

# AUCKLAND INTERNATIONAL LIMITED

***Directors***

Sri H. Tapadar  
Sri M. C. Singhi  
Sri B. S. Rampuria  
Sri B.S.. Baid  
Sri H. S. Bayed - Executive Director

***General Manager***

Sri S.C. Bhutoria

***Company Secretary***

Miss S. Ghose

***Auditors***

S. S. Kothari & Co.  
Chartered Accountants

***Bankers***

CANARA BANK  
Canning Street Branch,  
Kolkata

***Registered & Administrative  
Office & Works***

P. O. Jagatdal  
District : North 24 Parganas,  
West Bengal - 743 125  
E-mail - auckland@vsnl.net

***Registrar & Transfer Agents***

Niche Technologies Pvt. Ltd.  
D-511, Bagree Market,  
71, BRB Basu Road, Kolkata - 700 001

## **Auckland International Limited**

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### **NOTICE TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the Thirty-sixth Annual General Meeting of the Members of **AUCKLAND INTERNATIONAL LIMITED** will be held at the Registered Office of the Company at P O Jagatdal, 24 Parganas (North), West Bengal- 743125 on Monday, the 29th day of September, 2014 at 10.00 A.M. to transact the following business :-

#### **ORDINARY BUSINESS:-**

**1. ADOPTION OF ACCOUNTS:**

To receive, consider and adopt the Balance Sheet of the Company for the financial year ended 31st March, 2014 and the statement of Profit & Loss Account as at that date and the Report of the Directors and Auditors thereon.

**2. RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION:**

To appoint a Director in place of Shri B S Rampuria (holding Director Identification Number 00350906), who retires by rotation and being eligible, offers himself for re-appointment.

**3. APPOINTMENT OF AUDITORS:**

To re-appoint Auditors for the current year and to authorise the Board of Directors to fix their remuneration and in this regard to pass with or without modification(s), the following resolution as an **Ordinary Resolution**. Messers S.S. Kothari & Co., Chartered Accountants, retiring Auditors are eligible for re-appointment:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding Section 224 and other applicable provisions, if any, of the Companies Act, 1956), Messers S.S Kothari & Co., (Firm Registration No 302034E), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors in consultation with the Auditors.”

#### **SPECIAL BUSINESS:-**

**4. AUTHORISATION TO BORROW MONEY UNDER SECTION 180(1)© OF THE COMPANIES ACT, 2013:**

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

“RESOLVED THAT in supersession of the Ordinary resolution passed at the 34th Annual General Meeting of the members of the Company held on 27th September, 2012, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013 (corresponding Section 293(1)(d) of the Companies Act, 1956) and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), to the Board of Directors to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of carrying on the business of the Company, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from cash credit arrangement and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

Provided that the total amount up to which money may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time on account of principal shall not exceed the sum of Rs.50 crores (Rupees Fifty crores).”

**5. APPOINTMENT OF DIRECTOR:**

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

“RESOLVED THAT Shri Bijay Singh Baid (holding DIN 01517268), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st July, 2014, in terms of Section 161(1) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and whose term of office expires at the ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.”

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### **6. APPOINTMENT OF INDEPENDENT DIRECTOR:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Mool Chand Singhi (holding DIN 00407278), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years up to the conclusion of the 41st Annual General Meeting of the Company in the calendar year 2019.”

### **7. APPOINTMENT OF INDEPENDENT DIRECTOR:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Hrishikesh Tapadar (holding DIN 00409477) Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years up to the conclusion of the 41st Annual General Meeting of the Company in the calendar year 2019.”

### **8. APPROVAL OF REMUNERATION TO COST AUDITOR:**

To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs. 20,000/- plus applicable taxes, payable to M/s. D. Radhakrishnan & Co. (Firm Registration No. 000018), Cost Accountants, as approved by the Board of Directors of the Company, to conduct the audit of the cost records of the products manufactured by the Company for the financial year ending March 31, 2015, be and is hereby ratified and confirmed.”

