

AUNDE India Limited



**16th ANNUAL REPORT
2012 - 2013**



16th Annual Report 2012-2013

AUNDE India Limited
(Formerly known as AUNDE Faze Three Limited)

16th ANNUAL REPORT FOR THE YEAR ENDED 30TH JUNE 2013

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|--|---|--|
| 1. Date of Annual General Meeting | : | Saturday, 30th November 2013 |
| 2. Time and Venue | : | 10.30 AM at Plot No. 146
Waghdhara Village Road
Dadra – 396 193
UT of Dadra & Nagar Haveli |
| 3. Book Closure | : | Saturday, 23rd November 2013 to Saturday,
30th November 2013 (Both Days inclusive) |
| 4. Investors' Complaints may be addressed to | : | Corporate Office:
AUNDE India Limited,
102, Shiv Smriti Chambers, 49-A,
Dr. Annie Besant Road, Worli,
Mumbai-400 018
Phone : 022 6660 4600
Email: investors@aundeindia.com |

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AUNDE India Limited



BOARD OF DIRECTORS

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

COMPLIANCE OFFICER

Jovita Reema Mathias	Company Secretary
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REGISTERED OFFICE & FACTORY

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

CORPORATE OFFICE

102, Shiv Smriti Chambers,
49-A, Dr Annie Besant Road,
Worli, Mumbai – 400 018
Ph: 022 4351 444
Fax: 022 2493 6811

AUDITORS

M/s Majibail & Co.
Chartered Accountants
Mumbai.

ADVOCATES & SOLICITORS

Vikram Philip & Associates

BANKERS

The Saraswat Co-operative Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

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

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NOTICE

NOTICE is hereby given that the 16th Annual General Meeting of the Members of **AUNDE India Limited** will be held on Saturday, 30th November 2013 at Plot No. 146, Wagdhara Village Road, Dadra – 396 193 Union Territory of Dadra & Nagar Haveli at 10.30 AM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 30th June 2013 and the Audited Statement of Profit & Loss for the year ended 30th June 2013 together with the Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Rolf Konigs, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

“RESOLVED THAT M/s. Majibail & Company, Chartered Accountants, Mumbai, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors.”

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Salim Govani, who was appointed as an Additional Director of the Company on 15th September 2013 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation”.

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

Place: **Mumbai**
Date : **21.10.2013**

(**Jovita Reema Mathias**)
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND & VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing a Proxy, in order to be effective, should be deposited with the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Completion and return of the form of proxy will not prevent a member from attending the meeting and voting in person if he or she so wishes. A form of proxy is given at the end of the Annual Report.
3. The relevant Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 is annexed hereto.
4. The Register of Members and the Share Transfer Registers of the Company shall remain closed from Saturday, 23rd November 2013 to Saturday, 30th November 2013 (both days inclusive).
5. Members are requested to inform any change in their address to the Registrar and the Share Transfer Agent, Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072. The Company or its Registrar cannot act on any request for change in the address received directly from the shareholders holding shares in electronic form. Such



- changes are to be advised only to the Depository Participant of the respective shareholders.
6. Documents referred to in any of the items in the Notice are available for inspection at the Registered Office of Company on any working day during Business Hours between 11.00 am to 1.00 pm.
 7. Queries on accounts and operations of the Company, if any, may please be sent to the Company seven days in advance of the meeting so that the answers may be made available at the meeting.
 8. Members are requested to address all the correspondence/documents, invariably quoting their Registered Folio No. / Client ID relating to the Equity Shares held by them, directly to our Registrar and Share Transfer Agent, Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai - 400 072.
 9. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the listing agreement, Companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose. Members who have not registered their e-mail address with the Company can now register on Company's website www.aundeindia.com. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form, upon request.
 10. Members are requested to bring their copy of this Annual Report to the Meeting.
 11. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting.
 12. Brief resumes of Mr. Rolf Konigs and Mr. Salim Govani, Directors are given under the Corporate Governance Report.

**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)
OF THE COMPANIES ACT, 1956**

Item No. 4

Mr. Salim Govani was appointed as Additional Director Articles of Association of the Company w. e. f. 15.09.2013 pursuant to Section 260 of the Companies Act, 1956. As per the term of appointment, his term as Director expires at the forthcoming Annual General Meeting. The Company in turn has received notices from a member pursuant to Section 257 of the Companies Act, 1956 signifying his intention to appoint him as Director of the Company liable to retire by rotation. The Directors recommend his appointment in the best interests of the Company.

None of the Directors of the Company except Mr. Salim Govani may be considered to be interested in the passing of this resolution.

The Directors recommend the passing of the resolution at item No. 4 of the accompanying Notice.

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

Place: **Mumbai**
Date : **21.10.2013**

(Jovita Reema Mathias)
Company Secretary



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DIRECTORS' REPORT

To the Members

Your Directors are pleased to present the 16th Annual Report on the working of the Company, together with the Audited Accounts for the year ended 30th June 2013.

FINANCIALS :

(₹ in Lacs)

Particulars	For the Year ended 30.06.2013	For the Year ended 30.06.2012
Revenue from Operations	12541.37	9182.43
Less Excise duty on domestic sale	1228.96	906.62
Revenue from Operations (net)	11312.41	8275.81
Other Income	110.81	16.13
Profit before interest, tax, depreciation & amortization, finance cost and exceptional items	1592.12	1556.38
Finance Cost/Interest	689.56	693.31
Depreciation & amortization expenses	421.70	391.88
Profit/(Loss) Before Tax	480.86	471.19
Less: Tax Expenses		
Current Tax	96.21	97.12
Deferred Tax	14.95	24.16
Profit/ (Loss) After Tax	369.70	349.91

OPERATING RESULTS

AUNDE India Limited recorded a significant growth of 36.58% in gross turnover from ₹ 9182.43 Lacs in the previous year to ₹ 12541.36 Lacs in FY 2012-13. This is the highest turnover recorded by the Company achieving a milestone of 100 Crores in the current year.

The revenues (net of excise) for FY 2012-13 of ₹11312.41 Lacs as against previous years ₹ 8275.81 Lacs grew by 36.70% over last year due to strong growth in volumes across products, markets and range of fabrics offered by the Company. The Profit Before Tax and Profit After Tax were ₹ 480.86 Lacs and ₹369.70 Lacs, showing a growth of 2.3% & 5.7% respectively.

BUSINESS OVERVIEW

FY 2012-13 was a challenging year for the economy, both globally and in India. The world economy grew by a mere 3.1% in 2012 as compared to 3.9% in the previous year. The domestic situation in India was influenced by these global trends and the ripple effect of a global slowdown was felt. After years of strong positive growth, the Indian economy slowed down to a GDP of 5% from 6.5% in the previous year.



The automotive textile industry is highly dependent on the growth of the Automobile Industry and the sluggish growth of automobile industry suppresses the growth of auto textile industry. AUNDE India is also highly dependent upon the OEM's demand for the seat fabric manufactured by the Company. The demand for passenger vehicles was affected mainly by weak sentiments, high cost of ownership, high interest rates, fuel prices and reduction in discretionary spends. Overall growth in Domestic passenger vehicle industry was flat in FY 2012-13.

Aunde India has continued on its growth path by achieving a milestone turnover of Rs. 125 Crores recording a highest growth of 36.58%. Company's exports of Rs. 16.50 Crores have contributed to boost sales. Going forward, company is hoping to get ample exports orders in current year. The company is determined to maintain its turnover this year as well. The Company's efforts will be aiming towards maintaining its market share of 40% by offering range of automotive fabrics and to be competitive in the domestic market. The exports are growing slower due to global slowdown, however, the company is hoping that once the global markets will start gearing up, the company is very confident that it will be able to locate new end users through AUNDE Global Group and expand its exports market as well.

DIVIDEND

In order to conserve resources for strengthening the on-going capex, your Directors do not recommend any dividend for the year under review.

FIXED DEPOSITS

Your Company has not accepted any deposits from public in terms of the Companies (Acceptance of Deposits) Rules, 1975, and no amount of principal or interest was outstanding on the date of the Balance Sheet.

DIRECTORS

The Board of Directors has appointed Mr. Salim Govani as an Additional Director of the Company w.e.f. 15.09.2013. As Additional Director Mr. Salim Govani hold office till the date of the forthcoming Annual General Meeting of the Company. Mr. Salim Govani is a graduate and having expertise in marketing & financial investments.

