



**20<sup>th</sup> ANNUAL REPORT  
2016-2017**



## 20th Annual Report 2016-2017

### AUNDE INDIA LIMITED

#### 20th ANNUAL REPORT FOR THE PERIOD ENDED 31st MARCH, 2017

1. Date of Annual General Meeting : 27<sup>th</sup>, September, 2017
2. Time and Venue : 10.30 a.m. Conference Room,  
Aunde India Limited  
Plot No. 146  
Waghdhara Village Road  
Dadra – 396 193  
UT of Dadra & Nagar Haveli
3. Book Closure : Thursday, 21<sup>st</sup> September, 2017  
to Wednesday, 27<sup>th</sup> September, 2017  
(both days inclusive)

<b>Contents</b>	<b>Page No.</b>
Notice .....	3
Directors' Report.....	12
Corporate Governance Report .....	18
CEO / CFO Certificate .....	26
Management Discussion & Analysis Report.....	27
Secretarial Auditors' Report.....	31
Independent Auditors' Report .....	39
Balance Sheet .....	43
Profit & Loss Account .....	44
Cash Flow Statement .....	45
Notes on Accounts.....	46

## AUNDE India Limited

---

### BOARD OF DIRECTORS AND MANAGEMENT TEAM

Mr. Ajay Anand	Managing Director
Mr. Rolf Konigs	Non-Executive Director
Mr. Bheemanna Chikkerur	Non-Executive Director
Mr. Viswanathan Sivakumar	Chief Financial Officer (Appointed w.e.f. 15.07.2016)
Mr. Akram Sati	Company Secretary (Appointed w.e.f. 22.02.2017)
Ms. Jovita Reema Mathias	Company Secretary (Resigned w.e.f. 17.01.2017)

### INDEPENDENT DIRECTORS

Mr. Vinit Rathod	(Appointed w.e.f. 09.09.2016)
Ms. Shweta Jain	(Appointed w.e.f. 09.09.2016)
Mr. Manan Shah	(Appointed w.e.f. 13.02.2017)
Mr. Kapil Sethi	(Resigned w.e.f. 09.09.2016)
Mrs. Gurinder Kaur Kalsi	(Resigned w.e.f. 01.02.2017)

### BANKER

The Saraswat Co-operative Bank Ltd.

### ADVOCATES & SOLICITORS

M/s. Vikram Philip & Associates.

### STATUTORY AUDITORS

M/s. Majibail & Co  
Chartered Accountants, Mumbai.

### SECRETARIAL AUDITORS

M/s. Sanjay Dholakia & Associates  
Practicing Company Secretary

### BOARD COMMITTEES

#### Audit Committee

Mr. Vinit Rathod *Chairman*  
Mr. Ajay Anand *Member*  
Mr. Manan Shah *Member*

#### Nomination & Remuneration Committee

Mr. Vinit Rathod *Chairman*  
Mr. Manan Shah *Member*  
Mr. Bheemanna C. *Member*

#### Stakeholders Relationship Committee

Mr. Vinit Rathod *Chairman*  
Mr. Bheemanna C *Member*  
Mr. Ajay Anand *Member*

#### REGISTERED OFFICE

Plot No. 146,  
Waghdhara Village Road,  
Dadra – 396193  
Union Territory of Dadra & Nagar Haveli.  
Phone: 0260 6632600

#### CORPORATE OFFICE

63-64, Mittal court,  
C Wing, Nariman Point,  
Mumbai – 400 021  
Phone : 022 6242 1313 /  
4351 4444  
Fax : 022 2287 2637  
Email:investors@aundeindia.com  
Website: www.aundeindia.com

#### REGISTRAR & TRANSFER AGENTS

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



## 20th Annual Report 2016-2017

---

### NOTICE

**NOTICE** is hereby given that the **20<sup>th</sup> Annual General Meeting** of the Members of **AUNDE INDIA LIMITED** will be held on Wednesday, 27<sup>th</sup> September, 2017 at 10.30 AM. at Conference Room, Aunde India Limited, Plot No. 146, Waghdhara Village Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli, to transact the following business:

#### **ORDINARY BUSINESS:**

##### **No.1 - Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements for the period ended 31<sup>st</sup> March, 2017, 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, 2017, 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.”

##### **No.2 – Appointment of a Director**

To appoint a Director in place of Mr. Bheemanna B. Chikkerur (holding DIN: 07371496), who retires by rotation and has expressed his unwillingness to continue as Director of the Company and vacates his office from conclusion of this Annual General Meeting.

##### **No.3 – Appointment of Auditor**

To appoint the Auditors in place of the existing Auditors (who are not eligible to be re-appointed due to expiry of the maximum permissible tenure as the Auditors of the Company) to pass the following Resolution, as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the recommendations of the Audit Committee of the Board of Directors of the Company and in terms of the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, Mumbai (Firm Rgn. No. 000038N), be and are hereby appointed as the Statutory Auditors of the Company, in place of the retiring Auditors, M/s. Majibail & Co. Chartered Accountants (ICAI Firm Registration No. 105870W), to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty Fifth Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the Members of the Company, at every Annual General Meeting.

**RESOLVED FURTHER THAT** the Audit Committee of the Board of Directors of the Company be and is hereby authorized to determine the remuneration and reimbursement of out of pocket expenses, as may be payable to the Auditors.”

#### **SPECIAL BUSINESS:**

##### **No. 4 – Appointment of Mr. Vinit Rathod as an Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vinit Rathod (holding DIN: 07589863), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 9th September, 2016 and whose term of office expires at this Annual General Meeting (‘AGM’) and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 9<sup>th</sup> September, 2016 and to hold office until the 25th Annual General Meeting of the Company.”

##### **No. 5 – Appointment of Ms. Shweta Jain as an Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Shweta Jain (holding DIN: 07589768), who was appointed as an

## AUNDE India Limited

---

Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 9th September, 2016 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 9<sup>th</sup> September, 2016 and to hold office until the 25th Annual General Meeting of the Company."

### **No. 6 – Appointment of Mr. Manan Shah as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Manan Shah (holding DIN: 07589737), who was appointed as an Additional (Independent) Director of the Company by the Board of Directors at its meeting held on 13th February, 2017 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 13th February, 2017 and to hold office until the 25th Annual General Meeting of the Company."

### **No. 7 – Approval to Related Party Transactions**

To Consider and if, thought fit, to pass with or without modification, 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 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. having its Registered office at Survey No. 380/1, Khanvel Silvassa Road, Dapada – 396230, Union Territory of Dadra & Nagar Haveli., a "Related Party" as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2 (1) (zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in financial year 2016-17 and 2017-18"

### **No. 8 - To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013**

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 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### **No. 9 – Right to convert Loan into Equity Shares**

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 62(3) and all other applicable provisions of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and subject to all such approvals, permissions or sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed and agreed by the Board of Director of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include any committee duly constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the Consent of the Company be and is hereby accorded to the Board in respect of Financial assistance extended by the Financial Institution(s) / Bank(s)/ Other lenders including but not limited to Associate companies, Promoters & Promoter Group of the Company and Inter Corporate Loans at its option may be able to convert the outstanding facility, interest thereon and other outstanding amount into fully paid-up Ordinary Equity Shares of the



## 20th Annual Report 2016-2017

---

Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the provisions of the Companies Act, 2013 and other applicable laws/ Regulations in force at the time of such Conversion.

**RESOLVED FURTHER THAT** on receipt of the notice of conversion, the Board be and is hereby authorized to do all such acts, deeds and things as the Board may deem necessary and shall allot and issue the requisite number of fully paid up Ordinary Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Ordinary Equity Shares to be so allotted and issued to the lenders pursuant to its existing right of conversion shall rank pari-passu in all aspect with the then existing Equity Shares in the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this Resolution to any Director or Directors or to any Committee of Directors or any other executive(s) or Officer(s) of the Company to give effect to the aforesaid Resolution.”

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

**Date: 31<sup>st</sup> August, 2017**

**Place: Mumbai**

**Akram Sati**  
**Company Secretary**

### 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 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 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. 4 to 6 of the Notice, are also annexed.
4. The Register of member and the Share Transfer Books of the Company will remain closed from Thursday, 21<sup>st</sup> September, 2017 to Wednesday, 27<sup>th</sup> September, 2017 (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 Wednesday, 20<sup>th</sup> September, 2017 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. 20<sup>th</sup> September, 2017, 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 20<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form

## AUNDE India Limited

---

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.

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 the Audited Accounts for the financial period ended 31<sup>st</sup> March 2017, 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 the 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 Sunday, 24<sup>th</sup> September, 2017 (9:00 am) and ends on Tuesday, 26<sup>th</sup> September, 2017 (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, Wednesday, 20<sup>th</sup> September, 2017, 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. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.



## 20th Annual Report 2016-2017

---

- 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.
- 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 Sunday, 24<sup>th</sup> September, 2017 till Tuesday, 26<sup>th</sup> September, 2017, 5.00 pm.
- m. E-Voting shall not be allowed beyond 5.00 pm on 26<sup>th</sup> September, 2017.
- 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 with a copy marked to 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.

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. 11(iv) (b) to Sl. No. (o) above, to cast vote.
  - c. 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.
  - d. 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).
  - e. 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, 20<sup>th</sup> September, 2017.
  - f. 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, 20<sup>th</sup> September 2017 (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.
  - g. 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.
  - h. 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.
  - i. 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
12. The route map showing directions to reach the venue of the Twentieth AGM is annexed.
  13. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the



## AUNDE India Limited

---

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.

14. 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 9 of the Notice for point No. 11 as mentioned hereinabove and to comply with the provisions of Section 108 of the Companies Act, 2013.
15. 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.
16. 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.
17. 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.
18. 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 provided under Explanatory statement:

Name	Mr. Vinit Rathod	Ms. Shweta Jain	Mr. Manan Shah
Date of Birth	24/11/1988	04/06/1988	01/11/1991
Qualification	Chartered Accountant	Chartered Accountant	Chartered Accountant
Nature of Expertise	In Field of managing business, finance, taxation and legal matters	Internal audit, internal financial controls & policies, global financial reporting standards	Managing business in the packaging industry
Experience	More than 8 years	More than 8 years	More than 4 years
Name of Other Public Companies in which holds Directorship	Faze Three Limited	Faze Three Limited	Faze Three Limited
Name of Other Companies of which holds Chairmanship / Membership	Faze Three Limited - Chairman of Audit Committee & Stakeholders Relationship Committee	-	Faze Three Limited - Member of Audit Committee & Stakeholders Relationship Committee
Shareholding in Aunde India Limited	Nil	Nil	Nil

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

Date: 31<sup>th</sup> August, 2017  
Place: Mumbai

**Akram Sati**  
Company Secretary



## 20th Annual Report 2016-2017

---

### Explanatory Statement

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

#### **No. 4, 5 & 6 – Appointment of Independent Director**

Pursuant to provisions of Section 161 of Companies Act, 2013, the Board of Director of the Company at their meeting held on 9<sup>th</sup> September, 2016 appointed Mr. Vinit Rathod and Ms. Shweta Jain as Additional & Independent Director and Mr. Manan Shah as Additional & Independent Director on 13<sup>th</sup> February, 2017.

As per the provisions of Section 161(1) of the Act, Mr. Vinit Rathod, Ms. Shweta Jain and Mr. Manan Shah holds office of Additional Director only up to the date of this Annual General Meeting of the Company, and are eligible for appointment as Director. The Company has received a notice under Section 160(1) of the Act proposing their candidature for the office of Director of the Company, along with the requisite deposit.