### **9. ALTERATION OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY:**

To alter the object clause of the Memorandum of Association of the Company by inserting new object to be numbered as Clause No. 5 and thereafter re-number the existing Clauses 5 to 12 under “III-B. The Objects incidental or ancillary to the attainment of the above main objects” as Clause Nos. 6 to 13 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”), including any statutory modification or re-enactment thereof for the time being in force, and subject to the approval of the shareholders, the Object Clause of the Memorandum of Association of the Company be and is hereby amended in the manner set out hereunder:

The following new object be inserted under “III-B. The objects incidental or ancillary to the attainment of the above main objects” and numbered as Clause No. 5 after the existing Clause 4 and the existing Clause Nos. 5 to 12 be re-numbered as Clause Nos. 6 to 13 under “III-B. The Objects incidental or ancillary to the attainment of the above main objects” of the Memorandum of Association of the Company:

- (5) To generate, develop, accumulate, produce, manufacture, purchase, process, transform, distribute, transmit, sale, supply, sub-contract and/or otherwise import, export, deal in any kind of power or electrical energy using coal, lignite, petroleum products or any other substances, wind energy, solar energy, wave energy, tidal energy, hydro energy, thermal energy, nuclear energy, atomic energy or any other form of energy and any products or by-products derived from any such business of energy and to set up power plants, wind turbines, power stations, hydel power station, solar energy systems or any other facility to generate power and to produce, manufacture, buy, import, sale, treat, exchange, renovate, alter, modernize, install or otherwise deal in any type of machinery, equipment, implement, material, article, and stores for generating, distributing, transmitting energy, including electricity and to deal with all persons including Companies, government and semi-government bodies for these purposes and to do all such acts, deeds and things

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including construction, laying down, establishing, fixing and to carry out all necessary activities for the aforesaid purpose.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds or things which are required to be complied with in this regard.”

### **10. ALTERATION OF ARTICLES OF ASSOCIATION:**

To alter the Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to amend the Articles of Association of the Company, as under-

- i. From Article 1 to Article 120, wherever the words “Companies Act, 1956” are appearing, the same be deleted and substituted by the words “Companies Act, 2013”.
- ii. Existing Article 1 be replaced and read as “The regulations contained in Table F in Schedule I of the Companies Act, 2013 shall not apply.”
- iii. Existing Article 2 (iii) be replaced and read as “The Act” means the Companies Act, 2013 or any statutory modification thereof and ‘Section’ shall mean a Section of the said Act.
- iv. In Articles 6 (1) and 6 (2), the words “Section 76” be deleted and the same be replaced with and read as “Section 40 (6) read with Rules thereunder (including any amendment thereof)”.
- v. In Article 8 (1), the words “Section 106 and 107” be deleted and the same be replaced with and read as “Section 48”.
- vi. In Article 16 (2), the words “Section 91” be deleted and the same be replaced with and read as “Section 49”.
- vii. In Article 33, the words “Section 108” be deleted and the same be replaced with and read as “Section 56”.
- viii. In Article 34, the words “Section 110” be deleted and the same be replaced with and read as “Section 56”.
- ix. In Article 48 (d), the words “Section 94 (1) (d)” be deleted and the same be replaced with and read as “Section 61 (1) (d)”.
- x. In Article 48 (e), the words “Section 100 to 105” be deleted and the same be replaced with and read as “Section 66”.
- xi. In Article 53, the words “Section 114 and 115” be deleted and the same be replaced with and read as “the Act”.
- xii. Existing article 57 (1) be deleted and the same be replaced with and read as “The Company shall hold annual general meetings as provided under section 96 of the Act”.
- xiii. In existing Article 64, in the 2nd line of the said Article, after the words “or on a poll” the words “or through electronic means” be inserted.
- xiv. In Article 66 (b), the words “Section 87” be deleted and the same be replaced with and read as “Section 47”.
- xv. In existing Article 66, the following sub clause be included after “(b)” as “(c)”:-  
(c) through electronic means, the voting rights of members shall be as laid down in Section 108 of the Act.
- xvi. In existing Article 68, in the 3rd line after the words “on a show of hands or on a poll” the words “or through electronic means” be inserted.
- xvii. Existing Article 72 be deleted and the same be replaced with and read as:-  
“An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105 of the Act.”
- xviii. In Article 77(1), the words “Section 309” be deleted and the same be replaced with and read as “Section 197”.
- xix. In Article 79, the words “Sections 157 and 158” be deleted and the same be replaced with and read as “Section 88”.
- xx. In Article 85 (1), the words “Section 285” be deleted and the same be replaced with and read as “Section 173”.
- xxi. In Article 93, the words “Section 289” be deleted and the same be replaced with and read as “Section 175”.
- xxii. In Article 102, the words “Section 269 and 314” be deleted and the same be replaced with and read as “Section 203 and 188”.
- xxiii. In Article 104 (3), the words “Section 50” be deleted and the same be replaced with and read as “Section 22(2)”.
- xxiv. In Article 110, the words “Section 205 A” be deleted and the same be replaced with and read as “Section 124”.
- xxv. In the 1st line of Article 120, the words “Section 201” be deleted and the same be replaced with and read as “Section 197 (13)”.