Mr. R. J. Avadhani who was appointed as Director of the Company w.e.f. 9.11.2009, resigned from the Board of Director of the Company w.e.f. 7th June 2013. The Board wishes to place on record its appreciation for the contribution made by Mr. R. J. Avadhani and wishes him the best for his future endeavors.

Mr. Rolf Konigs, Director of the Company retires by rotation at the ensuing Annual General Meeting pursuant to the provisions the Companies Act, 1956 and Articles of Association of the Company and being eligible offers himself for re-appointment.

AUDITORS

M/s. Majibail & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for reappointment. The retiring Auditors have furnished a Certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956, and have indicated their willingness to continue. Members are requested to appoint the auditors and fix their remuneration.

PARTICULARS OF EMPLOYEES

There are no employees drawing salary as required to be mentioned under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.



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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of energy conservation and research and development activities undertaken by the Company alongwith the information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are given as an Annexure to the Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors confirm that:

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures;
- (ii) the Company has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent as to give a true and fair view of the state of affairs of the Company at the end of the accounting year and of the profit or loss of the Company for that period;
- (iii) the Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) these Accounts have been prepared on a "going concern basis".

CORPORATE GOVERNANCE

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

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and continued support.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, buyers, vendors and others associated with the Company. The Directors also take this opportunity to thank all investors/stakeholders, Banks, Government and Regulatory Authorities for their continued support

Place: **Mumbai**
Date : **21.10.2013**

For and on behalf of the Board
For **AUNDE India Limited**

(Ajay Anand)
Chairman & Managing Director



ANNEXURE TO DIRECTORS' REPORT

Information pursuant to the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 forming part of Directors' Report for the year ended 30th June 2013.

1. RESEARCH AND DEVELOPMENT (R & D)

- (I) Specific area in which R & D is carried by the Company:
 - Introduction of new products and improving the processes of existing products.
 - Development of new technology for our Autofab / Furnishing products.
 - Making new designs acceptable to 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 standards.
 - Reduction in cost and time cycle, better effluent management and utilizing indigenous products for offering finished products.
- (iii) Future Plan of Action
 - Development of Products for indigenous market.
 - Substitute Development of new designs of high value Autofab / Furnishing products, which are currently imported.

2. CONSERVATION OF ENERGY AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars with respect to Conservation of Energy etc. pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 under section 217 (1) (e) of the Companies Act, 1956 are set out as under:

	Particulars	year ended 30.06.2013	year ended 30.06.2012
A	CONSERVATION OF ENERGY		
	(i) Electricity		
	A) Purchased		
	Units (Lacs)	30.96	24.40
	Total Cost (Rs. in Lacs)	133.46	108.00
	Rate Per Unit (Rs.)	4.31	4.43
	B) Own Generation (Thru DG Set)		
	Units (Lacs)	0.84	1.02
	Total Cost (Rs. in Lacs)	12.29	14.51
	Rate Per Unit (Rs.)	14.63	14.22
	(ii) Coal, Firewood, Rice Husk etc. (Qty in Qntls)	NIL	NIL
	Total Cost (Rs. in Lacs)	NIL	NIL
	Rate per Qntl. (Rs.)	NIL	NIL
B.	FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs. in Lacs)	year ended 30.06.2013	year ended 30.06.2012
	Total Foreign Exchange Earnings Earned	1525.36	169.42
	Total Foreign Exchange Used	268.82	63.11

For and on behalf of the Board
For **AUNDE India Limited**

Place: **Mumbai**
Date : **21.10.2013**

(Ajay Anand)
Chairman & Managing Director



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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY & BUSINESS OVERVIEW

The Indian automobile industry witnessed a moderation in demand in 2012-13, after the double-digit growth in sales recorded in the preceding three years. Weak economic sentiment coupled with subdued consumer confidence pulled down sales during the year. Due to the current economic slowdown both domestically and globally, the automobile industry is optimistic about the better prospects in the near term.

Indian analysts have prepared a sectoral outlook report on the Automobile sector for the year 2013 which shows that achieving high growth rates is likely to be a major concern for the industry in 2013-14 but the auto industry is likely to gain considerably from the various initiatives on infrastructure development, rural focus and the improved road infrastructure. Growth in sales would be also driven by the expected improvement in macro conditions on the domestic front, moderation in interest rates and revival in consumer confidence.

2012-13 was a challenging year for the passenger vehicle industry, as rising fuel prices and high interest rates led to significant increase in ownership costs, deterring customers from making vehicle purchases. Automobile companies across segments continue to face tremendous pressure on profit margins due to elevated inflation levels.

India is yet to find a significant place in Global Technical Textile Market. Although slow, however, a perceptible sign of growth has been observed in a few specialized fields in Indian technical textile consumption and contribution. With emerging trends, it is expected that consumption of technical textile in India will far outpace that in other developed countries. However, the industry has to work on various fronts in India to attain this growth level.

COMPANY OVERVIEW AND OUTLOOK

The year 2012-13 was also challenging to the company, to maintain its volumes and profitability like previous year. The domestic sales were under pressure due to lower demand for fabrics. However, increase in exports has played a major role in achieving higher turnover.

The Company's team is working on the Integrated Development Process by which the company can curb undue delays in processing fabric and monitor the entire process so qualitative issues can be addressed. The well equipped design team is working on the various design and fabric development projects and they are closely working with other Group members so that Aunde India can contribute to various design and fabric development programmes conducted by AUNDE Global Group, which in turn will help the company to get better export orders in the coming years.

The company is well aware of the current market and cost trends, which are quite volatile. Considering above factors, the company has framed its sourcing policies and effective cost control techniques to reduce the strain on its working capital and as well as on margins. The Company going forward hopes that the Indian auto market will show positive trend while global economy will start flourishing again, Aunde India will be ready to face the new challenges of being competitive in the market and will focus on achieving higher sales growth.

OPPORTUNITIES AND CHALLENGES

India's technical textile industry is expected to grow at a rate of 20 per cent annually to touch \$ 36 billion by 2016-17, according to experts. Technical textile is an important part of the overall textile sector in India. Not only has it grown at an annual rate of 11 per cent during 2006-11, but is also estimated to expand at a rate of 20 per cent to reach \$ 36 billion by 2016-17.

AUNDE India Limited



The Textiles Ministry has asked the industry to explore investment opportunities available in technical textiles segment along with the opportunity of availing benefits offered by government to give a boost to the sector. The ministry has set up eight Centres of Excellence to promote technical and industrial textiles like non-woven, composite, sportech and products like conveyor belts which has tremendous potential not only in India, but also at the global level.

According to industry experts, the booming automobile sector brings tremendous opportunities and demand for the emerging technical textile industry in India. The Mobiltech segment in the technical textile industry stands at USD 1 billion with 15-16 percent growth per annum. It is expected that consumption will grow further by providing better prospects to the industry.

Internal Control Systems and its adequacy

The Company has proper Internal Controls in place for safeguarding all its assets from unauthorized use or disposal. Adherence to Internal Control Systems is ensured by detailed Internal Audit program so that the assets are correctly accounted for and the business operations are conducted as per laid down policies and procedures.

The Company has an Audit Committee of the Board of Directors, which meets regularly to review, inter alia, risk management policies, adequacies of internal controls and the audit findings on the various functions of different segments of the business.

Human Resources / Industrial Relations

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive co-operation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

Pollution and Environmental Controls

The Company is conscious of the importance of environmentally clean and safe operations. Your Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

Cautionary Statement

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

Place : Mumbai
Dated : 21.10.2013

For and on behalf of the Board

Ajay Anand
Managing Director



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is commitment to values and ethics in business conduct which stems from the culture, policies, practices, traditions, voluntary adherence to ethical standards and mindset of an organization. Strong governance standards focusing on fairness, transparency, accountability and responsibility are vital not only for the healthy and vibrant corporate sector but also inclusive growth of the economy.

AUNDE India continues to focus on good Corporate Governance, in line with emerging local and global standards. It understands and respects its fiduciary role in the corporate world. Besides adhering to the prescribed corporate practices as per clause 49 of the Listing Agreement, it voluntarily governs itself as per highest standards of ethical and responsible conduct of business which not only strengthens its bond of trust with the stakeholders but also creates value for the society at large.