Further, the provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors requires every Public Company fulfilling the prescribed criteria as laid down in Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014 to appoint an Independent Director on its Board. In terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors of the Company had appointed (subject to approval of the members at Annual General Meeting), Mr. Vinit Rathod, Ms. Shweta Jain and Mr. Manan Shah as an Independent Directors of the Company within the meaning of Section 2(47) read with Section 149(6) of the Companies Act, 2013 and Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for term of 5 consecutive years and to hold office till 25<sup>th</sup> AGM. Mr. Vinit Rathod, Ms. Shweta Jain and Mr. Manan Shah have given declaration to Board that they meet the criteria of Independence as provided under Section 149 (6) of the Companies Act, 2013. Each Director fulfills conditions as specified in the Act and rules framed thereunder for appointment as an Independent Director and they are Independent of Management. In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these Directors is now being in placed before the members for their approval.

A brief profile of the Independent Directors to be appointed is given below;

Mr. Vinit Rathod is a Chartered Accountant and has sound exposure of Taxation and Finance. He has previously worked with Deutsche Bank, Nishith Desai & Associates, etc. He is currently engaged in his business of manufacturing of wholesale made-up jewelries. He has a strong background in managing business, finance, taxation and legal matters. He shall provide valuable insights and perspectives to the Board for deliberation on complex financial matters.

Ms. Shweta Jain is a Chartered Accountant. She started her professional career & also currently working with Deloitte India & Canada. She has worked across Global Transaction Advisory services, Corporate Assurance & Audit engagements at Deloitte. She will provide valued insights in the areas of internal audit, internal financial controls & policies, global financial reporting standards and evaluation strategic options. The Board expects that the association of Ms. Jain on Board would be beneficial to the company

Mr. Manan Shah is a Chartered Accountant and has a comprehensive experience in business management. He is currently managing in business of manufacturing in the packaging industry. His association with the company would help the company to learn industry & manufacturing best practices.

None of the Directors or Key Managerial Personnel of the Company except Directors being appointed is concerned or interested in the Resolution. The Board recommends the passing of the Resolution set out in the Notice convening the Meeting. Members are requested to approve the appointment of Mr. Vinit Rathod, Ms. Shweta Jain & Mr. Manan Shah an Independent Director on the Board of the Company.

#### **No. 7 – Approval to Related Party Transactions**

M/s. Faze Three Limited is a Public Limited Company and Listed on BSE, having its Registered Office and manufacturing facilities at Dadra. The Company is into manufacturing of Home Textile Products like Bathmats, Rugs, Floor Coverings, Blankets, Cushions, Cushion Covers etc.

Faze Three Limited and Aunde India Limited have entered into an exclusive manufacturing and processing agreement under which Aunde India is entitled to use Faze Three's dyeing unit at Vapi for dyeing its Automotive Fabrics as per the laid down standards. The agreement also lays down terms for dealing with other units of Faze Three in case of any specific requirement of capacity or technology sharing.

## AUNDE India Limited

---

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 1<sup>st</sup> 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.

Faze Three Limited is a Related Party and the transaction as described hereunder would exceed 10% of the annual turnover of the Company (2016 -17 and 2017-18) 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 Ordinary 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	Associate		
4.	Transactions	Year ended	2016-17 (Actual)	2017-18 (Estimated)
	(Rs. in Lacs)	Dyeing and Processing Charges	<b>1337.83</b>	<b>2000.00</b>

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested in the said resolution, except for Mr. Ajay Anand.

### **No. 8 – Adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.**

The existing Articles of Association (“AOA”) of the Company is based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 (“The Act”). The Act is now largely in force and most of the substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of Articles. The proposed new draft AOA is available at registered office of the Company for perusal by the shareholders. None of the Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested in the said resolution.

### **No. 9 – Right to convert Loan into Equity Shares**

The Company from time to time is required to borrow additional funds from Associate companies/ Promoters & Promoter Group and other corporates in form of Short term and long term loans for normal capital expenditure, working capital requirement and for smooth functioning of operations. As per provisions of section 62(3) of the Companies Act, 2013, if shares are issued pursuant to an option attached to loan raised by the Company or to convert such loans or part thereof into Shares of the Company then prior approval of the Members is required by way of Special Resolution in General Meeting.

The proposed resolution is an enabling Resolution under the provisions of Section 62(3) and other applicable provisions of the Companies Act, 2013. In view of the fact that under the lending arrangements (as may be specified by the Financial Institution(s) / Bank(s)/ Associate companies/ Promoters & Promoter Group and Other lenders under borrowing terms) the Financial Institution(s) / Bank(s)/ Associate companies/ Promoters & Promoter Group and Other lenders may be entitled at their option to convert the entire or part of the outstanding facility, interest thereon and other outstanding amount into ordinary Equity Shares of the Company in accordance with applicable Laws/Regulation(s). Allotment of Equity shares as above requires prior approval of the Members by way of Special Resolution. Hence, this enabling Resolution is proposed for your approval.

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

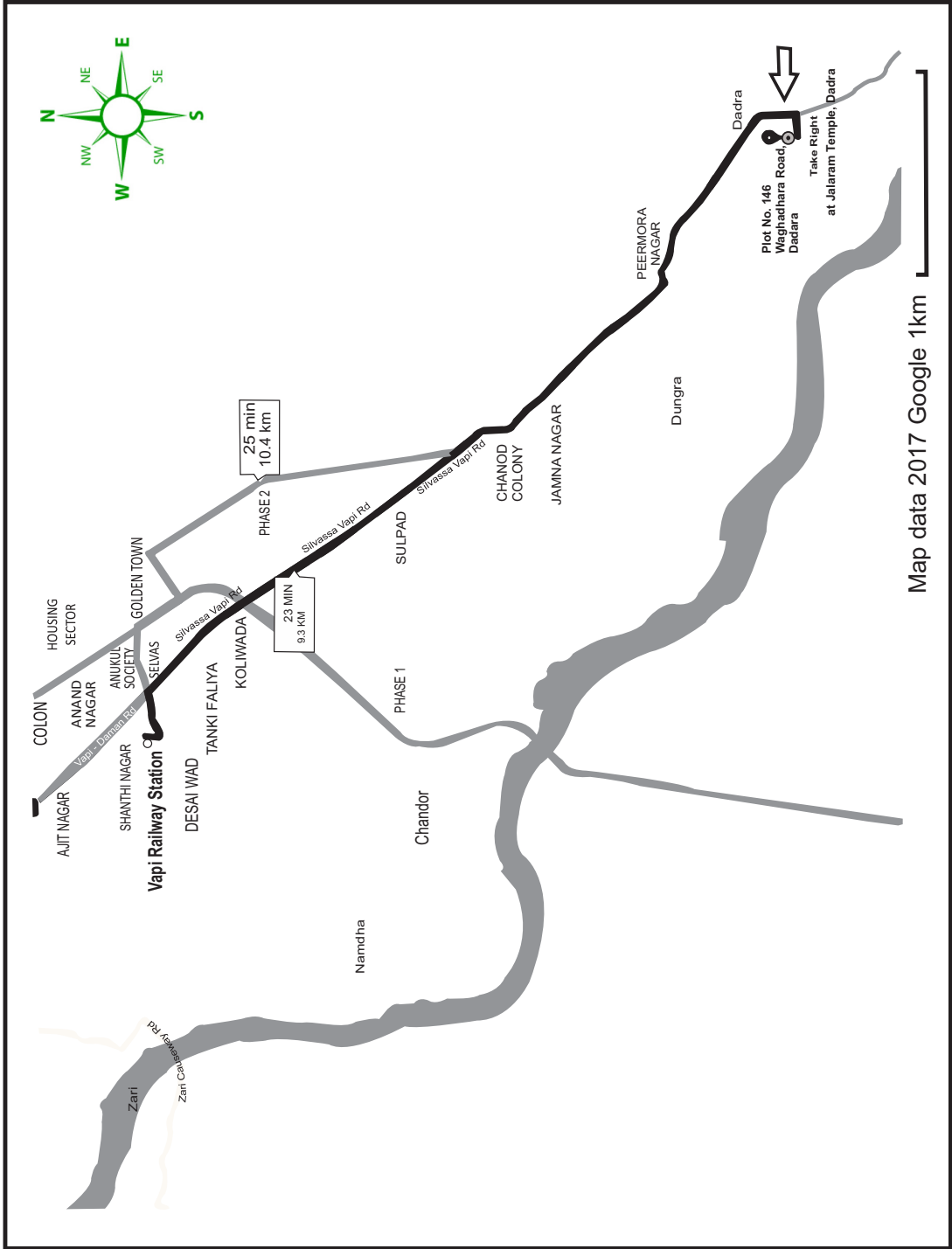
Date: 31<sup>th</sup> August, 2017  
Place: Mumbai

Akram Sati  
Company Secretary



# ROUTE MAP OF AGM VENUE Vapi Railway Station to AGM VENUE

Drive 9.3 km, 23 min



# AUNDE India Limited

---

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 20<sup>th</sup> Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2017.

### 1. FINANCIAL HIGHLIGHTS

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Revenue from operations (Net)	12360.19	12495.83
Expenses	11,285.91	11863.26
Other Income	56.65	60.77
<b>Profit before Interest, Tax, Depreciation &amp; Amortization, finance cost and exceptional items</b>	<b>1130.93</b>	<b>693.34</b>
Less:		
1. Finance Cost	544.65	86.27
2. Depreciation & amortization expenses	415.85	452.38
3. Profit / (Loss) before taxation	170.44	154.69
4. Provision for taxation (incl. deferred tax)	(85.00)	(16.02)
<b>Profit for the year carried to Balance Sheet</b>	<b>255.44</b>	<b>170.71</b>

### 2. HIGHLIGHTS OF PERFORMANCE

The Company's total revenue from operations stood at Rs. 12360.19 Lacs and the revenue for previous year stood at Rs. 12495.83 Lacs, The revenue from operation comprises of Domestic Sales of Rs.11975.51 Lacs and Exports Rs 384.68 Lacs. The Company earned Profit before Interest, Tax, Depreciation & Amortization, finance cost and exceptional items of Rs. 1130.93 Lacs and profit after tax of Rs. 255.44 Lacs as compared to Profit of Rs. 170.72 Lacs for the previous year ended 2015-16.

#### Performance overview:

The Company is into manufacturing of passenger car seating fabric and a nominated supplier by OEM's being Maruti Suzuki, Ford India, Hyundai, Mahindra & Mahindra, TATA, Toyota, Honda, Renault-Nissan, etc. AUNDE India holds a significant place in the Indian technical textile Industry in the automotive fabrics as there are fewer players in the segment. The Company currently has around 31-33% market share of the total Automotive Fabrics consumption in India (including cars exported out of India). The company expects to capture additional market share to become a dominant player having at least 45-50% share by 2021

The growth and market position is achieved by Aunde India due to various tie ups with global companies out of US, Japan, China, South Korea, etc. and other members companies globally of the Aunde Group. The strong foothold of the Company in the Market is due to its continuous Innovative offerings both in technology and design, consistent quality performance & timely execution at competitive rates.

### 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. RESERVES:

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

### 6. 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.



## 20th Annual Report 2016-2017

---

### 7. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form a part of the Notes to Financial Statements provided in this Annual Report.