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xxvi. In the 6th and 7th line of Article 120, the words "Section 633" be deleted and the same be replaced with and read as "Section 463".

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution, including but not limited to the filing of necessary forms with the Ministry of Corporate Affairs and to comply with all other requirements in this regard."

Registered Office: -  
P.O. Jagatdal, 24 Parganas (North),  
West Bengal- 743125  
Dated: 14th August, 2014.

By Order Of the Board  
Sangeeta Ghose  
Company Secretary

### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED WITH THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.  
A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Corresponding Section 173(2) of The Companies Act, 1956), relating to the Items under Special Business to be transacted at the Annual General Meeting is attached herewith.
3. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer books of the Company will remain closed from 23rd September 2014 to 29th September 2014 (both days inclusive) for the purpose of the Annual General Meeting.
4. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote on their behalf at the meeting.
5. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving communications from the Company electronically,
6. *Members are requested to convert their share(s) lying in physical form to Demat form for easy transferability of shares. For any help the shareholders may contact Company's Registrar & Share Transfer Agent, M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B Basu Road, Kolkata-700001.*
7. Members holding shares in physical form are requested to notify immediately any change of their addresses to the Company's Registrar & Share Transfer Agent, M/s. Niche Technologies Pvt. Ltd., D-511, Bagree Market, 71, B.R.B Basu Road, Kolkata-700001, so that future communications may be correctly dispatched. The Members are also requested to bring their copies of the Resume and Accounts to the Meeting.
8. *Members seeking any information with regard to the accounts of the Company are requested to write to the Company at its Registered Office, so as to reach at least 5 days before the date of the Meeting to enable the Management to keep the information ready.*
9. Pursuant to Clause 49 of the Listing Agreement, the brief resume/details of the Directors being appointed, re-appointed are annexed hereto. The Directors have furnished the requisite declarations for their appointment/re-appointment.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. **Voting through electronic means**
  1. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35 B of the Listing Agreement with the Stock Exchange, the Company is pleased to provide their members the facility to exercise their right to vote at the

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36th Annual General Meeting (AGM) by electronic means and all the business may be transacted through e Voting Services provided by Central Depository Services (India) Limited (CDSL).

- II. Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instruction below to cast their vote through e-voting:
- III. The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on September 23, 2014 at 10.00 A.M. and ends on September 25, 2014 at 6.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 22, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (iii) Click on "Shareholders" tab.
  - (iv) Now, select "AUCKLAND INTERNATIONAL LIMITED" from the drop down menu and click on "SUBMIT"
  - (v) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
  - (vi) Next enter the Image Verification as displayed and Click on Log in.
  - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>★ Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr. / Mrs. / Smt. / Miss / Ms. / M/s. etc.</p> <p>Example:</p> <p>(1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245</p> <p>(2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>● Please Enter the DOB or Bank Account Number in order to Login</li> <li>● If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut Off date (record date) of August 22, 2014</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company

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any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xii) Click on the EVSN for "AUCKLAND INTERNATIONAL LIMITED" on which you have chosen to vote.
  - (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Note for Institutional Shareholders
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
12. Institutional Members / Bodies Corporate (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [auckland@vsnl.net](mailto:auckland@vsnl.net) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before September 29, 2014, upto 1.00 pm. without which the vote shall not be treated as valid.
  13. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22 -August-2014.
  14. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 22-August-2014.
  15. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 22-August-2014. The facility of e-voting would be provided once for every folio / Client ID, irrespective of the number of joint holders.
  16. Shri PRAVIN KUMAR JAIN, Practising Company Secretary (Certificate of Practice Number 4101) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

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17. The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to The Calcutta Stock Exchange Limited.
18. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

