

AUNDE India Limited



**18th ANNUAL REPORT
2014 - 2015**



BOARD OF DIRECTORS AND MANAGEMENT TEAM

Ajay Anand
Rolf Konigs
Raghavendra J. Avadhani
Kapil Sethi

Chairman & Managing Director
Director
Director
Director

Jovita Reema Mathias

DGM - Legal & Company Secretary

Statutory Auditors

M/s. Majibail & Co.

ADVOCATES & SOLICITORS

Vikram Philip & Associates.

Bankers

The Saraswat Co-operative Bank Ltd.

REGISTERED OFFICE :

Plot No. 146, Waghdhara Village Road,
Dadra – 396191
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

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

Share Transfer Committee

Kapil Sethi	Chairman
Ajay Anand	Member
R. J. Avadhani	Member

**Shareholders / Investors
Grievances Committee**

Kapil Sethi	Chairman
Ajay Anand	Member
R. J. Avadhani	Member

Audit Committee

Kapil Sethi	Chairman
Ajay Anand	Member
Rolf Konigs	Member
R. J. Avadhani	Member

Remuneration Committee

Kapil Sethi	Chairman
Rolf Konigs	Member
R. J. Avadhani	Member

**AUNDE India Limited****18th ANNUAL REPORT FOR THE PERIOD ENDED 31st MARCH 2015**

- | | | |
|--|---|---|
| 1. Date of Annual General Meeting | : | Tuesday , 29th September, 2015 |
| 2. Time and Venue | : | 12.45 pm. Plot No. 146
Waghdhara Village Road
Dadra – 396 191
UT of Dadra & Nagar Haveli |
| 3. Book Closure | : | Wednesday, 23rd September, 2015 to
Tuesday, 29th September, 2015
(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 18th Annual General Meeting of the Shareholders of **AUNDE INDIA LIMITED** will be held on Tuesday, 29th September, 2015 at 12.45 PM. at Plot No. 146, Waghdhara Village Road, Dadra – 396 191, Union Territory of Dadra & Nagar Haveli, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements for the period ended 31st March 2015, 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, 2015, 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) To appoint a Director in place of Mr. Ajay Anand, (holding DIN :00373248), who retires by rotation and being eligible offers himself for re-appointment.
“RESOLVED THAT Mr. Ajay Anand (holding DIN: 00373248), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director of the Company.”
- 3) To pass the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Section 139 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 for the Company's financial year, 2015-16, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors 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 Mrs. Gurinder Kaur Kalsi (holding DIN: 01008698), who was appointed as an Additional and Independent Director of the Company by the Board of Directors at their meeting held on 12th August, 2015, pursuant to provisions of Section 149, Section 152, Section 161(1) and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder read with Schedule IV to the act, as amended from time to time, and who has submitted a declaration that she meets the criteria for Independence as provided in section 149(6) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of five years w.e.f. 12th August, 2015 and to hold office until the 23th Annual General Meeting of the Company.”
- 5) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special resolution :
“ RESOLVED that pursuant to provisions of revised Clause 49 (VII) of the Listing Agreement, entered into with the Stock Exchange(s) (including any statutory modification(s) or amendment(s) or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded to the Material Related Party transactions 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 Section 2(76) of the Companies Act, 2013 and Clause 49 (VII) of the Listing Agreement:

BY ORDER OF THE BOARD OF DIRECTORS
For **AUNDE India Limited**

Date: 12th August, 2015
Place: Mumbai

Jovita Reema Mathias
DGM-Legal & Company Secretary



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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING 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 PROXY TO BE EFFECTIVE SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
3. The Register of member and the Share Transfer Books of the Company will remain closed from Wednesday, 23rd September 2015 to Tuesday, 29th September, 2015 (both days inclusive).
4. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
5. Electronic copy of the 18th Annual Report 2014-15, 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.

