

AUNDE India Limited



**17th ANNUAL REPORT
2013 - 2014**

AUNDE India Limited



BOARD OF DIRECTORS

Ajay Anand	Managing Director
Rolf Konigs	Director
Kapil Sethi	Director
R. J. Avadhani	Director

COMPLIANCE OFFICER

Jovita Reema Mathias	Company Secretary
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REGISTERED OFFICE & FACTORY

Plot No. 146, Waghdhara Village Road,
Dadra – 396193
Union Territory of Dadra & Nagar Haveli.
Ph: 0260 2668539
Fax: 0260 2668501
Email: info@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 444
Fax: 022 2493 6811

AUDITORS

M/s Majibail & Co.
Chartered Accountants
Mumbai.

ADVOCATES & SOLICITORS

Vikram Philip & Associates

BANKERS

The Saraswat Co-operative Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) P 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



17th Annual Report 2013-2014

AUNDE India Limited

17th ANNUAL REPORT FOR THE YEAR ENDED 30TH JUNE 2014

1. Date of Annual General Meeting : Saturday, 20th December 2014
2. Time and Venue : 10.30 am at Plot No. 146
Waghdhara Village Road
Dadra – 396 193
UT of Dadra & Nagar Haveli
3. Book Closure : Saturday, 13th December, 2014 to
Saturday, 20th December 2014
(Both Days inclusive)
4. Investors' Complaints may be addressed to : Corporate Office:
AUNDE India Limited,
102, Shiv Smriti Chambers, 49-A,
Dr. Annie Besant Road, Worli,
Mumbai-400 018
Phone : 022 6660 4600, Fax : 022 2493 6811
Website : www.aundeindia.com
Email: investors@aundeindia.com

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NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Members of **AUNDE India Limited** will be held on Saturday, 20th December, 2014 at the Registered Office of the Company at Plot No. 146, Waghdhara Village Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli at 10.30 am to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June 2014 and the Audited Statement of Profit & Loss for the year ended 30th June 2014 together with the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Rolf Konigs, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time and read with rules under the Companies (Audit and Auditors) Rules, 2014, the Company's Auditors, M/s Majibai & Co. Chartered Accountants (Firm Rgn. No. 105870W) who hold office up to the date of this Annual General Meeting but, being eligible, offer themselves for re-appointment, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

4. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED that Mr. R. J. Avadhani (holding DIN 00184142), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. 18th January 2014, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and Article 140 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting 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 a Director of the Company."

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. R. J. Avadhani (holding DIN 00184142), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years until the conclusion of 22nd Annual General Meeting of the Company."

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

"RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Kapil Sethi (holding DIN 01375336), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years until the conclusion of 22nd Annual General Meeting of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the



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Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to the appointment of Mr. Ajay Anand (holding DIN 00373248) as Managing Director of the Company for a period of Five years w.e.f. 1st April 2014, on the terms and conditions of appointment and remuneration as contained in the draft agreement, a copy whereof initialed by the Director for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Ajay Anand."

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

8. Amendment of Articles of Association

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

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies, Act, 2013 ((corresponding to Section 31 of the Companies Act, 1956) and other relevant provisions, if any, of the Companies Act, 2013, the existing Article 187 of Articles of Association of the Company be and is hereby replaced, altered, modified and revised in the following manner:

The existing Article 187: "The Common Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of at least one Director and the Secretary or such other person as the Board may appoint for the purpose and who shall sign every instrument to which the seal of the Company is so affixed in their presence. In absence of the Director of the Company the common seal of the Company shall be affixed by at least two Authorised Officers who shall sign every instrument to which the seal of the Company is so affixed in their presence." Shall be modified, replaced and substituted by the following new article:

New Article 187: The Common Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or a Committee of the Board authorised by it in that behalf and except in the presence of the Company Secretary or such other person as the Board may appoint for the purpose and who shall sign every instrument to which the seal of the Company is so affixed in their presence.