### **ANNEXURE TO THE NOTICE:-**

#### **BRIEF RESUME OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:**

##### **Item No. 2 of the Notice – Re-appointment of Shri B S Rampuria:-**

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, effective from 1st April, 2014, for the purpose of determining the directors liable to retire by rotation, the Independent Directors shall not be included in the total number of directors of the Company. Shri Bijay Singh Baid was appointed as the Additional Director of the Company w.e.f 31.07.2014 and shall hold office upto the ensuing Annual General Meeting of the Company. Shri B S Rampuria, Non-Executive Director of the Company shall accordingly retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

With regard to the re-appointment of Shri B S Rampuria referred to in Item no. 2 of the Notice, following necessary disclosures are made for the information of the shareholders:

Name of the Director & DIN	Date of Birth	Brief Resume and nature of Expertise in functional areas	No. of Equity shares held in the Company	Other Directorship/Other Committee Memberships held*
Shri B.S.Rampuria (DIN-00350906)	15/02/1952	Shri Rampuria holds a Bachelor's degree in Commerce and has wide range of relevant experience in the working of the Jute Industry	189	<b>DIRECTORSHIP</b>
				1) JAI KUMAR KANKARIA INVESTMENT PVT LTD
				2) KANAK TEXTILES LTD
				3) ABHISHEK CARPETS & FELTS LTD
				4) HOTLINES SALES PVT LTD
				5) SILVERLAKE HOTELS LIMITED
				6) BALLY FABRS INTERNATIONAL LIMITED
				7) SCORE INFORMATION TECHNOLOGIES LIMITED
				8) A.K.K. VANIJYA PRIVATE LTD

\* Committee Memberships include only Audit Committee and Shareholder's/Investor's Committee

Upon his re-appointment as a director, Shri B S Rampuria shall continue to hold office as a Non-executive Director of the Company.

The Board recommends the resolution for member's approval.

Except Shri B S Rampuria, being appointee, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in agenda Item No. 2.

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### **EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013:-**

#### **Item No. 4:**

At the 34th Annual General Meeting of the Company held on 27th September, 2012, the members had, by way of an Ordinary Resolution under Section 293(1) (d) of the Companies Act, 1956, authorised the Board to borrow monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, provided that the total outstanding amount so borrowed shall not exceed a sum of Rs.30 Crores (Rupees thirty crores) at any point of time.

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution. The Ministry of Corporate Affairs ("MCA") had vide its General Circular No 4/2014 dated March 25, 2014, clarified that the Ordinary Resolutions passed under Section 293(1)(d) of the Companies Act, 1956 would be sufficient compliance of Section 180 of the Act until September 11, 2014.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 4 of the Notice, to enable the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total outstanding amount so borrowed shall not exceed a sum of Rs. 50 Crores (Rupees fifty crores) at any point of time.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4 of the Notice.

#### **Item No. 5:**

At the meeting held on 31st July, 2014 the Board of Directors of the Company had approved the appointment of Shri Bijay Singh Baid (holding DIN- 01517268) as Additional Director of the Company in accordance with the provisions of Section 161 of the Companies Act, 2013 to hold office upto the ensuing Annual General Meeting of the Company. The Company has received notice in writing from member alongwith deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director. Requisite consent has been received from Shri Bijay Singh Baid pursuant to provisions of Section 152 of the Companies Act, 2013.

The Directors recommend adoption of the resolution at Item No. 5 above.

Except Shri Bijay Singh Baid, being appointee, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 of the Notice.

#### **ITEM NOS. 6 & 7:**

With the enactment of the Companies Act, 2013 ("the Act") it is now mandatory for every listed company to appoint 'Independent Directors' as defined in Section 149(6) of the Act and ensure that at least 1/3rd of the total number of directors are Independent Directors, who shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for reappointment on passing of a special resolution by the Members.

Shri M C Singhi and Shri H Tapadar have been appointed by the members at earlier General Meetings as Directors liable to retire by rotation. Since pursuant to the Companies Act, 2013, the Independent Directors are not liable to retire by rotation and are required to be appointed by the Company in the General Meeting for a period of five consecutive years, Shri M C Singhi and Shri H Tapadar have opted to seek reappointment as Independent Directors for a period of five consecutive years at the ensuing Annual General Meeting.

The Company has also received notices in writing from members alongwith deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of both Shri M C Singhi as well as Shri H Tapadar for the office of Independent Directors of the Company at the ensuing Annual General Meeting. The Company has received confirmation from the said directors that they meet the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013 and are each persons of integrity and possess the relevant expertise and experience.