BOARD OF DIRECTORS

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

a) Composition of Board

The company has a balanced Board with Combination of Executive and Non-executive Directors, to ensure independent functioning and the composition of the Board is in conformity with Clause 49 (1) (A) of the Listing Agreement. The Board comprises of one Executive Non-Independent Director, one Non- Executive Non-Independent and two Non- Executive Independent Directors.

b) Board Meetings and Procedures

During the year under review 12 Board Meetings were held on the following dates 03.07.2012, 14.08.2012, 15.10.2012, 15.11.2012, 30.11.2012, 14.01.2013, 21.01.2013, 14.02.2013, 07.03.2013, 01.05.2013, 15.05.2013 & 07.06.2013

The names of the Directors and the category to which they belong to, along with their attendance at Board Meetings during the period under review and at the last Annual General Meeting and the number of directorships and committee memberships held by them in other public companies are as herein below:-

Name	Category	Attendance Particulars		Total No. of Directorships and Committee Chairmanships / Memberships held*		
		Board Meetings attended	Last AGM	Director	Chairman	Member
Executive Director: -						
Mr. Ajay Anand	Executive & Non Independent	12	Yes	1	--	2
Non-Executive Directors:-						
Mr. Rolf Konigs	Non - Executive & Non - Independent	--	No	--	--	-
Mr. Kapil Sethi	Non - Executive & Independent	7	Yes	--	--	-
Mr. R. J. Avadhani	Non - Executive & Independent	10	No	--	--	--
Mr. Salim Govani	Non - Executive & Independent	--	--	1	--	--

Excluding Private and Foreign Companies



Change in Directorship:

- Mr. Salim Govani has appointed as additional director of the Company w.e.f. 15.09.2013
- Mr. R. J. Avadhani has resigned of w.e.f. 7th June 2013
- Mr. Rolf Konigs, retire at the ensuing Annual General Meeting & being eligible, has offered himself for reappointment. The brief particulars are given below.

Name of the Director	Mr. Rolf Konigs	Salim Govani
Date of Birth	19.08.1941	17.10.1964
Date of appointment	22.05.2000	15.09.2013
Qualifications	Graduate	Graduate
Expertise in specific functional area	Wide experience in Automotive Textile industry	Wide experience in Marketing & Financial Investments
Directorship held in other Public Companies	None	1
Membership/chairmanship of committees of other Public Companies	None	None

None of the Directors hold directorships in more than the permissible number of companies under the relevant provisions. Further, none of the directors on the Board is a member of more than ten committees or chairman of more than five committees.

BOARD COMMITTEES

a. AUDIT COMMITTEE

Composition: The Composition of the Audit Committee is in conformity with Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement. The committee is headed under the stewardship of Mr. Kapil Sethi, an non-executive independent Director who has varied and vast experience in finance, corporate affairs and accounting matters. Mr. Rolf Konigs, Mr. Ajay Anand and Mr. R. J. Avadhani are other members of the Committee, having requisite financial and management experience.

Meetings and Attendance: During the year 4 meetings of Audit Committee were held on 14.08.2012, 15.11.2012, 14.02.2013 & 15.05.2013

Attendance :-

S. No.	Name of the Member	Status	Category	No. of Meetings Attended
1.	Mr. Kapil Sethi	Chairman	Non-Executive & Independent	4
2.	Mr. Ajay Anand	Member	Executive & Non Independent	4
3.	Mr. Rolf Konigs	Member	Non - Executive & Non - Independent	-
4.	Mr. R. J. Avadhani*	Member	Non - Executive & Independent	4

*Mr. R. J. Avadhani has resigned w.e.f. 7th June 2013

Ms. Jovita Reema Mathias, Company Secretary of the Company acts as the Secretary to the Committee.



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The terms of reference are broadly as under:

1. Oversee of the company's financial reporting process and the disclosure of its financial information.
2. Review the annual financial statements with the management
3. Review of Related Party Transactions
4. Review of Company's financial and risk management policies
5. Reviewing with the management performance of statutory and internal auditors, and adequacy of the internal control systems.
6. Reviewing with the management, the quarterly financial statements.
7. Recommend to the Board, the appointment, re-appointment or removal of the statutory auditor and the fixing of audit fees.
8. 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.
9. Reviewing with the Management, the Annual Financial Statements before submission to the Board.
10. 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 and
11. To review the functioning of the Whistle Blower mechanism.

b. SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE:

Composition: The committee comprises of 3 Directors. The Committee is headed by Mr. Kapil Sethi, Non Executive Independent Director. Mr. Ajay Anand and Mr. R.J. Avadhani are the other members of the Committee.

Ms. Jovita Reema Mathias, Company Secretary of the Company acts as the Secretary to the Committee.

Meeting & Attendance: The committee met 4 times during the year on 29.09.2012, 29.12.2012, 31.03.2013 & 29.06.2013. The committee received routine complaints and they were attended promptly and were disposed off.

S. No.	Name of the Member	Designation	Meetings held	Meetings attended
1.	Mr. Kapil Sethi	Chairman	4	4
2.	Mr. Ajay Anand	Member	4	4
3.	Mr. R. J. Avadhani	Member	4	4

The terms of reference include overseeing the redressal of Shareholders' / Investors' complaints / grievances pertaining to share transfers, non-receipt of annual reports, issue of duplicate share certificates, transmission of shares, dematerialisation / rematerialisation and other miscellaneous complaints. The Committee is also empowered to review the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of investor services, if required.

**C. SHARE TRANSFER COMMITTEE**

Composition: The committee comprises of 3 Directors. The Committee is headed by Mr. Kapil Sethi, Non Executive Independent Director. Mr. Ajay Anand and Mr. R.J. Avadhani are the other members of the Committee.

Ms. Jovita Reema Mathias, Company Secretary of the Company acts as the Secretary to the Committee.

Meeting & Attendance: The Committee met 10 times during the year. The Company has not received any serious complaints and the routine complaints received were attended to promptly and no complaint as such is pending with the company.

S. No.	Name of the Member	Designation	Meetings attended
1.	Mr. Kapil Sethi	Chairman	7
2.	Mr. Ajay Anand	Member	10
3.	Mr. R. J. Avadhani	Member	9

d. REMUNERATION COMMITTEE:

The Company has not constituted a separate committee to determine the terms of reference and remuneration package for its managerial personnel.

The Board of Directors determine the remuneration of the Whole-Time / Executive Directors within the framework as approved by the Shareholder / Central Government and as permissible under the Companies Act, 1956 and other laws as may be applicable. The Board also determines the amount of sitting fees to be paid to the Non-Executive Directors for attending the Board Meetings.

The details of remuneration paid to Executive Director during the accounting year 2012-2013 is given as follows:

Director	Designation	Remuneration (including all perquisites) Rs.	Service Contract
Mr. Ajay Anand	Managing Director	41,25,000/-	5 years

No sitting fee was paid to the Managing Director for attending meetings of the Board.

The details of remuneration paid to Non-Executive Directors during the period under review are as follows (The Non-Executive Directors are not entitled to any remuneration, whatsoever, except sitting fees):-

Sr. No.	Name of the Non -Executive Director	Sitting Fees (Rs.)
1.	Mr. Kapil Sethi	21,500/-
2.	Mr. R. J. Avadhani	27,500/-
	TOTAL	49,000/-



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DETAILS OF GENERAL BODY MEETINGS:-

Location and time, where last three AGMs held:

Year	Location	Date	Time
2009-2010	Plot no. 146, Waghdhara Village, Dadra-396 193, Union Territory of Dadra & Nagar Haveli	18 th November 2010	10.00 am
2010-2011	Survey No. 380/1, Khanvel Silvassa Road, Dapada - 396230 Union Territory of Dadra & Nagar Haveli	1 st December 2011	10.30 am
2011-2012	Plot no. 146, Waghdhara Village, Dadra-396 193, Union Territory of Dadra & Nagar Haveli	15 th December 2012	10.30 am

- All the resolutions set out in the respective Notices were passed by the members.
- No postal Ballot was conducted during the year.

Disclosures:

a) Basis of Related Party Transactions:

There are no materially significant transactions between Company and its Promoters, Directors or Management or their relatives etc. that may have potential conflict with the interest of the Company at large. The Board reviews such transactions regularly.

b) Risk Management Framework:

The Company has laid down procedures and guidelines for risk assessment minimization for information of the Board members. These procedures are periodical reviews to ensure that risk is controlled by the Management through the means of a properly laid-out framework.

c) Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has laid down a Whistle Blower Policy and The Board annually reviews the findings and action taken, if any, on matters initiated through this mode. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the Company.

Other Information:

There has not been any non-compliance by the Company and no penalties or strictures have been imposed by SEBI or Stock Exchanges or any other statutory authority on any matter relating to capital markets, during the last three years.