### 8. 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.

### 9. DIRECTORS

Mr. Bheemanna B. Chikkerur, Non-Executive Director of the Company, who retires by rotation at ensuring Annual General Meeting, has expressed his inability due to personal reasons and therefore unwillingness to continue as Director of the Company. The Board has approved the same and he shall vacate his office at the conclusion of the ensuing Annual General Meeting.

The information of Directors seeking appointment as required pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015, is provided in the notice covering the Annual General Meeting of the Company.

### 10. DETAILS OF BOARD MEETINGS:

The Board of Directors of your Company met 8 (Eight) times during the Financial Year ended 31<sup>st</sup> March, 2017. The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report. The intervening time gap between two consecutive Meetings was within the period prescribed under the Companies Act, 2013.

### 11. 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, 2017, 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 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, 2017 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.

### 12. ANNUAL PERFORMANCE EVALUATION OF BOARD:

Pursuant to the provisions of the Companies Act, 2013, and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ('SEBI Listing Regulations'), the Board of Directors has carried out an annual evaluation of its own performance as a Board, the directors individually as well as the evaluation of the working of its Committees.

The performance of the board was evaluated by the Board 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, effectiveness of board processes, information and functioning etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

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, the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### **13. 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 as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **14. 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.

### **15. 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 Rs 60 Lacs, or (ii) If employed for part of the financial year, was in receipt of remuneration, in aggregate, more than Rs 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.

Details as required under the provisions of section 197(12) of the Companies Act, 2013, read with rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, which form part of the Directors' Report, will be made available to any shareholder on request, as per provisions of section 136(1) of the said Act.

Pursuant to the legislation 'The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said Policy.

### **16. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report as Annexure I.

### **17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

For the financial year under review as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis Report is Annexed to this report as Annexure II.



## 20th Annual Report 2016-2017

### 18. 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 at Arm's Length Price 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 (AS18) 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).

### 19. TRANSACTIONS WITH RELATED PARTIES:

None of the transactions with related parties falls under the scope of section 188(1) of the Act. 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 III in Form AOC-2 to this report.

### 20. POLICIES OF THE COMPANY:

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") mandated the formulation of certain policies for all listed companies. All our Corporate Governance Policies are available on the Company's website, viz., [www.aundeindia.com](http://www.aundeindia.com). The Policies are reviewed periodically by the Board and its Committees and are updated based on the need and new compliance requirement.

The key policies that have been adopted by the Company are as follows:	
<b>Related Party Transactions Policy</b>	This Policy is deals with (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may be applicable to the Company.
<b>Whistle Blower Policy / Vigil Mechanism</b>	Your Company has a Vigil Mechanism / Whistle Blower Policy which provides adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to Mr. Vinit Rathod, Chairman of the Audit Committee, in appropriate or exceptional cases.
<b>Code of Conduct for Insider Trading</b>	This Policy sets up an appropriate mechanism to curb Insider Trading. It provides Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
<b>Materiality Policy</b>	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of the Listing Regulations.
<b>Document Retention and Archival Policy</b>	The purpose of this Policy is to specify the type of document(s) and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Listing Regulations. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.

### 21. 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 IV.



### **22. 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. Your Company remains committed to improve the effectiveness of internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations.

### **23. 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 1<sup>st</sup> April, 2017 with comparatives for the previous year ending 31<sup>st</sup> March, 2016. Your Company has taken adequate steps in this regard to ensure a smooth transition to IND AS.

### **24. 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.

### **25. 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.

### **26. CORPORATE RESPONSIBILITY STATEMENT (CSR):**

The company is not required to comply with section 135 of the Companies Act, 2013 along with rules made in this behalf as the Company does not fulfill any criteria provided under Sub-section 1 of Section 135 of the Companies Act, 2013.

### **27. STATUTORY AUDITORS:**

In terms of the provisions of Section 139(2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 pertaining to mandatory rotation of Statutory Auditors, your Company is required to appoint new Statutory Auditors in place of M/s. Majibail & Co., Chartered Accountants, Mumbai (Firm Rgn. No. 105970W), the existing Statutory Auditors, at the ensuing 20<sup>th</sup> (Twenty) AGM of the Company.

Keeping in view the requirements set out in the Companies Act, 2013 and Rules framed thereunder and based on the recommendation of the Audit Committee, the Board of Directors have recommended the appointment of M/s. Thakur Vaidyanath Aiyar & Co., Chartered Accountants, Mumbai (Firm Rgn. No. 000038N) as the new Statutory Auditors for a term of 5 (five) years, to hold office from the conclusion of the 20<sup>th</sup> (Twenty) AGM till the conclusion of 25<sup>th</sup> (Twenty Fifth) AGM, subject to approval of the Members at the ensuing AGM.

Your Company has obtained written confirmation from M/s. Thakur Vaidyanath Aiyar & Co, Chartered Accountants that they are eligible for appointment in terms of the said provisions of the Companies Act, 2013 and Rules framed thereunder and that they are not disqualified for appointment. The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

### **28. 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.

As the Company does not fulfill the criteria's mentioned in Rule 4 of Companies (cost records and audit) Rules, 2014, Cost Audit is not applicable for the financial year 2016-17.



## 20th Annual Report 2016-2017

---

### 29. SECRETARIAL AUDIT:

As required under Section 203 of the Companies Act, 2013, Secretarial Audit Report as obtained from M/s. Sanjay Dholakia & Associates, Practising Company Secretaries is annexed and forms part of the Boards' Report.

### 30. SECRETARIAL AUDIT REPORT:

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 to undertake Secretarial Audit. The Report is annexed to this Report as Annexure V.

### 31. OBSERVATIONS – AUDITOR & SECRETARIAL AUDITOR:

**Secretarial Auditor:** As mentioned in the report, Your Directors would like to inform you that the Company has appointed Chief Financial Officer (CFO as KMP) and Independent Directors as required by the Companies Act, 2013 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 32. 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 herewith the Boards' report as Annexure VI.

### 33. 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 of Directors**

**Place : Mumbai**  
**Date: 28<sup>th</sup> April, 2017**

**Ajay Anand**  
**Managing Director**

#### REPORT ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance relates to providing maximum service to all its stakeholders. It intends to enhance shareholder 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.

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

#### BOARD OF DIRECTORS

The Company has an optimum composition of Executive and Non- Executive Directors. As on March 31, 2017, the Company has Six Directors. Of the Six Directors, Five (i.e. 83.33%) are Non-Executive Directors out of which three (i.e. 50.00%) are Independent Directors. The profiles of Directors can be found on (<http://aundeindia.com/aunde/investor/1boardofdirectors.html>). The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 read with the Rules issued thereunder.

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 is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The meetings of the Board of Directors are generally held in Mumbai and also, if necessary, in locations, where the Company operates.

#### Profile

Mr. Ajay Anand is Managing Director of the Company. He has an illustrious career spanning over three decades in Home Textiles and Technical Textiles Industry. As a promoter & co-founder of the Company, he has made enormous contribution towards business growth & establishing long term relationships with both Domestic & Global OEM's. His leadership and innate ability to work through complexity has helped bring transformational changes in Aunde India Limited and become a major supplier in the Automotive fabric market India.

Mr. Rolf Konigs serves as a Non - Executive Director of the Company. He heads AUNDE Group globally as Group Chairman & CEO of Aunde Achter & Ebels GmbH. He has over four decades of experience in Automotive Textiles & Automotive Seating Industry.

Mr. Bheemanna Chikkerur is Non-Executive Director of the Company, who retires by rotation and has expressed his inability to continue as Director of the Company due to personal reasons and vacates his office from conclusion of this Annual General Meeting.

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

#### Composition of Board

The Board of Directors consists of 6 Directors as on 31st March, 2017

During the financial year, 8 (Eight) meetings of the Board of Directors of the Company were held on 22<sup>nd</sup> April, 2016, 15<sup>th</sup> July, 2016, 26<sup>th</sup> July, 2016, 9<sup>th</sup> September, 2016, 14<sup>th</sup> November, 2016, 17<sup>th</sup> January, 2017, 13<sup>th</sup> February, 2017 and 22<sup>nd</sup> February, 2017. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.



## 20th Annual Report 2016-2017

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, 2017 are given herein 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	0
Mr. Bheemanna Chikkerur	Non-Executive & Non – Independent	5	Yes	2	0	1
Mr. Vinit Rathod <sup>[1]</sup>	Non-Executive & Independent	2	No	2	4	0
Ms. Shweta Jain <sup>[1]</sup>	Non-Executive & Independent	0	No	2	0	0
Mr. Manan Shah <sup>[2]</sup>	Non-Executive & Independent	1	No	2	0	3
Mrs. Gurinder Kaur Kalsi <sup>[3]</sup>	Non-Executive & Independent	4	No	0	0	0
Mr. Kapil Sethi <sup>[1]</sup>	Non-Executive & Independent	2	No	0	0	0

<sup>[1]</sup> Mr. Vinit Rathod & Ms. Shweta Jain were appointed as an Additional & Independent Director & Mr. Kapil Sethi Ceased to be Director of the Company w.e.f. 9<sup>th</sup> September, 2016.

<sup>[2]</sup> Mr. Manan Shah was appointed as an Additional & Independent Director of the Company w.e.f. 13<sup>th</sup> February, 2017.

<sup>[3]</sup> Mrs. Gurinder Kaur Kalsi Ceased to be Director of the Company w.e.f. 1<sup>st</sup> February, 2017.

### Details of other Directorship held by the Directors of the Company:

Name of the Director	Name of the Company	Position	Number of Shares held in Aunde India Limited
Mr. Ajay Anand	Faze Three Limited	Managing Director	565251
	V R Woodart Limited	Director	
Mr. Rolf Konigs	Nil	Nil	Nil
Mr. Vinit Rathod	Faze Three Limited	Director	Nil
Mr. Bheemanna Chikkerur	Faze Three Limited	Director	Nil
Ms. Shweta Jain	Faze Three Limited	Director	Nil
Mr. Manan Shah	Faze Three Limited	Director	Nil
Mr. Kapil Sethi	Nil	Nil	Nil
Mrs. Gurinder Kaur Kalsi	Nil	Nil	Nil

During the Financial Year 2016-17, 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.

## AUNDE India Limited

---

During the year, one meeting of the Independent Directors was held on September 19, 2016. 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.

### 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 Act. The members of the Audit Committee are financially literate and have experience in financial management.

The Committee invites the Managing Director, CFO and President, Statutory Auditor(s) and Internal Auditor to attend the meetings of the Committee.

Company Secretary of the Company acts as Secretary to the Committee. The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31<sup>st</sup> March, 2017 is detailed below:

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	2	2
2.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	2	2
3.	Mr. Ajay Anand	Member	Executive & Non-Independent	4	4
4.	Mrs. Gurinder Kaur Kalsi	Member	Non-Executive & Independent	3	3
5.	Mr. Manan Shah	Member	Non-Executive & Independent	1	0

Audit Committee has conducted 4 (Four) Meetings during the year under review, on 22<sup>nd</sup> April, 2016, 26<sup>th</sup> July, 2016, 14<sup>th</sup> November, 2016 & 13<sup>th</sup> February, 2017.

The terms of reference 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;
- Reviewing with the Management, the Annual Financial Statements before submission to the Board;
- 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.