In the opinion of the Board, both Shri M C Singhi and Shri H Tapadar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management.

The appointment of the said Independent Directors pursuant to the provisions of Section 149 read with Schedule IV of the Act, once made at the ensuing general meeting shall be formalised through letters of appointment in terms of Schedule IV of the Act.

## Auckland International Limited

Copies of the draft letters for appointment of Shri M C Singhi and Shri H Tapadar as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Directors recommend adoption of the resolutions at Item Nos. 6 & 7 above.

Except Shri M C Singhi and Shri H Tapadar, being appointees, none of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolutions set out at Item Nos. 6 & 7 of the Notice.

### **Information pursuant to Clause 49 of the Listing Agreement with regard to the Directors seeking appointment/reappointment at the ensuing Annual General Meeting (Refer Item Nos. 5,6 & 7):-**

- a) *Brief profile of Director seeking appointment as Non-Executive Director at Item No. 5 of the Notice pursuant to the Corporate Governance Code:*

Name of Director	Shri Bijay Singh Baid
Date of Birth	05/09/1944
Date of appointment	31/07/2014
Qualifications	B.E.
Brief Resume and functional expertise	More than 40 years of experience as a Consultant Engineer
Names of the Companies in which he holds directorship	1) Seavenseas Realtors Private Limited 2) Samridhi Fibre Ltd. 3) Kankaria Traders and Investment Pvt. Ltd.
Names of the Companies in which he holds membership of Committees	NIL
Professional Membership	NIL
No. of shares held in the Company	NIL

- b) *Brief profile of Director seeking Re-appointment as Independent Director at Item No. 6 of the Notice pursuant to the Corporate Governance Code:*

Name of Director	Shri Mool Chand Singhi
Date of Birth	18/11/1948
Date of appointment	31/10/2003
Qualifications	B.Com
Brief Resume and functional expertise	More than 40 years of experience in the working of the Jute Industry.
Names of the Companies in which he holds directorship	Singhi Commercial Pvt. Ltd.
Names of the Companies in which he holds membership of Committees	NIL
Professional Membership	NIL
No. of shares held in the Company	480

- c) *Brief profile of Director seeking Re-appointment as Independent Director at Item No. 7 of the Notice pursuant to the Corporate Governance Code:*

Name of Director	Shri Hrishikesh Tapader
Date of Birth	12/01/1942
Date of appointment	01/08/2012
Qualifications	DCE AMI
Brief Resume and functional expertise	An engineer by profession, having vast experience and knowledge in the field of construction and industrial activities.
Names of the Companies in which he holds directorship	Parashnath Vinimay Private Limited
Names of the Companies in which he holds membership of Committees	NIL
Professional Membership	NIL
No. of shares held in the Company	NIL

## **Auckland International Limited**

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### **ITEM NO. 8:**

The Board of Directors of the Company at its meeting held on 14th August, 2014, upon recommendation of the Audit Committee, has considered and approved appointment of M/s. D. Radhakrishnan & Co., Cost Accountants (Firm Registration No. 000018) for conduct of Cost Audit of the products manufactured by the Company at a remuneration of Rs. 20,000 plus applicable service tax for the Financial Year ending 31st March, 2015.

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint a Cost Accountant in practice or a firm of cost accountants in practice on the recommendation of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and subsequently ratified by the shareholders.

Accordingly, the Resolution at Item No. 8 of the Notice is set out as an Ordinary Resolution for approval and ratification by the Members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8 of the Notice.

### **ITEM NO.9:**

The Company at present is primarily engaged in the business of manufacture, production and trade of jute and jute products but it always aims to diversify its scope of business. The Indian Government with a view to reduce the emission of Green House Gases (GHG) has been putting greater emphasis on the use of renewable energy. In line with the above resolve of the Government, the Company is considering generation of power by using various sources of renewable energy such as solar, wind power etc. Thus, the Company is considering diversification of its activities in the area of power generation so that the company would be able to cut down the cost of acquisition from third parties and also tailor-make the services in accordance to its customer requirements.

In order to facilitate the Company to commence its business of solar power generation, the new object mentioned at Item No. 9 of the Notice be inserted under "III-B. The objects incidental or ancillary to the attainment of the above main objects" and numbered as Clause No. 5 after the existing Clause 4 and the existing Clause Nos. 5 to 12 be re-numbered as Clause Nos. 6 to 13 under "III-B. The Objects incidental or ancillary to the attainment of the above main objects" of the Memorandum of Association of the Company.