By order of the Board of Directors
For **AUNDE India Limited**

Place: **Mumbai**
Date : **28.10.2014**

Jovita Reema Mathias
Company Secretary

Notes:

1. The information required to be provided under the Listing Agreement entered into with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed and the relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under items No. 4- 8 set out above are annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, OR, WHERE THAT IS ALLOWED, ONE OR MORE PROXIES, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THAT A PROXY NEED NOT BE A MEMBER. Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on



behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Proxies, in order to be effective, must be received at the Registered office of the Company at Plot No. 146, Waghdhara Village Road, Dadra – 396 193 Union Territory of Dadra & Nagar Haveli, not less than 48 hours before the commencement of the AGM.
4. The Register of Members and Transfer Books of the Company will be closed from Saturday, 13th December, 2014 to Saturday, 20th December, 2014 (both days inclusive).
5. Members are requested to furnish bank details, Email address, change of address etc. to Sharex Dynamic (I) Pvt. Ltd, Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai-400 072, who are the Company's Registrar and Share Transfer Agents so as to reach them latest by 12th December 2014 in order to take note of the same. In respect of members holding shares in electronic mode, the details as would be furnished by the Depositories as at the close of the aforesaid date will be considered by the Company. Hence, Members holding shares in demat mode should update their records at the earliest.
6. 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.
7. All documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection at the Registered Office of the Company on all working days up to the date of the Annual General Meeting.
8. Members/Proxies should bring their attendance slips duly completed for attending the Meeting.
9. Investor Grievance Redressal:
The Company has designated an exclusive e-mail id viz. investors@aundeindia.com to enable Investors to register their complaints, if any.
10. E-voting

The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically. Please note that the voting through electronic means is optional for shareholders.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 12th December 2014, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

The voting through electronic means will commence on 16th December 2014 at 10.00 a.m. and will end on 17th December 2014 at 6.00 p.m. The Members will not be able to cast their vote electronically envisaged herein above beyond the date and time mentioned above.

The Company has appointed Mr. Sanjay Dholakia, Practicing Company Secretary, (Membership No. FCS2655), to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner. Members are requested to follow the instructions below to cast their vote through e-voting:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
 - i. Open the e-mail and also open PDF file namely "aunde.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.



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- iii. Click on Shareholder — Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. 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.
 - vi. 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.
 - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii. Select “EVEN” (E-Voting Event Number) of Aunde India Limited. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are 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 to sanjayrd65@yahoo.com, with a copy marked to evoting@nsdl.co.in.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories):
- i. Initial password, is provided as below, in the enclosed ballot form:

EVEN (E-Voting Event Number)	User ID	Password

- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.

The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

Members who do not have access to e-voting facility have been additionally provided the facility of voting on a Ballot form. They may send duly completed Ballot Form (enclosed with the Annual Report) to the Scrutinizer, Mr. Sanjay Dholakia, Practicing Company Secretary, (Membership No. FCS2655), at the Registered Office of the Company on or before the date of the Annual General Meeting or can carry the same to the Annual General Meeting venue and deposit in the Ballot box during the meeting.

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to investors@aundeindia.com by mentioning their Folio / DP ID and Client ID No.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him within two days of the meeting.

The results declared alongwith the Scrutinizer's report, will be posted on the Company's website and communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE



As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under items Nos. 4-8 of the accompanying Notice dated 28.10.2014.

Item No. 4 & 5

Mr. R. J. Avadhani is a Chartered Accountant, having 25 years of experience in Accounts, Banking and Finance. The Board of Directors of the Company at their meeting held on 18th January 2014 appointed Mr. Avadhani as Additional Director of the Company and in terms of Section 260 of the Companies Act, 1956 his term of appointment expires at the ensuing Annual General Meeting of the Company. The Company in turn has received a notice from the member pursuant to Section 257 of the Companies Act, 1956 signifying his intention to appoint him as additional director of the Company liable to retire by rotation. The Board recommends his appointment in the best interest of the Company.

Mr. R. J. Avadhani is associated with the company since 2009. He was on the Board from 2009 to 2013. In 2013 he resigned from Company's Board and the Board decided in the interest of the Company to appoint Mr. R. J. Avadhani as additional director of the Company.