## 20th Annual Report 2016-2017

### 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 a Director.
- Oversee familiarization program for Directors.
- Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and Individual Directors.
- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

### Composition:

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	2	2
2.	Mr. Bheemanna Chikkerur	Member	Non-Executive & Non-Independent	2	2
3.	Mr. Manan Shah	Member	Non-Executive & Independent	1	1
4.	Mrs. Gurinder Kaur Kalsi	Member	Non-Executive & Independent	3	3
5.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	3	3

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 met 5 (Five) times during the year on 3<sup>rd</sup> July, 2016, 26<sup>th</sup> July, 2016, 1<sup>st</sup> September, 2016, 4<sup>th</sup> February, 2017 and 13<sup>th</sup> February, 2017.

### Remuneration Policy

Remuneration policy in the Company is designed to create a high performance culture. Focus on productivity and pay for performance has been the cornerstones of the Company's reward philosophy. The Company regularly benchmarks the compensation levels and employee benefits in the market and makes necessary changes to remain at par with the market. It enables the Company to attract, retain and motivate employees to achieve results. The remuneration policy supports such mobility through pay models that are compliant to local regulations.

Retention and motivation of top performing talent is enabled through differentiation in salary increments. Fairness, transparency and internal along with external parity continues to remain vital to the reward system at Aunde India Limited.

The Nomination and Remuneration Committee recommends to Board for approval of the compensation package for the Executive Directors & Key Managerial Personnel. The compensation structure may include basic salary, perquisites, commission, etc. The compensation packages are in accordance with applicable law & in line with the Company's objectives, shareholders' interests and as per the industry standards.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the Members & as per limits prescribed under the Companies Act, 2013 and are effective April 1, each year.

During the year 2016-17 the Company paid sitting fees of Rs. 2,000 per meeting to its Non-Executive Directors for attending meetings of the Board. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The details of remuneration paid to Managing Director 2016-17 is given as follows: (No sitting fees paid to the following directors):  
(Rs. in Lacs)

Director	Designation	Remuneration (including all perquisites)	Service Contract
Mr. Ajay Anand	Chairman & Managing Director	45.00	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.

## AUNDE India Limited

Details of Sitting Fees paid:

Sr. No	Name of the Member	Category	Sitting Fees
1.	Mr. Vinit Rathod	Non-Executive & Independent	Rs. 4,000/-
2.	Mr. Bheemanna Chikkerur	Non-Executive & Non-Independent	Rs. 10,000/-
3.	Mr. Rolf Konigs	Non-Executive & Non-Independent	-
4.	Mr. Manan Shah	Non-Executive & Independent	Rs. 2,000/-
5.	Ms. Shweta Jain	Non-Executive & Independent	-
6.	Mr. Kapil Sethi	Non-Executive & Independent	Rs. 4,000/-
7.	Mrs. Gurinder Kaur Kalsi	Non-Executive & Independent	Rs. 8,000/-

### 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 Act.

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Kapil Sethi	Chairman	Non-Executive -Independent	2	2
2.	Mr. Ajay Anand	Member	Executive & Non-Independent	4	4
3.	Mr. Vinit Rathod	Chairman	Non-Executive & Independent	2	1
4.	Mr. Bheemanna Chikkerur	Member	Non-Executive & Non-Independent	1	1
5.	Mrs. Gurinder Kaur Kalsi	Member	Non-Executive & Independent	3	3

Details of investor complaints received and redressed during the year 2016-17 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
2013-14	20 <sup>th</sup> December, 2014	Plot No. 146, Waghdhara Village Road, Dadra – 396 191, Union Territory of Dadra & Nagar Haveli	10.30 am	1. Appointment of Mr. R. J. Avadhani as Director. 2. Appointment of Mr. R. J. Avadhani as an Independent Director. 3. Appointment of Mr. Kapil Sethi as an Independent Director. 4. Appointment of Mr. Ajay Anand as Managing Director. 5. Amendment to Articles of Association.
2014-15	29 <sup>th</sup> September 2015	Plot No. 146, Waghdhara Village Road, Dadra – 396 191, Union Territory of Dadra & Nagar Haveli	12.45 pm	1. Appointment of Mrs. Gurinder Kaur Kalsi as an Non-Executive & Independent Director. 2. Approval of Related Party Transactions.
2015-16	6 <sup>th</sup> September 2016	Plot No. 146, Waghdhara Village Road, Dadra – 396 193, Union Territory of Dadra & Nagar Haveli	11.30 am	1. Appointment of Mr. Bheemanna Chikkerur as an Non-Executive & Non-Independent Director. 2. Approve Remuneration payable to Mr. Ajay Anand, Managing Director. 3. Approval to increase Borrowing powers of the Company and creation of Charge/ Providing of Security. 4. Approval of Related Party Transactions.

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



## 20th Annual Report 2016-2017

### 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

### F. General Shareholder Information:

AGM, Date, Time and Venue	Wednesday, 27 <sup>th</sup> September, 2017 10.30 AM, Conference Room, Aunde India Limited, Plot No. 146, Wagdhara Village Road, Dadra – 396 193 Union Territory of Dadra & Nagar Haveli
Company's Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
Financial Calendar For 2017-18 (Tentative)	
Adoption of Quarterly & Annual Results :	
June 30, 2017	2 <sup>nd</sup> week of September 2017
September 30, 2017	2 <sup>nd</sup> week of November 2017
December 31, 2017	2 <sup>nd</sup> week of February 2018
Audited results for March 31, 2018	2 <sup>nd</sup> week of May 2018
Date of Book Closure	From 21 <sup>st</sup> September, 2017 to 27 <sup>th</sup> September, 2017 (Both days inclusive)
Listing on Stock Exchanges	The BSE Limited
Stock Code	532459 on Bombay Stock Exchange
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: <a href="http://www.sharexindia.com">www.sharexindia.com</a> Email: <a href="mailto:sharexindia@vsnl.com">sharexindia@vsnl.com</a>
Share Transfer System	The transactions of the shares held in Demat and Physical form are handled by the Company's Depository Registrar M/s. Sharex Dynamic (India) Pvt. Ltd.

### G. Market price data

Monthly high and Low quotations along with the volume of shares traded at Bombay Stock Exchange Ltd during year ended 31<sup>st</sup> March 2017

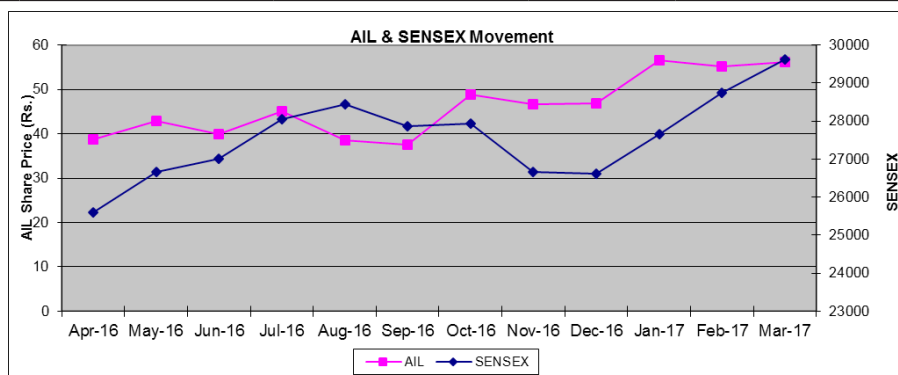
### H. Monthly high and Low compared with BSE Sensex

	On BSE		Volume	BSE Sensex High	BSE Sensex Low
	Month's High Price	Month's Low Price			
Apr-16	39.95	29.60	25,279	26100.54	24523.2
May-16	45.10	38.50	41,474	25057.93	26667.96
Jun-16	45.10	38.00	45,194	25911.33	26999.72
Jul-16	45.30	37.75	63,390	27034.14	28051.86
Aug-16	45.00	37.00	40,676	27627.97	28452.17



## AUNDE India Limited

	On BSE		Volume	BSE Sensex High	BSE Sensex Low
	Month's High Price	Month's Low Price			
Sep-16	43.50	36.75	23,649	27716.78	27865.96
Oct-16	48.80	37.85	29,659	27488.3	27930.21
Nov-16	58.55	36.60	64,768	25717.93	26652.81
Dec-16	48.95	40.55	11,064	25753.74	26626.46
Jan-17	59.60	41.15	96,862	26447.06	27655.96
Feb-17	59.35	47.30	58,635	27590.1	28743.32
Mar-17	63.95	52.25	1,00,252	28716.21	29620.5



### I. Distribution of shares and shareholding as on 31<sup>st</sup> March, 2017

Sr. No.	No. of Equity Shares held		Shareholders		Shareholding	
	From	To	Nos.	%	Nos.	%
1	Upto	100	430	22.51	23778	0.22
2	101	200	851	44.55	131204	1.22
3	201	500	305	15.97	111550	1.04
4	501	1000	137	7.17	108433	1.01
5	1001	5000	134	7.02	319773	2.98
6	5001	10000	22	1.15	148348	1.38
7	10001	100000	20	1.05	688334	6.42
8	100001 and above		11	0.58	9191787	85.72
	<b>TOTAL</b>		<b>1910</b>	<b>100.00</b>	<b>10723207</b>	<b>100.00</b>

### J. Shareholding Pattern as on 31<sup>st</sup> March, 2017

Category code	Category of Shareholder	Total no. of shares	%
(A)	Promoter and Promoter Group Holding		
1	Indian Promoters	3423001	31.92
	Foreign Promoters	4591200	42.82
	Sub Total (A)	8014201	74.74
(B)	Non-Promoter shareholding		
1	Institutions		
(a)	Mutual Funds	150	0.00
(b)	Financial Institutions/ Banks	150	0.00
	Sub-Total (B)	300	0.00



## 20th Annual Report 2016-2017

Category code	Category of Shareholder	Total no. of shares	%
(C)	Non-institutions		
(a)	Private Bodies Corporate	1619242	15.10
(b)	Individuals - i. Individual shareholders holding nominal share capital up to Rs 2 lakh	878778	8.16
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	210686	1.97
(c)	Any Other (Clearing Member)		
(d)	NRI	0	0
	Sub-Total (C)	2708706	25.26
	GRAND TOTAL (A)+(B)+(C)	10723207	100.00

### K. Plant Location

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

### L. Corporate office address for correspondence:

Aunde India Limited

63-64, Mittal Court, C Wing, Nariman Point, Mumbai – 400 021

Phone : 022 6242 1313 / 4351 4444, Fax : 022 2287 2637

Website: [www.aundeindia.com](http://www.aundeindia.com), Email Id: [investors@aundeindia.com](mailto:investors@aundeindia.com)

### M. 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. These have been 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 2014-15, 2015-16 and 2016-17 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 for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up 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 has been also put up 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: 28th April, 2017

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

## AUNDE India Limited

---

### 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 2017 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 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: 28<sup>th</sup> April, 2017

V. Sivakumar  
Chief Financial Officer

Ajay Anand  
Managing Director

---

### 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, 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 following:

1. Company appointed Chief Financial Officer (CFO) only w.e.f 15<sup>th</sup> July 2016.
2. Composition of Board of Directors was in compliance from 9<sup>th</sup> September 2016 on appointment of additional 1 (one) Independent Director.

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.**

Place: Mumbai  
Date: 28<sup>th</sup> April, 2017

(Sanjay R. Dholakia)  
Practicing Company Secretary  
Membership No. 2655/ C.P. No. 1798



#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### Economic and Business overview

The Government has been making efforts to improve the business environment in the country and boost manufacturing and overall business environment.

