 31st March, 2016		Period Ended 31st March, 2015	
	(₹ in Lacs)	%	(₹ in Lacs)	%
Raw materials				
- Imported	477.47	6%	573.15	11%
- Indigenous	6,873.66	94%	4,674.54	89%
	<b>7,351.13</b>	<b>100%</b>	<b>5,247.69</b>	<b>100%</b>
Stores and spares				
- Imported*	20.52	19%	14.59	14%
- Indigenous	86.27	81%	88.29	86%
	<b>106.79</b>	<b>100%</b>	<b>102.88</b>	<b>100%</b>

\*Mandatory spares purchased along with imported machineries are capitalised.

## AUNDE India Limited



### Notes Forming Part of the Financial Statements

#### 32. Expenditure in Foreign Currency (accrual basis) (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
FOB Value of Exports	911.83	1,580.51

#### 33. Earning Per Share (₹ in Lacs)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Profit after Tax (₹)	170.72	(481.77)
Number of Shares Outstanding	10,723,207	10,723,207
Basic EPS (₹)	1.59	(4.49)

#### 34. Deferred Tax Liabilities (Net)

Particulars	Year Ended 31st March, 2016	Period Ended 31st March, 2015
Difference between Depreciation as per Books & Income Tax	(18.60)	4.16

35. Previous period figures have been regrouped / reclassified, where necessary, to conform to this year's classification

As per our report of even date  
For MAJIBAIL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No. 105870W

For and on behalf of the Board

M. V. RAO  
Proprietor  
M.No. 7082

AJAY ANAND  
Managing Director

B. CHIKKERUR  
Director

Place : Mumbai  
Date : April 22, 2016

JOVITA REEMA MATHIAS  
DGM-Legal & Company Secretary