Code of Conduct:

The Company has laid down a code of conduct for the Board of Directors and Senior Management personnel of the Company. The code of conduct is available on the website of the Company. The declaration of Managing Director is given below:



To the Shareholders 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 : 21.10.2013

Ajay Anand
Managing Director

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification:

To the Board of Directors of AUNDE India Limited

We have reviewed the financial statements, read with the cash flow statement of AUNDE India Limited for the year ended June 30th 2013 and that to the best of our knowledge and belief, we state that:-

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current 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 in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) we have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in the internal control over financial reporting during the year, if any;
 - (ii) significant changes in accounting policies made during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely,
Ajay Anand
Managing Director

Prevention of Insider Trading

The Company has framed a code of conduct for prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. This code is applicable to all directors / designated employees. The code ensures the prevention of dealing in Company's shares by persons having access to unpublished price sensitive information.

MEANS OF COMMUNICATION: -

The Company published its quarterly and half yearly results in the prescribed form within the prescribed time. The results were forthwith sent to the Stock Exchanges where shares are listed and the same was published in Times of India (English) – Surat Edition and in Economic Times (Gujarati) – Gujarat Edition.



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Company's results and official news releases, if any, are also displayed on the Company's website www.aundeindia.com.

SHAREHOLDERS INFORMATION

16th Annual General Meeting

Date : Saturday 30th November 2013

Time : 10.30 a.m.

Venue : Plot No. 146, Waghdhara Village, Dadra 396 193
Union Territory of Dadra & Nagar Haveli

COMPANY'S FINANCIAL YEAR

1st July to 30th June

FINANCIAL CALENDAR FOR 2013-14 (TENTATIVE)

Adoption of Financial Results for the Quarter ending:

September 30, 2013	2nd week of November 2013
December 31, 2013	2nd week of February 2014
March 31, 2013	2nd week of May 2014
Audited results for June 30, 2014	Last week of August 2014

DATE OF BOOK CLOSURE

From Saturday, 23rd November 2013 to Saturday, 30th November 2013 (Both days inclusive)

LISTING ON STOCK EXCHANGES

The Bombay Stock Exchange Limited

STOCK CODE

532459 on Bombay Stock Exchange

INTERNATIONAL SECURITIES IDENTIFICATION NO. (ISIN)

INE 207D01017 (with NSDL & CDSL)

REGISTRAR AND TRANSFER AGENT (RTA)

M/s Sharex Dynamic (I) P Ltd,
Unit-1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072,
Telephone Nos. 022- 2851 5606/5644/ 6338

ADDRESS FOR CORRESPONDENCE

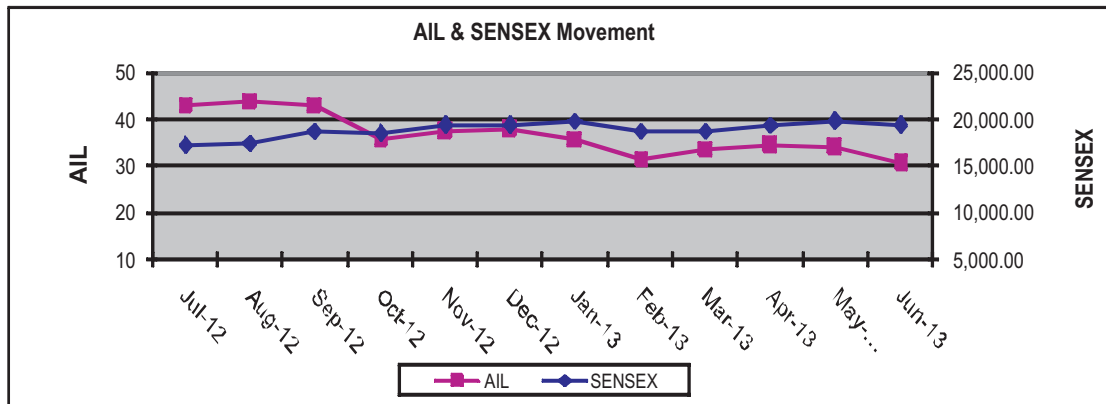
Corporate Office,
AUNDE India Limited,
102, Shiv Smriti Chambers,
49-A, Dr. Annie Besant Road,
Worli, Mumbai – 400 018.
Phone 022 6660 4600

DESIGNATED E-MAIL ID : investors@aundeindia.com



STOCK MARKET INFORMATION

Month	Month's High Price	Month's Low Price	Volume	BSE Sensex High	BSE Sensex Low
July 2012	52.00	40.35	15,788	17,631.19	16,598.48
August 2012	48.80	42.50	22,977	17,972.54	17,026.97
September 2012	49.20	42.00	9,266	18,869.94	17,250.80
October 2012	44.40	34.05	37,220	19,137.29	18,393.42
November 2012	39.20	32.00	22,113	19,372.70	18,255.69
December 2012	41.95	34.00	20,427	19,612.18	19,149.03
January 2013	39.60	33.00	20,141	20,203.66	19,508.93
February 2013	37.50	31.60	6,720	19,966.69	18,793.97
March 2013	34.00	27.35	25,946	19,754.66	18,568.43
April 2013	34.50	34.00	70	19,622.68	18,144.22
May 2013	39.55	34.00	27,180	20,443.62	19,451.26
June 2013	33.90	30.65	1,145	19,860.19	18,467.16



Distribution of Shareholding as on June 30th 2013

Sr. No.	No. of Equity Shares held		Shareholders		Shareholding	
	From	To	Nos.	%	Nos.	%
1	Upto	100	374	20.30	21931	0.20
2	101	200	897	48.70	138105	1.29
3	201	500	285	15.47	104010	0.97
4	501	1000	132	7.17	103404	0.96
5	1001	5000	108	5.86	239592	2.23
6	5001	10000	17	0.92	115940	1.08
7	10001	100000	15	0.81	447615	4.17
8	100001 and above		14	0.76	9552610	89.08
		TOTAL	1842	100.00	10723207	100.00



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Shareholding Pattern as on 30th June 2013

	Category of Shareholder	Total No. of shares	Percentage of Shareholding
(A)	Promoter and Promoter Group Holding		
	Indian Promoters	3411200	31.81
	Foreign Promoters	4591200	42.82
	Sub Total (A)	8002400	74.63
(B)	Non-Promoter shareholding		
	Institutions		
(a)	Mutual Funds/ UTI	150	0.001
(b)	Financial Institutions Banks	150	0.001
	Sub-Total (B)	300	0.002
(C)	Non-institutions		
(a)	Private Bodies Corporate	1701631	15.87
(b)	Individuals	1017076	9.48
(c)	Any Other (Clearing Member)	-	-
(d)	NRI	1800	0.02
	Sub-Total (C)	2720507	25.37
	GRAND TOTAL (A)+(B)+(C)	10723207	100.00

For and on behalf of the Board

Place : Mumbai
Dated : 21.10.2013

Ajay Anand
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of AUNDE India Limited

We have examined the compliance of conditions of corporate governance by AUNDE India Limited as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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 Clause 49 of the Listing Agreement and that 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 **MAJIBAIL & CO.**
CHARTERED ACCOUNTANTS

Place: Mumbai
Date: 21.10.2013

M. V. RAO
Proprietor
Membership No. 7082



INDEPENDENT AUDITORS' REPORT

To
The Members of
Aunde India Ltd.
Mumbai

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 June 30, 2013, and the Statement of Profit and Loss and 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2013;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on June 30, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company

MAJIBAIL & CO.
Chartered Accountants
Firm Registration No. 105870W

M.V.RAO
Proprietor
Membership No.7082

Place: Mumbai
Dated: 31.08.2013



ANNEXURE 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.

- i. In respect of Fixed Assets
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - b) As explained to us the major Fixed Assets have been physically verified by the Management at reasonable intervals during the year. As per the information given to us no material discrepancy has been noticed on such verification.
 - c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- ii. In respect of Inventories
 - a) As informed to us, physical verification of inventories has been conducted by the Management at the end of the year.
 - b) Based on the explanations given to us, in our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion, the Company is maintaining proper records of inventory and as explained to us, there were no material discrepancies noticed between the physical stocks and book record.
- iii. In respect of loans, Secured or Unsecured, granted or taken by the Company to / from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956:
 - a) Based on the audit procedures applied by us and according to the information and explanations given to us, the Company has taken unsecured loan of Rs. 594 Lacs from 2 Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, the maximum amount outstanding at any time during the year was Rs. 594 Lacs, and the year end balance is Rs. 594 Lacs. The Company has not granted any loans to any Companies, Firms or other parties listed in the Register maintained under Sec 301 of the Companies Act, 1956.
 - b) As per the information and explanations given to us, the rate of interest and the terms and conditions of the said loans wherever stipulated, are not prima facie prejudicial to the interest of the Company.
 - c) As explained to us no amount of principal and interest has become due during the year.
 - d) In view of our comment in (c) above, Para 4(iii)(d) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct weaknesses in internal controls.
- v. In respect of transactions covered under Section 301 of the Companies Act, 1956
 - a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the Register maintained under section 301 of the Act have been so entered.