Mr. R. J. Avadhani is holding directorship in two private limited companies namely Easy Print Software Technologies Private Limited and Qutab Entertainment Private Limited. However, He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Avadhani is proposed to be appointed as an Independent Director for five consecutive years for a term upto 19th December, 2019.

In the opinion of the Board, R. J. Avadhani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. R. J. Avadhani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr R. J. Avadhani as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. R. J. Avadhani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 4 & 5 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 6

Mr. Kapil Sethi is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 2002. Mr. Kapil Sethi is Chairman of the Audit Committee and Share Transfer and Share Grievances committees.

Mr. Kapil Sethi is graduate and is associated with the company since 2002 and he is having varied experience in accounts, finance and textile industry. He advises Board regarding accounting and financial matters.

Mr. Kapil Sethi is not a Director in any other Company in India. He does not hold by himself or for any other person on a beneficial basis, any shares in the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Kapil Sethi is proposed to be appointed as an Independent Director for five consecutive years for a term upto 19th December, 2019. A notice has been received from a member proposing Mr. Kapil Sethi as a candidate for the office of Director of the Company.

In the opinion of the Board, Mr. Kapil Sethi fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Kapil Sethi as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr Kapil Sethi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Kapil Sethi, being an appointee, none of the Directors and Key Managerial Personnel of the



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Company and their relatives are concerned or interested in the resolution set out at Item No. 6 This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No. 7

Mr. Ajay Anand is associated with the Company since inception and 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 under his guidance the company was able to achieve more than 100 crores of turnover last financial year. In order to provide fillip to the operations and business of the Company, both at national and international level, the Board of Directors appointed Mr. Ajay Anand as Managing Director w.e.f. 1st April 2014 for a period of five years.

In view of the vast experience of Mr. Ajay Anand in the auto fabric / auto textile segment(s) in which the Company deals with and considering his contribution as Managing Director, the Board, vide a resolution passed at its meeting held on 17th March, 2014, re-appointed Mr. Ajay Anand as Managing Director, on the terms and conditions as detailed in the agreement, which will be placed before the meeting.

The salient features of the terms and conditions of re-appointment of Mr. Ajay Anand are as follows:

i. Period of Agreement:

Five years with effect from 1st April 2014.

ii. Remuneration:

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

In addition to the above, the Managing Director shall be provided with a Car and telephone at his residence. The use of Company's car for official duties and telephone at residence, including payment for local calls and long distance official calls, shall be borne by the Company and the same shall not be included in the computation of perquisites for the purpose of calculating the ceiling.

iii. Minimum Remuneration:

Notwithstanding anything herein contained, where, in any financial year during the period of his office as Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Ajay Anand remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Ajay Anand.

iv. Modification of Term:

The terms and conditions of the appointment may, subject to the conditions laid down in Schedule V of the Companies Act, 2013, be altered and varied in such manner as may be agreed to between the Board and the Managing Director.

v. Termination:

The Agreement may be terminated by either party by giving three months' notice or three months' remuneration in lieu thereof to the other party.

Memorandum of Interest



No Director, except Mr. Ajay Anand is concerned or interested in the Resolution.

The draft Agreement between the Company and Mr. Ajay Anand is available for inspection at the Registered Office of Company on any working day during Business hours between 11.00 am to 1.00 pm

The Board recommends the passing of the Resolution set out in the Notice convening the Meeting.

This Explanatory Statement together with the accompanying Notice should be treated as an abstract of the terms of the agreement of concern of interest under section 190 of the Companies Act, 2013.

Item No. 8

The existing article 187 of the Articles of Association of the company specifies that in case of affixation of the common seal of the Company the same shall be affixed in the presence of the director or managing director of the company. The Company is proposing to amend the same wherein the common seal shall be affixed in the presence of the Company Secretary or Compliance officer and shall be signed by the authorized officials of the company where the Board authorizes such official to sign on behalf of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution set out at Item No. 8.

By order of the Board of Directors
For **AUNDE India Limited**

Place: **Mumbai**
Date : **28.10.2014**

Jovita Reema Mathias
Company Secretary