As per Section 13 of the Companies Act, 2013 any amendment in the Object Clause of the Memorandum of Association would require approval by way of a Special Resolution. Hence, the Board of Directors recommends the resolution for your approval.

The draft Memorandum of Association incorporating the changes along with the existing Memorandum of Association of the Company are available for inspection to all the members of the Company between 10.00 a.m to 5.00 p.m on any working day except Saturday at the Registered Office of the Company and will also be available for inspection at the ensuing Annual General Meeting of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 9 of the Notice.

### **ITEM NO. 10:**

The existing Articles of Association of the Company is based on the Companies Act, 1956 and several regulations in it contain references to specific section of the Companies Act, 1956 which are no longer in conformity with the Companies Act, 2013. The Companies Act, 2013 is now largely in force. Therefore it is obligatory to delete the references in the Articles of Association of the Company pertaining to various sections and schedules of the Companies Act, 1956 and substitute the same with the corresponding Sections, schedules and provisions of the Companies Act, 2013.

Accordingly the Articles of Association of the Company is amended to be in consonance with the provisions of the Companies Act, 2013. The draft Articles of Association incorporating the changes along with the existing Articles of Association of the Company are available for inspection to all the members of the Company between 10.00 a.m to 5.00 p.m on any working day except Saturday at the Registered Office of the Company and will also be available for inspection at the ensuing Annual General Meeting of the Company.

The Resolution at Item No. 10 of the Notice is set out as a Special Resolution for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10.

Registered Office: -

P O Jagatdal, 24 Parganas (North)

West Bengal- 743125

Dated: 14th August, 2014.

BY ORDER OF THE BOARD

Sangeeta Ghose  
Company Secretary

## **Auckland International Limited**

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### **REPORT OF THE DIRECTORS**

#### **TO THE MEMBERS**

Your Directors are pleased to present their Thirty sixth Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2014.

#### **FINANCIAL RESULTS:**

	<b>2013 - 2014</b>		<b>2012 - 2013</b>
	<b>(Rs. In 000')</b>		<b>(Rs. In 000')</b>
<b>Profit before Depreciation and Taxation</b>	<b>27932</b>		32802
Less: Depreciation and Amortisation	<b>6648</b>		6363
Transferred from Capital Reserve	<b>2225</b>	<b>4423</b>	<b>2225</b>
			<b>4138</b>
<b>Profit before Taxation</b>	<b>23509</b>		28664
Provision/(Credit) for Corporate Taxation:			
Current Tax	<b>7315</b>		9100
Deferred Tax	<b>483</b>		581
Adjustment relating to Taxes for earlier years	<b>--</b>	<b>7798</b>	<b>(772)</b>
			<b>8909</b>
<b>Profit for the period after Tax</b>	<b>15711</b>		19755
Balance brought forward from Previous Year	<b>174699</b>		<b>154944</b>
<b>Balance carried to Balance Sheet</b>	<b>190410</b>		<b>174699</b>

#### **RESUME OF PERFORMANCE:**

Your Company's performance during the year under report has remained marginal in terms of production, sales quantity as well as turnover.

The Company's gross turnover remained at Rs. 1208176 during the year compared to Rs. 1299412 in previous year. Owing to reduced Sales turnover and rising costs your Company has earned a profit of Rs.27932 before depreciation & taxes which includes gain from investment activities amounting to Rs. 587 as against Rs. 695 earned in the previous year.

#### **Operations:**

Goods manufactured during the year were 21790 MT as against previous year's production of 24558 MT. Throughout the year under review, production hugely suffered owing to labour unrest and frequent disruption of work. But due to recessionary market condition, orders from the Government agencies were temporarily stopped by end of the year, the Company was compelled to reduce production to keep the inventory in check. The cost of wages remained high due to consistent rise in the rates of Dearness Allowances of the workers. Harvesting of Raw Jute was better due to normal rainfall during the year under review, but the prices remained steady at the same prices. The manufacturing cost was more than the previous year due to continuous rise in cost of stores and spare parts, power & fuel etc. Even the harvesting of Food Grains was normal but the demand of finished goods was unexpectedly lower throughout the year. The agencies belonging to the Government of India and State had procured less number of Sacking Bags in comparison to the previous year which caused lower turnover and high inventory in the year under consideration.