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 the Audited Accounts for the financial period ended 31st March 2015, so as to enable the Company to keep the information ready.
 - ii. To bring their copy of the Annual Report, 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.
 - iv. To quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.
 - v. To approach the R&TA of the Company for consolidation of folios.
 - vi. To avail Nomination facility by filing in and forwarding the nomination form to the R&TA, if not already done.
 - vii. 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.
6. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
 7. The Company has listed its shares on the Bombay Stock Exchange Limited. The listing fees till date have been paid.
 8. 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.
 9. 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 Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on



resolutions proposed to be considered at the 18th Annual General Meeting, by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system will be provided by National Securities Depository Limited (NSDL).

- 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, 26th September, 2015 (9:00 am) and ends on Monday, 28th September, 2015 (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, Tuesday, 22nd September, 2015, 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 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. Put User ID and password as initial password noted in step (1) above and Click Login.
- e. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
- f. Home page of "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
- g. Select "EVEN" of AUNDE INDIA LIMITED.
- h. Members can cast their vote online from 9.00 am on Saturday, 26th September, 2015 till Monday, 28th September, 2015, 5.00 pm.
- i. E-Voting shall not be allowed beyond 5.00 pm on 28th September 2015.
- j. Now you are ready for "e-Voting" as "Cast Vote" page opens.
- k. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted. Kindly note that vote once casted cannot be modified.
- l. 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 with a copy marked to evoting@nsdl.co.in.

For Members whose e-mail address is not registered:

- a. Initial password is provided separately in the Annual report posted for the AGM:
EVEN (e-voting Event Number) USER ID PASSWORD/PIN
- b. Please follow all steps from Sl. No. 9 (b) to Sl. No. (k) above, to cast vote.
- c. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- d. 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.



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- e. 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).
 - f. 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, 22nd September, 2015.
 - g. 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, 4th September 2015, may obtain the login ID and password by sending a request at 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 or contact NSDL at the following toll free no.: 1800-222-990.
 - h. A Member may participate in the AGM even after exercising his right to vote through e-voting but shall not be allowed to vote again at the AGM.
 - i. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
10. The Company has appointed Mr. Sanjay Dholakia, Practising Company Secretary FCS 2655 and CP 1798 as the Scrutinizer to count the votes cast in favour or against the resolutions proposed from item No. 1 to 5 of the Notice for point No. 9 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013.
 11. 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.
 12. 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.
 13. 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.
 14. A brief resume of Directors proposed to be appointed/re-appointed at this Annual General Meeting pursuant to Clause 49 of the Listing Agreement is as follows:

Name	Ajay Anand
Date of Birth	16/10/1954
Qualification	Graduate
Nature of Expertise	Wide experience in Textile & Automotive Textile industry
Experience	25 years of experience in Textile Industry.
Name of other Public Companies in which holds Directorship	1. Faze-Three Limited 2. V.R.Woodart Limited
Name of other Companies in Committees of which holds Membership/ Chairmanship	3. Faze-Three Limited 4. V.R.Woodart Limited
Shareholding in AUNDE INDIA LIMITED	Equity shares - 565251 - 5.27%



ANNEXURE TO THE NOTICE

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statements sets out material facts relating to the business under items 4-5.

Item No. 4

M/s. Faze Three Limited is a Public limited Company having its Registered office and manufacturing facilities at Dadra. The Company is into manufacturing of Home Textile & Furnishing Products like blankets, cushions, cushion covers, bathmats and rugs.

Faze Three Limited and Aunde India Limited has entered into an Exclusive Manufacturing Agreement under which Aunde India is using Faze Three dyeing unit facilities for dyeing of its fabric.

As per the requirement of Section 188 of the Companies Act, 2013, all material Related Party Transactions shall require approval of the shareholders through Special 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. 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 (2013-2014 and 2014 -2015) 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	Faze Three Limited		
2.	Name of the Director or KMP who is related	Mr. Ajay Anand		
3.	Nature of relationship	Mr. Ajay Anand is holding 24.32% of shareholding		
4.	Material transactions (₹ in Lacs)	Year Ended	March 2015	March 2016
		Purchase of Goods	2.25	5.00
		Purchase of Services	2351.60	3000.00
		Lease Rental Expenses	32.34	35.00

Item No. 5

The Board of Directors at their Meeting held on 12th August, 2015 appointed Mrs. Gurinder Kaur Kalsi as an Additional Director of the Company. The Board has also appointed her as an Independent Director for a period of five years and hold office until the conclusion of 23rd Annual General Meeting pursuant to the provisions of Section 149(1) of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement.