Indian economy remains strong, with robust economic growth, strong fiscal consolidation, low current account deficit, higher agricultural output, growing FDI, low inflation and higher wages in rural areas. Favorable monsoons boosted agriculture and rural consumption, while urban consumption remained robust. During FY 17, the demand remained stable with an exception from Nov-Jan during which owing to demonetization leading to cash crunch, demand uncertainty, etc. The implementation of the GST is a great boost to the economy, it is expected to have positive benefits on reducing transit time, working capital efficiency, bring costs rationalization, etc. over a period of time.

##### Technical Textiles / Automotive Fabrics

Indian Passenger Car segment has been growing with stable growth rate of 8-10% however the quality of growth in the last few years has come in from low cost / basic car variants and exports of vehicles out of India by OEM's. Majority (3/4th) of the Indian Car industry is dominated by Maruti Suzuki & Hyundai with all other OEM having the balance share. The Automotive Fabrics Industry is directly linked to the growth in passenger car segment and its consumption of fabrics. Other than Automotive Fabrics which are consumed in majority, low cost car variants use Vinyl (PVC) for cost reduction and high end variants use Leather / Leatherites and value added fabrics, both of the aforesaid segment form at least 20-25% of the total consumption and the same is growing by the day. Key aspects of success in this industry are continuous innovation without adding costs, quality performance & timely execution, long term cost competitiveness, capacities, etc. The company operates in the limited area of automotive fabrics only whereas Technical Textiles as such has a wide gamut of applications.

##### COMPANY OVERVIEW AND OUTLOOK

The Company is engaged in manufacturing and supply of automotive textiles (specialized in Passenger Vehicles fabrics) to OEM's. It is also engaged in the manufacturing of fabrics used in Auditoriums, Luxury Buses and Railway Coaches. Aunde has continuously evolved in development planning and execution strategy to align with specific product needs and standardization of processes. There is constant interaction taking place with OEMs to showcase innovative capabilities which are in sync with the themes / vision of the OEM's for the future launches. This is enabled by Strategic tie ups globally and inputs drawn from Aunde group globally. The other set of factors that drive all new developments towards Aunde is QDS (Quality, Delivery & Service). Quality levels were drastically improved and 100% compliance to delivery schedules followed with all OEMs. Since all OEMs are Just in Time customers, the inventory flow management is key to gain QDS points.

In terms of Total Revenue, the year gone by has been flat with slight de-growth over the last year mainly on account lower volumes as compared to last year. There was a good improvement in EBIDTA owing to savings on account of rationalization of overheads and better efficiency. The coming year is also expected to remain at similar levels in terms of volume, total revenue and profitability. Almost 75% of the total supplies for the last two years has been to 3 major OEMs being Maruti Suzuki, Hyundai & Ford India. The Company is making efforts to gain market share in the current segment and evaluating other avenues of growth including setting up cut & sew (seat covers), etc. in a long run.

##### OPPORTUNITIES AND CHALLENGES

Technical Textiles are an important part of the textile industry and its potential is still largely untapped in India. With the increase in disposable income, the consumption of technical textiles is expected to increase. Technical Textile Industry is import intensive - high-end products are mostly imported.

Government of India has realized the potential of technical textiles industry and various initiatives as fiscal support, research spending and inter-departmental co-ordination have been taken to promote technical textiles. Make in India supports and eases setting up manufacturing business in Technical Textiles. Along with factors like availability of cost competitive labour, increasing demand, steady increase in infrastructure development, manufacturing thrust, growth in automotive sector.

Some of the major investments and developments in the automobile sector in India are as follows:

- South Korea's Kia Motors Corp is close to finalising a site for its first factory in India, slated to attract US\$1 billion (Rs 6,700 crore) of investment. It is deciding between Andhra Pradesh and Maharashtra. The target for operationalising the factory is the end of 2018 or early 2019.

## AUNDE India Limited

---

- Hero MotoCorp Ltd seeks to enhance its participation in the Indian electric vehicle (EV) space by pursuing its internal EV Programme in addition to investing Rs 205 crore (US\$ 30.75 million) to acquire around 26-30 per cent stake in Bengaluru-based technology start-up Ather Energy Pvt Ltd.
- Ford Motor Co. plans to invest Rs 1,300 crore (US\$ 195 million) to build a global technology and business centre in Chennai, which will be designed as a hub for product development, mobility solutions and business services for India and other markets.
- Suzuki Motor Corporation, the Japan-based automobile manufacturer, plans to invest Rs 2,600 crore (US\$ 390 million) for setting up its second assembly plant in India and an engine and transmission unit in Mehsana, Gujarat.
- China's biggest automobile manufacturer, SAIC Motor, plans to invest US\$ 1 billion in India by 2018, and is exploring possibilities to set up manufacturing unit in one of three states – Maharashtra, Andhra Pradesh and Tamil Nadu.
- FIAT Chrysler Automobiles has recently invested US\$280 million in its Ranjangaon plant to locally manufacture Jeep Compass, its new compact SUV which will be launched in India in August 2017.

The company shall evaluate all opportunities that come along in the space to grow by venturing into potential other segments apart from automotive fabrics. Barring unforeseen circumstances the company is confident of achieving better results in the current year.

The Automotive Fabrics segments faces threat / challenges from the PVS / synthetic leather in terms of cost efficiency and artificial leather in terms of acting as a substitute to the automotive fabrics. Also with growing disruption towards electric vehicles might bring unforeseen challenges to the entire automotive value chain.

### **HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

Employee relations in your Company continued to be harmonious. Our Company has been continuously working to improve human resources skills, competencies and capabilities in the Company, which is critical to achieve desired results. we support the professional development of our employees and through on-the-job opportunities and rewards and recognition for superior performance, Suitable Learning & Development initiatives were organized.

Talent retention was done and fresh talent was inducted for key roles. Our Company has also encouraged wholehearted participation of the employees in improving productivity as well as quality of its products. Employee engagement initiatives were organized which were well received and reinforced the team spirit. Your Company continued to make substantial investments in human capital and information technology to meet its growth targets.

### **POLLUTION AND ENVIRONMENTAL CONTROLS**

Your Company continued to emphasize on creating pollution compliant and a safe work environment for its employees. The Company has taken up several initiatives on clean technology, energy efficiency etc. Aunde India Limited is conscious of the vulnerability and the essence of a healthy and clear environmental surrounding.

### **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Companys' objective, projections, estimates, expectations or predictions may be forward looking statements within the meaning of the applicable corporate laws and regulation. It may be noted that the actual results may differ from that expressed or implied herein.

For and on behalf of the Board of Directors

Place : Mumbai  
Date: 28<sup>th</sup> April, 2017

Ajay Anand  
Managing Director



**Form No. 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 (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 2016-17. 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, Purchases & Sale of goods or materials and Availing or rendering of any services
  - 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: 28<sup>th</sup> April, 2017
  - f. Amount paid as advances, if any: None

For and on behalf of the Board of Directors

Place : Mumbai  
Date: 28<sup>th</sup> April, 2017

Ajay Anand  
Managing Director

**ANNEXURE TO THE DIRECTORS REPORT**

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. Steps taken for Conservation of energy:**

The Company has undertaken a number of steps for conservation of energy. Some of which are highlighted below:

- i. Installation of LED lightings across all factories consuming less energy.
- ii. Regulated compressed air supply in factories.
- iii. Introduction of separate regulated air line for machines which has zero % leakage.
- iv. Installation of new energy saving equipment's and appliances across all factories.

**B. Steps taken by the Company for utilizing alternate sources of energy:**

The Company has started installing solar lights around the factory areas and plans to gradually increase the alternate source of energy in the coming times.

**C. 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, better effluent management and utilizing only indigenous products for offering finished products in export market.
- Reduction in Cost and Time cycle, better effluent management.

(iii) Future Plan of Action:

- Development of Products for indigenous market.
- Substitute Development of new designs for Export of high value products, which are currently imported.
- 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.



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration 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 31<sup>st</sup> March 2017 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 31<sup>st</sup> March 2017 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;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - (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



## AUNDE India Limited

---

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 Establishments Act 1948
20. The Noise Pollution (Regulation and Control) Rules, 2000
21. National Textile Policy, 2000
22. The Textile 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 1<sup>st</sup> July 2015.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015 (effective from 1<sup>st</sup> 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 appointed Chief Financial Officer (CFO) only w.e.f 15<sup>th</sup> July 2016.
2. Composition of Board of Director was in compliance from 9<sup>th</sup> September 2016 on appointment of additional 1 (one) Independent Director.

### **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.



## 20th Annual Report 2016-2017

---

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**

**Date: 28<sup>th</sup> April 2017**  
**Place: Mumbai**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 /CP No. 1798**

---

### Annexure A

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. Where ever 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**

**Date: 28<sup>th</sup> April 2017**  
**Place: Mumbai**

**(SANJAY R DHOLAKIA)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 2655 /CP No. 1798**

**EXTRACT OF ANNUAL RETURN**

FORM NO. MGT-9

As on financial year ended 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013 read with  
[The Companies (Management and Administration) Rules, 2014]

**A. REGISTRATION AND OTHER DETAILS:**

CIN:	L17120DN1997PLC000196
Registration Date:	3 <sup>rd</sup> October, 1997
Name of the Company:	Aunde India Limited
Category / Sub-Category of the Company	Company limited by shares / Indian Non - Government Company
Address of the Registered office and contact details:	Plot No.146, Waghdhara Village Road,Dadra - 396193, Union Territory of Dadra and NagarHaveli. Ph:0260 6632 600 Email: investors@aundeindia.com Website: www.aundeindia.com
Whether listed company	Yes, Listed
Name, Address and Contact details of Registrar and Transfer Agent, if any	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: <a href="http://www.sharexindia.com">www.sharexindia.com</a> Email: <a href="mailto:sharexindia@vsnl.com">sharexindia@vsnl.com</a>

**B. 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
a.	Weaving & finishing of artificial / synthetic textile fabrics on power looms (Automotive Textile)	2476	99%

**C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
a.	N.A.	N.A.	N.A.	N.A.



## 20th Annual Report 2016-2017

### D. SHAREHOLDING PATTERN :

(i) Category - wise Share Holding

Category code	Category of Shareholder	Number of shares held at Beginning of the year (01.04.2016)				Number of shares held at the end of the year (31.03.2017)				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals/ HUF	1297726	0	1297726	12.10	1297726	0	1297726	12.10	0.00
(b)	Central / State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	2125275	0	2125275	19.82	2125275	0	2125275	19.82	0.00
(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>3423001</b>	<b>0.00</b>	<b>3423001</b>	<b>31.92</b>	<b>3423001</b>	<b>0.00</b>	<b>3423001</b>	<b>31.92</b>	<b>0.00</b>
2	Foreign	0	0	0	0.00	0	0	0	0.00	0.00
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>3423001</b>	<b>4591200</b>	<b>8014201</b>	<b>74.74</b>	<b>3423001</b>	<b>4591200</b>	<b>8014201</b>	<b>74.74</b>	<b>0.00</b>
(B)	Public shareholding									
1	Institutions	0	0	0	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	150	150	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>150</b>	<b>150</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	1404902	179900	1584802	14.78	1584292	34950	1619242	15.10	0.32
(b)	Individuals									
I	i. Individual shareholders holding nominal share capital up to Rs 2 lakh	594150	197583	791733	7.38	762470	116308	878778	9.20	1.82
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	260921	71250	332171	3.10	139436	71250	210686	1.97	(1.13)
(c)	Any Other									
(c-i)	Clearing Member	0	0	0	0.00	0	0	0	0.00	0.00
(c-ii)	NRI	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (B)(2)</b>	<b>2259973</b>	<b>448733</b>	<b>2708706</b>	<b>25.26</b>	<b>2486198</b>	<b>222508</b>	<b>2708706</b>	<b>25.26</b>	<b>0.00</b>
(B)	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2260123</b>	<b>448883</b>	<b>2709006</b>	<b>25.26</b>	<b>2486348</b>	<b>222658</b>	<b>2709006</b>	<b>25.26</b>	<b>0.00</b>
	<b>TOTAL (A)+(B)</b>	<b>5683124</b>	<b>5040083</b>	<b>10723207</b>	<b>100</b>	<b>5909349</b>	<b>4813858</b>	<b>10723207</b>	<b>100</b>	<b>0.00</b>