- (b) In our opinion and according to the information & explanations given to us, the transaction made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public within the meaning of Sec 58A and 58AA of the Act and the Rules framed there under.
- vii. The Company has an Internal Audit System, which is commensurate with the size of the company & nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. In respect of Statutory dues
- a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, IEPF, ESIC, Income- Tax, Sales-Tax, Wealth-Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 30th June 2013 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, the details of dues of income-tax which have not been deposited on account of dispute are given below:-

Particulars	Assessment years to which the matter pertains to	Forum where dispute is pending	Amount (Rs. in Lacs)
Excise Duty – AED	2003 to 2004	High Court	30.09
Excise Duty – Textile committee cess	2006 to 2008	Textile Committee	3.63
Fringe Benefit Tax	2006 - 2007	CIT (Appeals)	0.41

- x. The company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations given to us we are of the opinion that the Company has not defaulted in repayment of dues to the financial institutions, banks or debenture holders.
- xii. In our opinion and according to the information and explanation given to us no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is not a chit fund or Nidhi / Mutual Benefit Fund / Society, therefore para 4 (XIII) is not appreciable to the company



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- xiv. In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments and hence, the requirements of para 4(xiv) of the Order are not applicable to the Company.
- xv. The Company had not given any guarantee for loan taken by others from bank or financial institutions.
- xvi. According to information & explanation given to us, in our opinion, term loans availed by the company were, prima facie, applied by the company for the purpose for which the loans were obtained.
- xvii. On the basis of our examination & according to the information & explanations given to us, on an overall examination of the Balance Sheet of the Company, Funds raised on short term basis have, prima facie, not been used during the year for long term investments.
- xviii. The Company has not made any preferential allotment of shares during the year to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year and therefore para 4(xix) of the Order is not applicable to the Company.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

MAJIBAIL & CO.
Chartered Accountants
From Registration No: 105870W

Place: Mumbai
Dated: 31.08.2013

M.V.RAO
Proprietor
Membership No.7082

AUNDE India Limited



BALANCE SHEET as at June 30, 2013	Notes	As At 30th June, 2013 [₹]	As At 30th June, 2012 [₹]
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	107,232,070	107,232,070
(b) Reserves and surplus	4	<u>275,252,136</u>	<u>238,281,910</u>
		382,484,206	345,513,980
Non-current liabilities			
(a) Long-term borrowings	5	280,564,379	258,860,407
(b) Deferred tax liabilities (Net)	6	53,671,000	52,176,000
(c) Other Long Term Liabilities	7	<u>40,111,502</u>	<u>32,678,871</u>
		374,346,881	343,715,278
Current liabilities			
(a) Short-term borrowings	8	298,002,341	264,462,870
(b) Trade payables	9	144,398,959	88,291,935
(c) Other current liabilities	10	121,542,903	68,565,866
(d) Short-term provisions	11	<u>6,621,134</u>	<u>900,621</u>
		570,565,337	422,221,293
		1,327,396,424	1,111,450,551
ASSETS			
Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		549,008,487	557,509,740
(ii) Capital Work-In-Progress		<u>34,467,993</u>	<u>204,261</u>
		583,476,480	557,714,001
Current assets			
(a) Inventories	13	307,383,259	247,188,547
(b) Trade Receivables	14	354,300,694	261,351,577
(c) Cash and cash equivalents	15	24,271,059	14,484,269
(d) Short-Term Loans and Advances	16	44,157,937	26,317,975
(e) Other current assets	17	<u>13,806,994</u>	<u>4,394,182</u>
		743,919,944	553,736,550
		1,327,396,424	1,111,450,551
Summary of significant accounting policies	2.1		

The Accompanying notes are an integral part of the financial statements

As per our report of even date.
MAJIBAIL & CO.
 Chartered Accountants
 Firm Registration No. 105870W

For and on behalf of the Board
 AUNDE INDIA LIMITED

M.V.RAO
 Proprietor
 Membership No. 7082

Ajay Anand
 Managing Director

Kapil Sethi
 Director

Place : Mumbai
 Dated : 31.08.2013

Jovita Reema Mathias
 Company Secretary



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STATEMENT OF PROFIT & LOSS For The Year Ended June 30, 2013	Notes	For the Year ended 30th June 2013 [₹]	For the Year ended 30th June 2012 [₹]
Income			
Revenue from operations	18	1,254,136,601	918,243,222
Less : Excise duty on domestic sales		(122,895,642)	(90,661,604)
Other income	19	11,081,409	1,612,985
	(I)	<u>1,142,322,368</u>	<u>829,194,603</u>
Expenses			
Cost of materials consumed	20	593,917,631	388,879,085
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade [(Increase) / decrease]	21	(45,745,348)	(15,678,589)
Employee benefits expense	22	47,069,991	42,852,351
Other expenses	23	387,867,799	257,503,068
	(II)	<u>983,110,073</u>	<u>673,555,915</u>
Earnings before interest, tax, depreciation and amortisation, finance costs and exceptional items (EBIDTA)	(I) - (II)	159,212,295	155,638,689
Depreciation and amortization expense	24	42,169,837	39,188,347
Finance costs	25	68,956,266	69,331,179
Profit / (loss) before tax but after interest, depreciation and amortisation		48,086,192	47,119,163
Tax Expenses			
Current tax		9,620,965	9,712,101
Deferred tax		1,495,000	2,416,000
Total Tax Expense		<u>11,115,965</u>	<u>12,128,101</u>
Profit/(Loss) for the period		<u>36,970,227</u>	<u>34,991,062</u>
Earnings per equity share [nominal value of share ₹10]			
Basic		3.45	3.26
Diluted		3.45	3.26
Summary of significant accounting policies	2.1		

The Accompanying notes are an integral part of the financial statements

As per our report of even date.
MAJIBAIL & CO.
Chartered Accountants
Firm Registration No. 105870W

For and on behalf of the Board
AUNDE INDIA LIMITED

M.V.RAO
Proprietor
Membership No. 7082

Ajay Anand
Managing Director

Kapil Sethi
Director

Place : Mumbai
Dated : 31.08.2013

Jovita Reema Mathias
Company Secretary

AUNDE India Limited



Cash Flow Statement For The Year Ended June 30, 2013	For the Year ended 30th June 2013 ₹	For the Year ended 30th June 2012 ₹
Income		
Profit before tax from continuing operations	48,086,192	47,119,163
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization from continuing operation	42,169,837	39,188,347
Interest Expense	68,956,266	69,331,179
Interest Income	(962,140)	(723,649)
Bad Debt write off	-	9,435,693
Profit on Sales of Asset	(112,017)	-
Operating profit before working capital changes	158,138,138	164,350,733
Movements in Working Capital :		
Increase / (decrease) in trade payables	56,107,024	26,416,084
Increase / (decrease) in short term provisions	5,720,512	(2,096,624)
Increase / (decrease) in current liabilities	60,409,669	(23,351,291)
(Increase) / decrease in trade receivables	(92,949,117)	(77,102,729)
(Increase) / decrease in inventories	(60,194,713)	7,811,573
(Increase) / decrease in short term loans and advances	(17,839,962)	22,910,210
(Increase) / decrease in other current assets	(9,412,812)	23,946,159
Direct Taxes paid (Net of Refunds)	(9,620,965)	(9,712,101)
Interest (Net)	-	-
Bad Debt write off	-	(9,435,693)
Net Cash flow from / (used in) operating activities (A)	90,357,773	123,736,320
Cash Flow From Investing Activities		
Purchase of Fixed Assets, CWIP and capital advances	(67,980,301)	(52,373,830)
Interest received	962,140	723,649
Sales proceeds of Asset	160,000	-
Net cash flow from / (used in) investing activities (B)	(66,858,161)	(51,650,181)
Cash flow from Financing Activities		
Proceeds of Long term borrowings (Net)	21,703,972	(31,611,701)
Proceeds from short term borrowings (Net)	33,539,471	36,045,289
Interest paid	(68,956,266)	(69,331,179)
Net cash flow from / (used in) Financing activities (C)	(13,712,822)	(64,897,591)
Net increase / (decrease) in cash and cash equivalents (a+b+c)	9,786,790	7,188,548
Cash and cash equivalents at the beginning of the year	<u>14,484,269</u>	<u>7,295,721</u>
Cash and cash equivalents at the end of the year	<u>24,271,059</u>	<u>14,484,269</u>
Components of Cash and cash equivalents		
Cash on hand	292,430	243,316
With Banks		
On current accounts	9,794,923	2,084,247
On deposit account	<u>14,183,706</u>	<u>12,156,706</u>
Total cash and cash equivalents (note 17)	<u>24,271,059</u>	<u>14,484,269</u>