Mrs. Gurinder Kaur Kalsi has academic qualification in B.A. and has textile industry knowledge. The Board is of the opinion that the association of Mrs. Gurinder Kaur Kalsi would be of immense benefit to the Company. Members are requested to approve the appointment of Mrs. Gurinder Kaur Kalsi as an Additional Director and Independent Director of the Company.

BY ORDER OF THE BOARD OF DIRECTORS
For AUNDE INDIA LIMITED

Place : Mumbai
Date: 12th August, 2015

Jovita Reema Mathias
DGM-Legal and Company Secretary



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DIRECTORS' REPORT

Dear Shareholders,

Your Directors are presenting the 18th Annual Report for the Financial Period 2014-15 of your Company and the Audited Accounts for the Financial Period ended 31st March 2015.

1. FINANCIALS :

(₹ in Lacs)

Particulars	For the period ended 31.03.2015 (9 Months)	For the year ended 30.06.2014
Revenue from Operations	8,912.27	14913.32
Less: Excise duty on domestic sale	830.94	1418.37
Revenue from operations (net)	8081.33	13494.95
Other Income	72.43	120.07
Profit before Interest, Tax, Depreciation & Amortization, finance cost and exceptional items	303.21	1177.62
Finance Cost/ Interest	628.02	883.16
Depreciation & amortization expenses	313.96	411.20
Exceptional Items	90.05	-
Profit / (Loss) before taxation	(728.82)	(116.74)
Provision for taxation (incl. deferred tax)	(247.05)	20.96
Profit/ (Loss) for the year carried to Balance Sheet	(481.77)	(137.70)

2. HIGHLIGHTS OF PERFORMANCE:

During the period under review, the Company's revenue from operations stood at ₹ 8081.33 Lacs (9 Months) as against ₹ 13494.95 Lacs in the previous year. The Operational revenue ₹ 8912.27 lacs of the Company is earned through domestic sales of ₹ 7167.47 Lacs and Export Sales of ₹ 1744.80 Lacs. The Company has suffered a Net Loss of ₹ 481.77 Lacs as compared to the Loss of ₹ 137.70 Lacs during the previous accounting year.

Reasons for underperformance:

Cost of materials increased in FY 2015 majorly due to non-pass through of rise in price of raw materials to the end customers. Write off of obsolete inventory on account of phasing off of car models also had an impact on the profitability.

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(2) of the Companies (Accounts) Rules, 2014.

4. DIVIDEND:

Due to financial losses, your Board of Directors has not recommended any dividend for the year.

5. RESERVES:

The Company has not transferred any amount to reserves due to losses in current financial year.



6. CHANGE IN THE FINANCIAL YEAR:

The Company has changed its financial year from 1st July - 30th June to 1st July - 31st March, and from next financial year 1st April - 31st March, pursuant to Second Proviso of Section 2(41) of the Companies Act, 2013. As per Second Proviso of Section 2(41), all companies whose financial year is not in accordance with Section 2(41) of Companies Act, 2013, shall, within a period of 2 years from commencement of the Act, align its financial year as per the provisions of Section 2(41) of Companies Act 2014.

7. 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.

8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A separate section on Management Discussion and Analysis is included in this Annual Report.

9. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

A separate section on Corporate Governance is included in the Annual Report and the Certificate from the Company's auditors confirming the compliance of conditions on Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange(s), forms part of this Annual Report.

10. DETAILS OF BOARD MEETINGS:

During the period under review, the Company has conducted 5 (Five) Board Meetings on 30th August, 2014, 14th September, 2014, 28th October, 2014, 13th February, 2015 and 27th February, 2015.

11. DIRECTORS

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

12. REMUNERATION COMMITTEE POLICY

The Company has constituted Remuneration Committee pursuant to Section 178(1) of the Companies Act, 2013 and has defined the policy on Director's appointment and payment of remuneration including criteria for determining qualifications, positive attributes, independence of a Director.

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. 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:

- (a) that in the preparation of annual financial statements for the period ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to