## AUNDE India Limited

- (ii) 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 year (01/04/2016)			Details of Shareholding at the end of the year (31/03/2017)			% 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	Instyle Investments Pvt Ltd	1436775	13.40	0	2119575	19.77	0	6.37
6	Rohina Anand	7000	0.07	0	7000	0.07	0	0.00
7	Vishnu Anand	5625	0.05	0	5625	0.05	0	0.00
8	Sanjay Anand	71100	0.66	0	71100	0.66	0	0.00
9	AUNDE Achter & Ebels GMBH	4591200	42.82	0	4591200	42.82	0	0.00
<b>TOTAL</b>		<b>7331401</b>	<b>68.37</b>	<b>0.00</b>	<b>8014201</b>	<b>74.74</b>	<b>0</b>	<b>6.37</b>

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

Sr No.	Shareholder's Name	Details of Shareholding at the beginning of the year (01/04/2016)		Details of Shareholding at the end of the year (31/03/2017)	
		No. of Shares	%	No. of Shares	%
1	Instyle Investments Pvt Ltd	1436775	13.40	2119575	19.77

- (iv) 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 year (01-04-2016)	% of total Shares of the company	No. of Shares at end of the year (31-03-2017)	% of total Shares of the company
1	FORESIGHT HOLDINGS PVT LTD	587256	5.48	587256	5.48
2	MAKARAND EXIM PVT LTD	150650	1.40	243650	2.27
3	DESANA IMPEX LTD	237005	2.21	237005	2.21
4	CASA SERAI RESORTS PVT LTD	0	0.00	199100	1.86
5	ADMIT VINTRADE PRIVATE LIMITED	0	0.00	89000	0.83
6	ORIENT VINIMAY PVT LTD	0	0.00	85000	0.79
7	SAMIKSHA RESOURCES PVT LTD	0	0.00	70000	0.65
8	RAJIV RAI SACHDEV (HUF)	63750	0.59	63750	0.59
9	RAJIV RAI SACHDEV	48750	0.45	48750	0.45
10	RAJ KUMAR LOHIA HUF	28967	0.27	28967	0.27



## 20th Annual Report 2016-2017

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding at the beginning of the year 01/04/2016		Cumulative Shareholding during the year 31/03/2017	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	AJAY ANAND	565251	5.27	565251	5.27
2	AKRAM SATI	1	0.00	1	0.00

### E. 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	4446.33	2592.16	0	7038.49
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>4446.33</b>	<b>2592.16</b>	<b>0</b>	<b>7038.49</b>
Change in Indebtedness during the financial year				
• Addition	13.61	594.00	0	-
• Reduction	-354.11	-594.00	0	-
<b>Net Change</b>	<b>-340.50</b>	<b>0</b>	<b>0</b>	<b>-340.50</b>
Indebtedness at the end of the financial year				
i) Principal Amount	4105.83	2592.16	0	6679.99
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>4105.83</b>	<b>2592.16</b>	<b>0</b>	<b>6679.99</b>

Note: Secured Loans include Working Capital Loan of Rs. 2150 Lacs.

### F. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD	Total Amount
		Mr. Ajay Anand	
1	Gross salary	43.80	43.80
	(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	1.20	1.20
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	-as % of profit	-	-
	-others, specify...	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>45.00</b>	<b>45.00</b>

## AUNDE India Limited

### G. Remuneration to other Directors

<b>A. Independent Directors</b>				
Particulars of Remuneration	Mr. Kapil Sethi	Mrs. Gurinder Kaur Kalsi	Mr. Vinit Rathod	Mr. Manan Shah
• Fee for attending board / committee meetings	4,000/-	8,000/-	4,000/-	2,000/-
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
<b>Total</b>	<b>4,000/-</b>	<b>8,000/-</b>	<b>4,000/-</b>	<b>2,000/-</b>
<b>B. Other Non-Executive Directors</b>				
Particulars of Remuneration	Mr. Bheemanna Chikkerur			
• Fee for attending board / committee meetings	10,000/-			
• Commission	-			
• Others, please specify	-			
<b>Total</b>	<b>10,000/-</b>			

### H. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in Lacs)

Particulars of Remuneration	Key Managerial Personnel	Key Managerial Personnel	Key Managerial Personnel	Total
	V. Shivakumar (CFO) (9 Months)	Akram Sati (CS) (1 Month)	Reema Mathias (CS) (9 Month)	
1 Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.00	0.25	8.00	20.25
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2.40	-	1.90	4.30
(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>14.40</b>	<b>0.25</b>	<b>9.90</b>	<b>24.55</b>

### I. 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]
<b>A. Company</b>					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-
<b>B. Directors</b>					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-
<b>C. Other Officers in Default</b>					
Penalty	N.A	-	-	-	-
Punishment	N.A	-	-	-	-
Compounding	N.A	-	-	-	-



## 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, 2017, 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 2017 and its profit and its cash flows for the year ended on that date.

#### 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;



## AUNDE India Limited

---

- (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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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.
  - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 31<sup>st</sup> December, 2016 and the same are in accordance with the books of accounts maintained by the company.

**For Majibail & Co.,  
Chartered Accountants  
Firm's Registration No. 105970W**

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

**Date: 28<sup>th</sup> April, 2017**

### **"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, 2017

- 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.



## 20th Annual Report 2016-2017

---

- 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, 2017 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. 105970W**

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

**Date: 28<sup>th</sup> April, 2017**

## AUNDE India Limited

---

### **“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, 2017 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 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, 2017, 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. 105970W**

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

**Date: 28<sup>th</sup> April, 2017**



## 20th Annual Report 2016-2017

### Balance Sheet as at 31st March, 2017

(₹ in Lacs)

	Note	March 31, 2017	March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share Capital	3	1,072.32	1,072.32
Reserves and Surplus	4	2,489.59	2,234.15
		<b>3,561.91</b>	<b>3,306.47</b>
<b>Non-current liabilities</b>			
Long Term Borrowings	5	4,423.66	4,537.24
Deferred Tax Liabilities (Net)	6	457.68	542.68
Long Term Provision	7	27.86	18.65
		<b>4,909.20</b>	<b>5,098.57</b>
<b>Current liabilities</b>			
Short Term Borrowings	8	1,928.81	2,121.61
Trade Payables	9	1,702.92	2,091.98
Other Current Liabilities	10	229.37	559.78
Short Term Provisions	11	17.10	59.58
		<b>3,878.20</b>	<b>4,832.95</b>
<b>Total</b>		<b>12,349.31</b>	<b>13,237.99</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	5,002.49	5,193.11
Capital Work-In-Progress		24.89	37.58
Non Current Investments		-	-
Long Term Loans and Advances	13	290.64	274.85
		<b>5,318.02</b>	<b>5,505.53</b>
<b>Current assets</b>			
Inventories	14	3,227.74	3,745.40
Trade Receivables	15	3,348.54	3,355.14
Cash and Cash Equivalents	16	167.04	192.94
Short Term Loans and Advances	17	279.66	333.17
Other Assets	18	8.31	105.80
		<b>7,031.29</b>	<b>7,732.45</b>
<b>Total</b>		<b>12,349.31</b>	<b>13,237.99</b>
Significant accounting policies and other notes	2 to 36		

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 Board of Directors of  
**AUNDE INDIA LIMITED**

**M.V. RAO**

Proprietor

Membership No. 7082

Date : April 28, 2017

**AJAY ANAND**

Managing Director

DIN - 00373248

**V. SIVAKUMAR**

President & CFO

**B. CHIKKERUR**

Director

DIN - 07371496

**AKRAM SATI**

Company Secretary

## AUNDE India Limited

### Statement of profit and loss for the year ended 31st March, 2017

(₹ in Lacs)

	Note	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from Operations	19	13,716.12	13,973.81
Less : Excise Duty on Domestic Sales		(1,355.93)	(1,477.98)
Other Income	20	56.65	60.77
<b>Total Revenue</b>		<b>12,416.85</b>	<b>12,556.59</b>
<b>Expenses</b>			
Cost of materials consumed	21	6,953.07	7,351.13
Changes in inventories of Finished goods & Work-in-progress	22	537.70	775.41
Employee Benefit Expenses	23	868.29	738.54
Other expenses	24	2,926.86	2,998.19
<b>Total Expenses</b>		<b>11,285.91</b>	<b>11,863.26</b>
<b>Profit before Interest, Tax &amp; Depreciation</b>		<b>1,130.93</b>	<b>693.33</b>
Depreciation and amortization expense	25	415.85	452.38
Finance costs	26	544.65	86.27
Exceptional items		-	-
<b>Profit before Tax</b>		<b>170.44</b>	<b>154.69</b>
Tax expense:			
Current tax - MAT		34.75	34.00
MAT Credit Entitlement		(34.75)	(31.42)
Deferred tax		(85.00)	(18.60)
Total Tax expense		(85.00)	(16.02)
<b>Profit for the period</b>		<b>255.44</b>	<b>170.72</b>
<b>Earnings per equity share</b>	33		
Equity share of ₹ 10/- each			
Basic		2.38	1.59
Diluted		<b>2.38</b>	<b>1.59</b>
Significant accounting policies and other notes	2 to 36		

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 Board of Directors of  
**AUNDE INDIA LIMITED**

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

Date : April 28, 2017

**AJAY ANAND**  
Managing Director  
DIN - 00373248

**V. SIVAKUMAR**  
President & CFO

**B. CHIKKERUR**  
Director  
DIN - 07371496

**AKRAM SATI**  
Company Secretary



## 20th Annual Report 2016-2017

### Cash Flow Statement for the year ended 31st March, 2017

(₹ in Lacs)