As per our report of even date.
MAJIBAIL & CO.
Chartered Accountants
Firm Registration No. 105870W

For and on behalf of the Board
AUNDE INDIA LIMITED

M.V.RAO
Proprietor
Membership No. 7082

Ajay Anand
Managing Director

Kapil Sethi
Director

Place : Mumbai
Dated : 31.08.2013

Jovita Reema Mathias
Company Secretary



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Notes Forming Part of Financial Statements for The Year Ended 30th June 2013

1 Corporate Information

Aunde India Limited (the company) is a public company domiciled in India and incorporated under the provisions of Indian Companies Act, 1956. The company's equity shares are listed for trading on the Bombay Stock Exchange. The company is engaged in manufacturing of Automotive Fabrics.

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 financials are prepared under the historical cost convention on an accrual basis and to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and to the extent applicable and relevant provisions the Companies Act, 1956.

2.1 Summary of significant accounting policies

a. Presentation and disclosure of financial statements

The revised schedule VI notified under the Companies Act, 1956, is applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed in preparation of financial statements. However, it has significant impact on presentation and disclosures made in financial statements.

b. Use of Estimates

The preparation of financial statements in conformity with the Indian GAAP requires estimates and assumptions to be made that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, as of the date of the reporting period. These estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions could result in outcome different from the estimates. Difference between actual results and estimates are recognised in the period in which results are known or materialize.

c. Tangible and Intangible Fixed Assets

(i) Fixed Assets are stated at cost less accumulated depreciation. The company capitalises all costs relating to acquisitions and installation of fixed assets.

(ii) Capital Work in Progress includes all cost relating to the capital expenditures on the Projects.

d. Depreciation on Tangible fixed assets

"Depreciation on original cost has been provided under the Straight Line Method in the manner and at the rates prescribed by Schedule XIV to the Companies Act, 1956 except for Motor Vehicles, which are charged on Written down value method."

e. Borrowing costs

"Borrowing costs includes interest, amortisation of ancillary costs incurred in connection with arranging the borrowings to the extent they are regarded as an adjustment to the interest cost."

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. An asset's recoverable amount is the higher of an



asset's or cash-generating unit (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable of an asset, the asset is considered impaired and its written down to its recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life."

g. Inventories

- a) Raw materials are valued at lower of cost or net realizable value arrived on FIFO Basis,
- b) Finished Products and Work in processes are valued at lower of cost or net realizable value arrived on FIFO Basis.

Cost of Finished Products and work in process includes materials cost, labour, direct expenses, production overheads and excise duty, where applicable.

h. 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. The following specific recognition criteria must also be met before revenue is recognized.

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 at the applicable rates payable on products is accounted for at the time of despatch of goods but is accrued for stock held at the close of financial 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."

i. Foreign Currency Transaction

"Initial recognitio"

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. Comapny has included the Foreign Exchange Fluctuation Gain in sales."

j. Taxes on Income

Current Tax is recognised as the amount of tax payable in respect of taxable income for the period. Deferred Tax is recognised subject to the prudence in respect of deferred tax assets on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods.



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k. 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.

l. Gratuity

The company has covered its gratuity liability with Canara HSBC Oriental Bank of Commerce Life Group Traditional Plan and the contribution as advised are made to Canara HSBC Oriental Bank of Commerce based on the Actuarial Valuation carried out by Canara HSBC Oriental Bank of Commerce.

m. Segment reporting

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

n. Earning per share

"Basic earnings per share is calculated by dividing the net 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 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 shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares."

o. 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.

p. Contingent liabilities / Assets

Liabilities which are of contingent nature are disclosed by way of notes and such liabilities which are likely to mature are provided for.

q. 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.

r. Current and Non-current

All Assets and liabilities are presented as current or non-current as per the company's normal operating cycle and other criteria set out in the revised schedule VI of the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets of processing and the realisation the company has ascertained its operating cycle as 12 months for the purpose of current / non-current assets / liabilities.

s. Measurement of EBITDA

As permitted by the Guidance note on the revised schedule VI to the Company Act, 1956, 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. The company measured EBITDA on the basis of Profit & loss for continuing operation. In its measurement, the company does not include depreciation and amortization expenses, finance costs, exceptional items and tax expense.



Notes Forming Part of Financial Statements (Contd.)

3. Share Capital

Particulars	30th June 2013		30th June 2012	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each	11,000,000	110,000,000	11,000,000	110,000,000
Issued, Subscribed & Fully paid up				
Equity Shares of ₹ 10/- each	10,723,207	107,232,070	10,723,207	107,232,070

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

Particulars	30th June 2013		30th June 2012	
	Number	₹	Number	₹
Equity Shares of ₹10/- each				
Shares outstanding at the beginning of the year	10,723,207	107,232,070	10,723,207	107,232,070
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	10,723,207	107,232,070	10,723,207	107,232,070

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 period of five years immediately preceeding the reporting date.

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

Name of Shareholder	30th June 2013		30th June 2012	
	No. of Shares held	% of Holding in the class	No. of Shares held	% of Holding in the class
Equity Shares of ₹ 10/- each fully paid				
- Aunde Achter & Ebels GmbH	4591200	42.82	4591200	42.82
- Ajay Anand	565251	5.27	1745251	16.28
- Instyle Investments Pvt Ltd	1435500	13.39	1435500	13.39

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



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Notes Forming Part of Financial Statements (Contd.)

4. Reserves & Surplus

Particulars	30th June 2013	30th June 2012
	₹	₹
General Reserve		
Balance as per last financials	169,193,722	169,193,722
Transferred from Statement of Profit and Loss	-	-
	169,193,722	169,193,722
Surplus / (deficit) in Statement of Profit and Loss		
Balance as per last financials	69,088,188	34,097,126
Profit for the current year	36,970,227	34,991,062
Transferred to General Reserves	-	-
Net Surplus in the Statement of Profit and Loss	106,058,414	69,088,188
Reserves and Surplus	275,252,136	238,281,910

5. Long Term Borrowings

Particulars	30th June 2013	30th June 2012	30th June 2013	30th June 2012
	₹	₹	₹	₹
	Non Current Portion		Current Maturities	
Secured				
Term loans from banks *	107,295,012	131,155,800	42,420,200	50,448,000
Other Loans (Against hypothecation of vehicles)	12,213,640	186,607	3,399,940	362,940
Unsecured Loans (refer to Note No. 25)	161,055,727	127,518,000	-	-
	280,564,379	258,860,407	45,820,140	50,810,940

Note No.5.1

The term loans from Saraswat Bank are secured by way of hypothecation of specific Plant & Machineries/ Fixed assets purchased / installed, to be purchased / installed out of the sanctioned Term Loans amount, Pledge of Margin Money TDRs against LCs (F/I) and collaterally secured by way of EMT of Land & Building at Plot No. 146/145(1), Waghdhara Village Road, Dadra - 396 193, Union Territory of Dadra & Nagar Haveli and further charge on entire Plant & Machineries installed at Survey No 356/1&2, Village Dadra, Dadra-396193, Survey No.380/1, Khanvel Silvassa Road, Dapada-396230 and Plot No.71, Phase -1, Indl Area, GIDC, Vapi-396195.