	Year Ended March 31, 2017	Year Ended March 31, 2016
<b>Cash Flow from Operating activities</b>		
Profit before tax	170.44	154.69
Adjustments to reconcile profit before tax to net cash flows		
Depreciation / amortization expense	415.85	452.38
Interest on Banks and Financial Institutions	544.65	621.86
Interest to Others	-	(535.59)
Interest Income	(2.31)	(2.52)
Profit / Loss on sale of Asset	-	(1.30)
Operating profit before working capital changes	<b>1,128.62</b>	<b>689.51</b>
Movements in Working Capital :		
Increase / (decrease) in trade payables	(389.06)	(306.16)
Increase / (decrease) in Long term provisions	-	-
Increase / (decrease) in short term provisions	(42.49)	(1.91)
Increase / (decrease) in current liabilities	(330.41)	(429.66)
(Increase) / decrease in trade receivables	6.59	(708.62)
(Increase) / decrease in inventories	517.66	612.10
(Increase) / decrease in long term loans and advances	18.96	23.93
(Increase) / decrease in short term loans and advances	53.51	483.24
(Increase) / decrease in other current assets	97.49	23.72
Increase / (Decrease) in Long Term Liabilities	9.21	(533.99)
Direct taxes paid (net of refunds)	(34.75)	(34.00)
<b>Net Cash generated by / (used in) operating activities</b>	<b>1,035.34</b>	<b>(181.86)</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets, CWIP and capital advances	(231.73)	(129.03)
Proceeds from Sale of Fixed assets, CWIP	19.19	1.30
Purchase of Investments	-	-
Proceeds of sale / maturity Investments	-	-
Interest received	2.31	2.52
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(210.22)</b>	<b>(125.21)</b>
<b>Cash flow from Financing Activities</b>		
Proceeds from issuance of share capital	-	-
Proceeds from Long term borrowings	607.61	2,284.16
Repayment of long term borrowings	(721.19)	(605.87)
Proceeds from short term borrowings	-	-
Repayment of short term borrowings	(192.81)	(1,441.19)
Interest on Banks and Financial Institutions	(544.65)	(621.86)
Interest to Others	-	535.59
<b>Net cash flow from / (used in) Financing activities (C)</b>	<b>(851.03)</b>	<b>150.83</b>
Net increase / (decrease) in cash and cash equivalents (a+b+c)	(25.92)	(156.24)
Cash and cash equivalents at the beginning of the year	192.94	349.18
<b>Cash and cash equivalents at the end of the year</b>	<b>167.03</b>	<b>192.94</b>
<b>Components of Cash and cash equivalents</b>		
Cash on hand	3.79	4.43
Cheques/draft on hand	54.02	141.37
With Banks		
On current accounts	71.19	7.86
On deposit account	38.04	39.29
<b>Total cash and cash equivalents (note 16)</b>	<b>167.04</b>	<b>192.94</b>

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**

**M.V. RAO**

Proprietor

Membership No. 7082

Date : April 28, 2017

For and on behalf of Board of Directors of  
**AUNDE INDIA LIMITED**

**AJAY ANAND**

Managing Director

DIN - 00373248

**V. SIVAKUMAR**

President & CFO

**B. CHIKKERUR**

Director

DIN - 07371496

**AKRAM SATI**

Company Secretary

# AUNDE India Limited

---

## Notes Forming Part of Financial Statements for The Year Ended 31<sup>st</sup> March 2017

### 1 Corporate Information

Aunde India Limited (The Company) is a Public Company incorporated & domiciled in India. The Company's equity shares are listed on the Bombay Stock Exchange. 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.

#### 2.1 Summary of significant accounting policies

##### a. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, 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 and liabilities in future periods.

##### 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 derecognition 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 derecognition 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, amortization of ancillary costs incurred in connection with arranging the borrowings to the extent they are regarded as an adjustment to the interest cost.

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 the higher of an asset's net selling price or its 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 recognized. 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.



## AUNDE India Limited

---

### 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

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.



## 20th Annual Report 2016-2017

---

### **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 a right 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.

### **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 Company 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.

All amounts in Financial Statements are presented in ` in Lacs, except for per Equity Share data and as otherwise stated.

The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

## AUNDE India Limited

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 3 Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	₹ in Lacs	Number	₹ in Lacs
<b>Authorised</b>				
Equity Shares of ₹ 10/- each	1,10,00,000	1,100.00	1,10,00,000	1,100.00
	<b>1,10,00,000</b>	<b>1,100.00</b>	<b>1,10,00,000</b>	<b>1,100.00</b>
<b>Issued, Subscribed &amp; Fully paid up</b>				
Equity Shares of ₹ 10/- each	1,07,23,207	1,072.32	1,07,23,207	1,072.32
<b>Total Issued, Subscribed &amp; Fully paid up</b>	<b>1,07,23,207</b>	<b>1,072.32</b>	<b>1,07,23,207</b>	<b>1,072.32</b>

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

Particulars	As at March 31, 2017		As at March 31, 2016	
	No of shares	₹ in Lacs	No of shares	₹ in Lacs
At the beginning of the year	1,07,23,207	1,072.32	1,07,23,207	1,072.32
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	<b>1,07,23,207</b>	<b>1,072.32</b>	<b>1,07,23,207</b>	<b>1,072.32</b>

#### 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	March 31, 2017		March 31, 2016	
	No. of shares	% of Holding	No. of shares	% of Holding
<b>Equity Shares of ₹ 10/- each fully paid</b>				
Aunde Achter & Ebels Gmbh	4591200	42.82	4591200	42.82
Ajay Anand	565251	5.27	565251	5.27
Instyle Investments Pvt Ltd	2119575	19.77	1436775	13.40
Foresight Holdings Pvt. Ltd	587256	5.48	587256	5.48

#### 4 Reserves & Surplus

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>a. General Reserve</b>		
Balance as per last financials	1,691.94	1,691.94
<b>b. Surplus / (Deficit) in statement of profit &amp; loss</b>		
Balance as per last financial statements	542.21	441.11
Adjustments for change in useful life of assets	-	(69.62)
Profit/(Loss) for the current year	255.44	170.72
<b>Net Surplus / (Deficit) in the statement of Profit and Loss</b>	<b>797.65</b>	<b>542.21</b>
<b>Total Reserves and Surplus</b>	<b>2,489.59</b>	<b>2,234.15</b>



## 20th Annual Report 2016-2017

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 5 Long Term Borrowings

(₹ in Lacs)

Particulars	As at	As at	As at	As at
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Non Current Maturities		Current Maturities	
<b>Secured</b>				
<b>(a) Term loans</b>				
from banks (refer note 5.1)	1,828.00	1,926.70	97.20	335.96
<b>(b) Other Loans</b>				
(Against Hypothecation of Vehicles)	3.50	18.38	27.13	15.30
<b>(c) Unsecured Loans</b>				
(refer note 27)	2,592.16	2,592.16	-	-
	<b>4,423.66</b>	<b>4,537.24</b>	<b>124.33</b>	<b>351.26</b>

#### Note 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 and collaterally secured by way of EMT of Land & Building at Plot No. 146/145(1)/147/148/1/2, 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 Plot no. 71, Phase - 1, Indi Area, GIDC, Vapi-396195.

\* Details of Term Loans from Saraswat Bank

Term Loans	Maturity	Installments			Rate of Interest
		Periodicity	Numbers	(₹ in Lacs)	
Term Loan Account Number - 32	Jun-17	Quarterly	1	62.92	PLR -1.25%
Term Loan Account Number - 76	Sep-17	Monthly	6	0.50	PLR -1.25%
Term Loan Account Number - 88	Mar-18	Monthly	12	0.31	PLR -1.25%
Term Loan Account Number - 901290	Oct-27	Monthly	118	14.00	PLR -1.25%
Term Loan Account Number - 901291	Feb-23	Monthly	63	4.00	PLR -1.25%

#### 6 Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Difference in WDV between Books of Accounts and Income tax records	457.68	542.68
	<b>457.68</b>	<b>542.68</b>

#### 7 Long Term Provisions

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Provision for Gratuity	27.86	18.65
	<b>27.86</b>	<b>18.65</b>

#### 8 Short Term Borrowings

(₹ in Lacs)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Loans repayable on demand from banks (secured) (refer note 8.1)	1,928.81	2,121.61
	<b>1,928.81</b>	<b>2,121.61</b>

## AUNDE India Limited

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 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)/147/148/1/2, 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 & Plot No.71, Phase 1, Indl Area, GIDC, Vapi-396195. The sanctioned limit by the Bank is Rupees 21.50 Crore and the applicable rate of interest is PLR -1.25%

#### 9 Trade Payable

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Acceptances	95.54	181.76
Trade Payable	1,607.38	1,910.22
	<b>1,702.92</b>	<b>2,091.98</b>

#### 10 Other Current Liabilities

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Current maturities of Term Loan	97.20	335.96
(b) Current maturities of Other loan	27.13	15.30
(c) Statutory Liabilities	11.31	15.69
(d) Interest Accrued and due on Borrowings	22.10	28.63
(e) Other liabilities	71.63	164.20
	<b>229.37</b>	<b>559.78</b>

#### 11 Short Term Provisions

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Provision for employee benefits</b>		
Salary, Bonus & Reimbursements	17.10	59.58
	<b>17.10</b>	<b>59.58</b>

**Notes forming part of Financial Statements for the year ended March 31, 2017**
**12. Tangible Fixed Assets**

(₹ in Lacs)

Particulars	Gross block			Accumulated depreciation and impairment					Net block		
	Balance as at April 1, 2016	Additions	Disposals	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation/ amortisation/ expense for the year	Eliminated on disposal of assets	Impairment Provision recognised in statement of profit and loss	Depreciation on assets adjusted against Reserves	Balance as at March 31, 2017	Balance as at March 31, 2016
(a) Land											
Freehold	383.91	4.02	-	387.93	-	-	-	-	-	387.93	383.91
Leasehold	-	-	-	-	-	-	-	-	-	-	-
(b) Buildings											
Owned	957.24	22.64	-	979.88	423.73	24.04	-	-	447.77	532.11	533.51
(c) Plant and Equipment											
Owned	7,519.10	178.47	70.00	7,627.57	3,365.54	369.60	63.50	-	3,671.64	3,955.93	4,153.56
(d) Furniture and Fixtures & Office Equipment											
Owned	167.83	3.08	-	170.91	138.81	3.67	-	-	142.48	28.43	29.01
(e) Vehicles											
Owned	275.08	16.61	-	291.69	226.38	8.50	-	-	234.88	56.81	48.70
(f) Office equipments											
Owned	162.07	4.99	-	167.06	145.88	7.17	-	-	153.05	14.01	16.18
(g) Electrical Installation											
Owned	198.62	1.92	-	200.54	170.40	2.87	-	-	173.27	27.27	28.22
<b>Total</b>	<b>9,663.85</b>	<b>231.73</b>	<b>70.00</b>	<b>9,825.58</b>	<b>4,470.74</b>	<b>415.85</b>	<b>63.50</b>	<b>-</b>	<b>4,823.09</b>	<b>5,002.49</b>	<b>5,193.10</b>

Note 12.1 The value of Intangible assets are negligible and immaterial, hence, have not been separately classified.

12.2 Assets individually costing ₹ 5000/- or less are fully depreciated in the year of acquisition

## AUNDE India Limited

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 13 Long Term Loans and Advances

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
a. Advance Income Tax (net of provision)	261.83	229.29
b. Security Deposits	28.81	45.56
	<b>290.64</b>	<b>274.85</b>

#### 14 Inventories (valued at lower of cost and net realizable value)

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
a. Raw Materials and components	904.20	856.86
b. Work-in-progress	470.25	528.13
c. Finished goods	1,834.36	2,314.18
d. Stores and spares	18.93	46.23
	<b>3,227.74</b>	<b>3,745.40</b>

#### 15 Trade Receivables

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
<b><u>Unsecured, considered good</u></b>		
Trade receivables		
- Outstanding for a period exceeding six months	89.05	-
- Others	3,259.49	3,355.14
	<b>3,348.54</b>	<b>3,355.14</b>

#### 16 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
a. Balances with banks	71.19	7.86
b. Cash on hand	3.79	4.43
c. Cheques/draft on hand	54.02	141.37
d. Bank deposits with Less than 12 months maturity (refer note 16.1)	38.04	39.29
	<b>167.04</b>	<b>192.94</b>

##### Note No. 16.1

The amounts in Bank deposits above include margin money deposit for issue of Letters of Credit and Bank guarantee.