* Details of Term Loans from Saraswat Bank

Term Loans	Maturity	Instalments			Rate of Interest
		Periodicity	Numbers	₹ (in Lacs)	
Term Loan Account Number - 32	Jun-17	Quarterly	15	62.92	PLR
Term Loan Account Number - 33	Mar-17	Quarterly	12	20.95	PLR
Term Loan Account Number - 34	Dec-16	Monthly	54	5.75	PLR
Term Loan Account Number - 66	Jan-16	Monthly	31	0.60	PLR
Term Loan Account Number - 67	Jan-19	Monthly	55	0.84	PLR
Term Loan Account Number - 76	Mar-19	Monthly	57	0.50	PLR
Term Loan Account Number - 84	May-19	Monthly	59	0.31	PLR

AUNDE India Limited



6. Deferred Tax Liabilities (Net)		
Particulars	30th June 2013	30th June 2012
	₹	₹
Difference in WDV between Books of Accounts and Income tax records	53,671,000	52,176,000
	53,671,000	52,176,000
7. Other Long Term Liabilities		
Particulars	30th June 2013	30th June 2012
	₹	₹
Interest Accrued but not due on Borrowings	40,111,502	32,678,871
	40,111,502	32,678,871
8. Short Term Borrowings		
Particulars	30th June 2013	30th June 2012
	₹	₹
Loans repayable on demand from banks (secured) (Refer note 8.1)	298,002,341	264,462,870
	298,002,341	264,462,870
Note No.8.1		
Cash Credit from Saraswat Bank is secured by way of hypothecation of inventories of raw materials, semi-finished goods & finished goods of auto fabrics including imported laminated and coated materials and book debts as Primary and Collaterally secured by way of EMT of Land & Building at Plot No. 146/145(1), Waghdhara Village Road, Dadra - 396 193, Union Territory of Dadra & Nagar Haveli and hypothecation of Inventories/Plant & Machineries installed at Survey No.356/1-2, Village Dadra, Dadra-396193, Survey No.380/1, Khanvel Silvassa Road, Dapada-396230 & Plot No.71, Phase 1, Indl Area, GIDC, Vapi-396195.		
9. Trade Payable		
Particulars	30th June 2013	30th June 2012
	₹	₹
Trade Payable	144,398,959	88,291,935
	144,398,959	88,291,935
Trade payables include some amounts due to parties covered under AS 18, refer note 25		
10. Other Current Liabilities		
Particulars	30th June 2013	30th June 2012
	₹	₹
Current maturities of Term Loan	42,420,200	50,448,000
Current maturities of Other loan	3,399,940	362,940
Interest Accrued and due on Borrowings	1,920,219	2,241,978
Statutory Liabilities (ESIC, PF, PT, Excise, Service Tax etc.)	6,298,928	555,739
Security Deposit Received	65,000	49,500
Other liabilities	67,438,616	14,907,709
	121,542,903	68,565,866
11. Short Term Provisions		
Particulars	30th June 2013	30th June 2012
	₹	₹
Provision for employee benefits		
Provision for Bonus	264,943	275,000
Others		
Provision for Tax (Net of Advance Tax)	2,109,343	625,621
Other Provisions	4,246,848	
	6,621,134	900,621



**Notes Forming Part of Financial Statements (Contd.)
12. Tangible Fixed Assets**

Tangible assets particulars	Gross block		Balance as at 30th June, 2013	Accumulated depreciation and impairment Balance as at 1st July, 2012	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 30th June, 2013	Net block	
	Balance as at 1st July, 2012	Additions						Disposals	Balance as at 30th June, 2013
(a) Land Freehold	22,378,994	-	-	-	-	-	-	22,378,994	22,378,994
(b) Buildings Owned	90,962,973	11,286	-	31,270,596	2,999,180	-	34,269,777	56,704,482	59,692,377
(c) Plant and Equipment Owned	665,240,364	18,635,941	-	206,339,005	32,023,334	-	238,368,339	445,507,967	453,568,474
(d) Furniture and Fixtures Owned	14,659,304	640,921	-	9,389,274	938,585	-	10,327,859	4,972,366	5,270,030
(e) Vehicles Owned	13,704,628	13,209,297	521,839	11,575,162	5,147,446	473,856	16,248,752	10,143,334	2,129,466
(f) Office equipment Owned	13,330,772	696,459	-	13,029,724	193,739	-	13,223,464	803,767	301,048
(g) Electrical Installation Owned	17,896,179	522,665	-	9,059,713	861,555	-	9,921,268	8,497,576	8,836,466
Total	838,173,215	33,716,569	521,839	280,663,474	42,169,839	473,856	322,359,458	549,008,487	552,176,856
Previous year	780,241,722	57,931,494	-	241,475,128	39,188,347	-	280,663,476	557,509,740	538,766,594

Note : 12.1

The value of intangible assets are negligible and immaterial, hence, have not being separately classified.

AUNDE India Limited



Notes Forming Part of Financial Statements (Contd.)

13. Inventories (valued at lower of cost and net realizable value)

Particulars	30th June 2013	30th June 2012
	₹	₹
Raw Materials and components	46,970,191	30,095,965
Work-in-progress	52,203,772	23,607,071
Finished goods	200,478,926	183,330,279
Spares & Stores	7,730,371	10,155,231
	307,383,259	247,188,547

14. Trade Receivables

Particulars	30th June 2013	30th June 2012
	₹	₹
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	36,398,582	15,052,591
Others	317,902,112	246,298,986
	354,300,694	261,351,577

15. Cash and Cash Equivalents

Particulars	30th June 2013	30th June 2012
	₹	₹
Balances with banks	9,794,923	2,084,247
Cash on hand	292,430	243,316
Bank deposits	14,183,706	12,156,706
	24,271,059	14,484,269

16. Short-term Loans and Advances

Particulars	30th June 2013	30th June 2012
	₹	₹
Loans & Advances	30,183,279	21,635,433
Security Deposits	3,483,364	1,218,364
Staff Advances	495,908	126,444
Prepaid Expenses	1,276,670	741,046
Excise/ Service Tax/ Cenvat	8,718,717	2,596,688
	44,157,937	26,317,975

17. Other Current Assets

Particulars	30th June 2013	30th June 2012
	₹	₹
Interest Receivable	10,133,160	4,372,631
Export Incentives	2,363,435	21,552
Lease Rental Income	1,310,400	-
	13,806,994	4,394,182



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Notes Forming Part of Financial Statements (Contd.)

18. Revenue from Operations		
Particulars	30th June 2013	30th June 2012
	₹	₹
Sales		
Domestic	1,089,124,694	901,013,036
Exports	165,011,907	17,230,186
	1,254,136,601	918,243,222
19. Other Income		
Particulars	30th June 2013	30th June 2012
	₹	₹
Miscellaneous Income	17,977	427,328
Job Work Income	934,854	462,008
Interest Income	962,140	723,649
Export Incentives	3,855,760	-
Profit on Sale of Asset	112,017	-
Product Development Fees	3,888,261	-
Lease Rent - Income	1,310,400	-
	11,081,409	1,612,985
20. Cost of Materials Consumed		
Particulars	30th June 2013	30th June 2012
	₹	₹
Inventory at the beginning of the year	30,095,965	51,506,127
Add: Purchases	610,791,857	367,468,923
Less: Inventory at the end of the Year	46,970,191	30,095,965
Cost of material and components consumed (Refer note 20.1)	593,917,631	388,879,085
20.1 - Cost of Materials Comprises of :		
Particulars	30th June 2013	30th June 2012
	₹	₹
Yarn	250,067,077	225,823,199
Foam	148,803,180	103,554,990
Tricot	62,247,047	36,831,970
Semi - Finished - Woven fabrics	132,149,327	22,006,475
Others	651,000	662,451
	593,917,631	388,879,085
21. Changes in Inventories of Finished Goods & Work-in-progress		
Particulars	30th June 2013	30th June 2012
	₹	₹
Inventory at the end of the year	252,682,698	206,937,350
Finished Goods	200,478,926	183,330,279
Work - In - Progress	52,203,772	23,607,071
Inventory at the beginning of the Year	206,937,350	191,258,761
Finished Goods	183,330,279	178,829,618
Work - In - Progress	23,607,071	12,429,143
Changes in inventories of finished goods & work-in-progress	(45,745,348)	(15,678,589)



Notes Forming Part of Financial Statements (Contd.)

22. Employee Benefits Expense

Particulars	30th June 2013	30th June 2012
	₹	₹
Salaries and incentives	43,895,863	40,675,644
Contributions to - Provident fund, E.S.I.C. and other fund	774,477	1,203,503
Other expenses and provisions	2,399,651	973,204
	47,069,991	42,852,351

23. Other Expenses

Particulars	30th June 2013	30th June 2012
	₹	₹
Stores and spares consumed	12,799,572	13,546,630
Packing Materials Expenses	7,730,935	5,838,566
Dyeing Expenses	152,999,673	78,486,443
Stentering, Weaving & other Processing Charges	70,521,990	69,977,952
Other Manufacturing Expenses	17,178,564	14,874,227
Power & Fuel Expenses	14,575,214	12,251,407
Rent, Rates Expenses	3,902,140	1,442,425
Repairs & Manintainance :-		
Buildings	1,129,388	1,568,443
Plant & Machinery	4,943,133	1,755,699
Others	430,977	344,197
Insurance Expenses	1,206,779	1,243,214
Travelling & Conveyance Expenses	3,782,487	2,877,300
Selling & Forwarding Expenses	57,267,634	21,485,401
Business Promotion Expenses	1,134,981	1,206,209
Legal & Professional Fees	3,683,482	7,601,610
Payment to Overseas Parties - Technical Know How Fees	25,014,859	5,026,155
Payments to Auditors (Refer note 23.1)	292,136	321,912
Bad Debts Written off	-	9,435,693
Directors Sitting Fees	49,000	34,000
Miscellaneous Expenses	9,224,855	8,185,585
	387,867,799	257,503,068

23.1 Details of Payments to the Auditor

Particulars	30th June 2013	30th June 2012
	₹	₹
as auditor	168,540	178,840
for Tax Audit	33,708	36,798
for certification	89,888	61,330
for Others	-	44,944
	292,136	321,912



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Notes Forming Part of Financial Statements (Contd.)

24. Depreciation and Amortization Expense

Particulars	30th June 2013	30th June 2012
	₹	₹
Depreciation on tangible assets	42,169,837	39,188,347
	42,169,837	39,188,347

25. Finance Costs

Particulars	30th June 2013	30th June 2012
	₹	₹
Interest Expenses	68,361,234	67,914,428
Bank Charges & Commission	595,031	1,416,751
	68,956,266	69,331,179

26. 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

(b) Key Management Personnel

Mr. Ajay Anand	Managing Director
----------------	-------------------

(c) Related Party Transaction during the Year :-

1 Managerial Remuneration

Particulars	Year Ended 30.06.13(₹)	Year Ended 30.06.12 (₹)
KMP	4,125,000	3,600,000

2 Loans taken

Relationship	Party Name	Opening Balance (₹)	Loans Received (₹)	Loans Repaid (₹)	Closing Balance (₹)
Associate	Madhyam Vinimay Pvt. Ltd.	59,400,000	-	-	59,400,000
Venturer	Aunde Achter & Ebels GMBH	68,118,000	33,537,727	-	101,655,727

3 Interest Provided for

Relationship	Party Name	Amount (₹)
Associate	Madhyam Vinimay Pvt. Ltd.	6,831,000
Venturer	Aunde Achter & Ebels GmbH	1,696,862

AUNDE India Limited



Notes Forming Part of Financial Statements (Contd.)

27. Contingent Liabilities

Particulars	30th June 2013	30th June 2012
	₹	₹
(i) Contingent Liabilities		
Claims against the company not acknowledged as debt	-	-
Guarantees and Letter of Credit	12,818,230	13,005,230
Other money for which the company is contingently liable	-	-
	12,818,230	13,005,230
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	6,724,652	6,877,640
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
	6,724,652	6,877,640

28. CIF Value of Imports

Particulars	30th June 2013	30th June 2012
	₹	₹
Raw materials	97,540,398	68,899,221
Stores and spares	2,923,950	5,669,801
Capital goods	17,819,273	36,444,643
	118,283,621	111,013,665

29. Expenditure in Foreign Currency

Particulars	30th June 2013	30th June 2012
	₹	₹
Travelling Exps.	1,046,412	1,283,380
Others	25,835,570	5,027,775
	26,881,982	6,311,155

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

Particulars	30th June 2013		30th June 2012	
	₹	%	₹	%
Raw materials				
- Imported	104,561,360	18%	82,838,398	21%
- Indigenous	489,356,271	82%	306,040,687	79%
	593,917,631	100%	388,879,085	100%
Stores and spares				
- Imported*	2,923,950	23%	5,687,346	42%
- Indigenous	9,875,622	77%	7,859,284	58%
	12,799,572	100%	13,546,630	100%

*Mandatory spares purchased along with imported machineries are capitalised.



16th Annual Report 2012-2013

Notes Forming Part of Financial Statements (Contd.)

31. Earnings in Foreign Currency

Particulars	30th June 2013	30th June 2012
	₹	₹
FOB Value of Exports	152,536,149	16,941,664

32. Earning Per Share

Particulars	30th June 2013	30th June 2012
Profit after Tax (₹)	36,970,227	34,991,062
Number of Shares Outstanding	10,723,207	10,723,207
Basic EPS (₹)	3.45	3.26

33. Deferred Tax Liabilities (Net)

Particulars	30th June 2013	30th June 2012
	₹	₹
Deferred Tax Liabilities :-		
- On Timing Diff. between Depreciation as per Books & Income Tax	2,645,238	12,313,881
Deferred Tax Assets :-		
- Carried Forward Unabsorbed Depreciation & Expenses Allowable on Payment Basis	1,150,238	9,897,881
Net Deferred Tax Liabilities	1,495,000	2,416,000

34. The revised Schedule VI notified under the Companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

MAJIBAIL & CO.
Chartered Accountants
Firm Registration No. 105870W

For and on behalf of the Board
AUNDE INDIA LIMITED

M.V.RAO
Proprietor
Membership No. 7082

Ajay Anand
Managing Director

Kapil Sethi
Director

Place : Mumbai
Dated : 31.08.2013

Jovita Reema Mathias
Company Secretary



16th Annual Report 2012-2013

AUNDE India Limited

Regd. Office: Plot No. 146, Waghdhara Village, Dadra – 396 191, Union Territory of Dadra & Nagar Haveli

16th Annual General Meeting

Folio No./
Client ID
No. of Shares:

ATTENDANCE SLIP

I certify that I am registered shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 16th Annual General Meeting of AUNDE INDIA LIMITED held on Saturday, 30th November 2013 at Plot No. 146, Waghdhara Village, Dadra – 396 191 Union Territory of Dadra & Nagar Haveli at 10.30AM

Full Name of the Member _____
(as registered with the Company)

Full name of the Proxy _____

Regd Folio No. _____ No. of Shares _____

Signature of the Shareholder/Member/Proxy _____

Notes:

1. Shareholders/Joint Shareholders, Proxies are requested to bring the attendance slips with them. Duplicate slips will not be issued at the entrance of the Auditorium.
2. Please bring your copy of the Annual Report to the Meeting venue.
3. Please avoid being accompanied by Non-members and Children.

AUNDE India Limited

Regd. Office: Plot No. 146, Waghdhara Village, Dadra – 396 191, Union Territory of Dadra & Nagar Haveli

PROXY FORM

I/We _____ of _____
_____ being a member/Members of

AUNDE India Limited hereby appoint _____

of _____ or failing him _____ of

_____ or failing him _____ of

_____ as my/our proxy to vote for me/us and on my/our behalf at

the 16th Annual General Meeting of the Company to be held on Saturday, 30th November 2013 at Plot No.

146, Waghdhara Village, Dadra – 396 191 Union Territory of Dadra & Nagar Haveli at 10.30 AM and at any

adjournment thereof.

Signature: _____

Dated: _____

Affix Re. 1/-
Revenue
Stamp

Folio No./
Client ID
No. of Shares:

Note: The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy need not be a member.

BOOK-POST

To,

If undelivered please return to :

AUNDE India Limited
Corporate Office
102, Shiv Smriti Chambers,
49-A, Dr. Annie Besant Road, Worli,
Mumbai - 400 018.



May 22, 2014

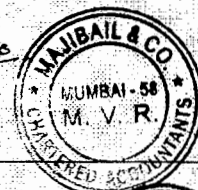
Corporate Relationship Department,
The Bombay Stock Exchange Limited,
New Trading Wing,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Dear Sirs,

Sub: Form A - Annual Audit Report enclosed
Ref: AUNDE India Limited (STOCK CODE: 532459)

FORM A

1	Name of the company		AUNDE INDIALIMITED.
2	Annual financial statements for the year Ended		30 th June 2013
3	Type of Audit observation		Un-qualified / Matter of Emphasis: No
4	Frequency of observation		Whether appeared first time: NO Repetitive : NA / since how long period: NA
5	Signed by-		
	• Managing Director	Ajay Anand	<i>[Signature]</i>
	• GM Accounts & Taxation	Rajesh Bajaria	<i>[Signature]</i>
	• Audit Committee Chairman	Kapil Sethi	<i>[Signature]</i>
	• Auditor of the company		Majibail & Co. Chartered Accountants Firm Rgn. No. 105870W <i>[Signature]</i> M. V. Rao Proprietor M. N. 7082





We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Aunde India Limited

(Reema Mathias)
Company Secretary