#### 17 Short Term Loans and Advances

(₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Staff Advances	7.71	17.68
Excise/ Service Tax/ Cenvat	256.83	293.64
Prepaid Expenses	13.19	21.37
Others	1.93	0.49
	<b>279.66</b>	<b>333.17</b>



## 20th Annual Report 2016-2017

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 18 Other Assets (₹ in Lacs)

Particulars	As at March 31, 2017	As at March 31, 2016
Export Incentive receivable	7.82	25.20
Rent Receivable	-	32.68
Interest Receivable	0.49	47.92
	<b>8.31</b>	<b>105.80</b>

#### 19 Revenue From Operations (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Sales</b>		
Exports	384.68	934.51
Domestic	13,331.44	13,018.29
Other Operating revenues (Export Incentives)	-	21.02
	<b>13,716.12</b>	<b>13,973.81</b>

#### 20 Other Income (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income	2.31	2.52
Job work Income	31.16	18.16
Miscellaneous income	0.22	0.99
Gain arising from foreign exchange difference	8.40	20.64
Lease Rent	14.56	17.15
Profit on sale of Assets	-	1.30
	<b>56.65</b>	<b>60.77</b>

#### 21 Cost of Materials Consumed (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the beginning of the year	856.86	714.13
Add: Purchases	7,000.41	7,493.85
Less: Inventory at the end of the Year	(904.20)	(856.86)
<b>Cost of material and components consumed</b>	<b>6,953.07</b>	<b>7,351.13</b>

##### 21.1. Cost of Materials comprises of : (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Yarn	2,796.39	2,670.00
Foam	1,850.09	2,036.24
Tricot & Fabrics	29.85	160.39
Semi-Finished - Woven fabrics	2,276.74	2,484.50
<b>Cost of material and components consumed</b>	<b>6,953.07</b>	<b>7,351.13</b>



## AUNDE India Limited

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 22 Changes in inventories of finished goods and work-in-progress (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Inventory at the end of the year	(2,304.61)	(2,842.31)
Inventory at the beginning of the Year	2,842.31	3,617.72
<b>Changes in inventories of finished goods work-in-progress and Stock-in-Trade</b>	<b>537.70</b>	<b>775.41</b>

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Salaries and Incentives	752.81	695.87
(b) Contributions to - Providend fund, E.S.I.C. and other funds	74.58	24.92
(c) Other expensess and provisions	40.91	17.75
	<b>868.29</b>	<b>738.54</b>

#### 24 Other Expenses (₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Stentering, Weaving & other Processing Charges	1,145.09	1,126.06
Power & Fuel	157.59	170.80
Packing Materials expenses	89.26	93.47
Repairs & Maintenance:		
Plant & Machinery	15.12	12.76
Building	5.76	10.58
Other	11.01	2.19
Other Manufacturing expenses	348.03	352.80
Rent, Rates & Taxes	113.77	165.57
Stores and spares consumed	164.02	106.79
Audit Fees (refer note 24.1)	2.45	1.65
Miscellaneous expenses	123.98	118.64
Travelling, Vehicle & Conveyance expenses	59.67	78.76
Legal & Professional Fees	20.13	43.39
Insurance Charges	13.06	17.73
Technical Know how/Royalty fees	31.28	-
Transportation Charges	260.07	464.97
Rebates, Discounts & Customer Claims	366.57	232.04
	<b>2,926.86</b>	<b>2,998.19</b>

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

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
a. as auditor	1.00	1.15
b. for taxation matters	0.30	0.23
c. for certification	1.15	-
d. for reimbursement of expenses	-	0.27
	<b>2.45</b>	<b>1.65</b>



## 20th Annual Report 2016-2017

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 25 Depreciation and Amortization Expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation on tangible assets	415.85	452.38
	<b>415.85</b>	<b>452.38</b>

#### 26 Finance Costs

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest to Banks and Financial Institutions	544.65	621.86
Interest to Others	-	-535.59
	<b>544.65</b>	<b>86.27</b>

#### 27 Related party disclosures

##### (a) List of Related Parties and Relationship

Name of the Party	Relationship
Aunde Achter & Ebels GMBH	Venturer
Madhyam Vinimay Pvt. Ltd.	Associate
Faze Three Limited	Associate

##### (b) Key Management Personnel (KMP)

Mr. Ajay Anand	Managing Director
Mr. V. Sivakumar	President & CFO
Mr. Akram Sati (w.e.f. 22.02.2017)	Company Secretary
Ms. Jovita Reema Mathias (resigned w.e.f. 17.01.2017)	Company Secretary

##### (c) Related Party Transaction during the Year :-

##### 1 Managerial Remuneration

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
All KMPs	69.33	54.60

##### 2 Loans taken

Relationship	Party Name	Opening Balance (₹ in Lacs)	Loans Received (₹ in Lacs)	Loans Repaid (₹ in Lacs)	Closing Balance (₹ in Lacs)
Venturer	Aunde Achter & Ebels GMBH	1,275.36	-	-	1,275.36
KMP	Mr Ajay Anand	722.80	594.00	-	1,316.80
Associate	Madhyam Vinimay Pvt Ltd	594.00	-	594.00	-

##### 3 Sale/Purchase of goods and services

(₹ in Lacs)

Name	Year ended	Lease Rental Income	Purchase of goods & Services	Lease Rent Expenses	Sale of goods & Services
Faze Three Ltd.	March 2017	11.78	1337.83	37.75	11.08
	March 2016	12.86	2857.20	36.78	0

## AUNDE India Limited

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 28 Contingent Liabilities

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(i) Contingent Liabilities</b>		
(a) Claims against the Company not acknowledged as debt	-	-
(b) Guarantees and Letter of Credit	111.83	189.91
(c) Other money for which the Company is contingently liable	-	-
	<b>111.83</b>	<b>189.91</b>

#### 29 CIF Value of Imports

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Raw materials	373.58	496.00
Stores and spares	29.13	20.52
Capital goods	90.95	71.98
	<b>493.66</b>	<b>588.50</b>

#### 30 Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Travelling Expense	13.90	35.85
Others	77.36	13.14
	<b>91.26</b>	<b>48.99</b>

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

(₹ in Lacs)

Particulars	Year Ended March 31, 2017		Year Ended March 31, 2016	
	(₹ in lacs )	%	(₹ in lacs )	%
Raw materials				
- Imported	373.46	5%	477.47	6%
- Indigineous	6,579.60	95%	6,873.66	94%
	<b>6,953.07</b>	<b>100%</b>	<b>7,351.13</b>	<b>100%</b>
Stores and spares				
- Imported*	29.13	18%	20.52	19%
- Indigineous	134.89	82%	86.27	81%
	<b>164.02</b>	<b>100%</b>	<b>106.79</b>	<b>100%</b>

\*Mandatory Spares purchased along with imported Machineris are capitalised.

#### 32 Earnings in Foreign Currency

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
FOB Value of Exports	375.81	911.83



## 20th Annual Report 2016-2017

### Notes Forming Part of Financial Statements for the Year Ended March 31, 2017

#### 33 Earning Per Share

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit after Tax (₹)	255.44	170.72
Number of Shares Outstanding	1,07,23,207	1,07,23,207
Basic EPS (₹)	2.38	1.59

#### 34 Deferred Tax Liabilities (Net)

(₹ in Lacs)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Deferred Tax Liabilities :-		
- On Timing Diff. between Depreciation as per Books & Income Tax	(85.00)	(18.60)
<b>Net Deferred Tax Liabilities</b>	<b>(85.00)</b>	<b>(18.60)</b>

#### 35 Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes of other denomination note as defined in the MCA notification G.S.R. 308 dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 31, 2016, the details as per the notification is given below:

	SBNs	Other Denomination Notes	Total
Closing cash on hand as on 8/11/2016	57,000	1,42,290	1,99,290
(+) Permitted receipts *	-	3,59,500	3,59,500
(-) Permitted payments	57,000	3,43,949	4,00,949
(-) Amount deposited in Banks	-	-	-
Closing cash on hand as on 30/12/2016	-	1,57,841	1,57,841

\* Permitted receipts include amount of ₹ 3,38,500 of other denomination notes withdrawn from bank.

#### 36 The Company has reclassified previous year figures to conform to this year's classification.

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 Board of Directors of  
**AUNDE INDIA LIMITED**

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

Date : April 28, 2017

**AJAY ANAND**  
Managing Director  
DIN - 00373248

**V. SIVAKUMAR**  
President & CFO

**B. CHIKKERUR**  
Director  
DIN - 07371496

**AKRAM SATI**  
Company Secretary

**AUNDE INDIA LIMITED**

(CIN L17120DN1997PLC000196)

Regd. Office: Plot No. 146, Waghdhara Village Road, Dadra-396 193. Union Territory of Dadra &amp; Nagar Haveli.

Ph : +91(0) 260 2668539/ Fax :+91(0) 260 2668501 E-Mail: investors@aundeindia.com Website: [www.aundeindia.com](http://www.aundeindia.com)**ATTENDANCE SLIP**

(To be presented at the entrance)

**20th Annual General Meeting on Wednesday, 27th September, 2017 at 10.30 a.m.**

Folio No.	DP ID No.	Client ID No.
Name of the Member		Signature
Name of the Proxyholder		Signature

1. Only Member / Proxyholder can attend can attend the Meeting.
2. Member / Proxyholder should bring his / her copy of the Annual Report for reference at the Meeting.

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L17120DN1997PLC000196
Name of the Company	Aunde India Limited
Registered Office	Plot No. 146, Waghdhara Village Road, Dadra-396 193. Union Territory of Dadra & Nagar Haveli.
Name of the Member (s)	
Registered Address	
Email ID	
Folio No / Client Id	

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

Name			
Address			
E-mail Id		Signature	

OR FAILING HIM

Name			
Address			
E-mail Id		Signature	

OR FAILING HIM

Name			
Address			
E-mail Id		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth Annual General Meeting to be held on Wednesday, 27h September 2017 at 10.30 AM at Conference Room, Aunde India Limited, Plot No. 146, Waghdhara Road, Dadra- 396193, Union Territory of Dadra & Nagar Haveli and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTIONS	FOR	AGAINST
1. Adoption of Financial Statements for the year ended 31st March, 2017		
2. Appointment of Auditors and to fix their remuneration		
3. Appointment of Mr. Vinit Rathod as Independent Director.		
4. Appointment of Ms. Shweta Jain as Independent Director.		
5. Appointment of Mr. Manan Shah as Independent Director.		
6. Approval of Related Party Transactions.		
7. Adoption of New Articles of Association		
8. Right to convert Loan into Equity Shares		

Signed this..... day of..... 2017  
 Signature of Shareholder: ..... /  
 Signature of Proxy holder(s): .....

Affix Revenue Stamp
---------------------------

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

TEAR HERE





## BOOK-POST

To,

If undelivered please return to :

**AUNDE India Limited**  
Corporate Office:  
63/64, Mittal Court, Wing C,  
Nariman Point,  
Mumbai – 400 021.