#### **Technological Advancement:**

The Company has installed Jute Spreader Machine, Finisher Card, Drawing and Winding Machines during the year. The Company continued replacement of old and outdated Electric Motors & Cables.

#### **Other Developments:**

Your Company is exploring possibilities for generating power from other sources and is under the process of setting up a rooftop Solar Power Plant of 250KW capacity on trial basis within the compound of Auckland Jute Mills. The power so generated shall be consumed by the jute mill for its domestic purposes on experimental basis.

The Central Excise authorities has confirmed a demand of Central Excise Duty amounting to Rs. 325736 on the alleged sale of Branded Jute Goods during the period from March 2011 to December 2012, being aggrieved the Company has made appeals before the appropriate authority the Custom, Excise & Service Tax Appellate Tribunal, Eastern Region Bench in Kolkata. In the opinion of the Board of Directors, the demand of Central Excise Duty is unjustified and the Tribunal is most likely to decide the matter in favour of the Industry.

## **Auckland International Limited**

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### **Prospects:**

As reported in previous years, the violation by consumers covered under the Jute Packaging Materials (Compulsory Use for Packing Commodities) Act, 1987 (JPMA) are still in continuation and so far the Government of India has not taken any action against the defaulters. The agencies under various State Governments including Food Corporation of India remained adamant and in complete violation of the said order continuously kept buying bags made of cheaper material viz. plastic for packing/storing materials which are compulsorily required to be packed in the new Bags made from Jute Fiber.

The Government and Administrators continued to provide special facilities to the Mills under BIFR and were allowed concessions and priorities on various pretexts, which create huge variation between the costing of the same quality of goods manufactured by those Mills and ours.

The Company has continued to upkeep the existing machineries as well as has installed new machines in the year under consideration and plans to continue keeping the same. The Company has already identified its priorities and steps were initiated to work towards the same at the earliest possible to achieve the targets set for the year.

With a view to narrow the difference of the shortage of skilled and semi skilled workmen, the Company has enrolled numerous employees on its rolls besides boosting learning and training for the newcomers offering remunerative offers.

The Company has participated in the programme launched by the Institute Of Jute Technology and National Jute Board to provide assistance and help to the newcomers to enable them to learn and understand the techniques much better.

### **Developments:**

Your Directors continue their sincere efforts to improve the quality of the Company's produce to augment the Company's realisation pattern.

### **Export:**

Due to intense competition and fluctuations in foreign currencies, the Company has chosen the domestic country as its priority area of marketing and has decided to cater to the needs of its domestic consumers.

### **Employee's Welfare:**

The Company considers human resource development as integral to its long term sustainability and success, to which end it continues its efforts for human resource development for employees at various levels. The Company has reached an agreement with the Bhatpara Municipality for building up a super Speciality hospital on the piece of land leased out within the Mill's Compound and has also agreed to participate under Rajeev Awas Yojana for building up multistoried pucca homes for the employees.

### **CORPORATE SOCIAL RESPONSIBILITY:**

Corporate Social Responsibility (CSR) is an integral part of the Company's civilization and policy and it has been pursuing this on a sustained basis since its inception. Your Company's well ingrained CSR philosophy recognizes the following areas as the thrust areas for its activities- environment, health care, basic education and community development. The Company assists in running of Schools and colleges at the vicinity of its premises and various other parts of the state where its registered office is situated, imparting value based education to young minds.

During the period under report the Company played a constructive role in infrastructural development of surrounding areas of its premises. Your Company has leased out a plot of land in favour of Bhatpara Municipality for construction and operation of a super speciality hospital in collaboration with an expertise Hospital chain.

CSR activities carried out by the Company have strengthened the relationship with local people. During the year under review your Company has constituted CSR Committee in line with the requirements of Section 135 of the Companies Act, 2013 read with Schedule VII and rules thereunder and drew up Company's CSR policy to plan and implement CSR activities as per provision of Companies Act, 2013 and rules thereunder.

### **ISO CERTIFICATION:**

Your Company has hired the services of a consultancy house engaged in the implementation of Quality Management, Environment and safety System to obtain certification of ISO: 9001:2008: QMS for all its products and processes.

### **CREDIT RATING:**

In spite of the unfavourable Jute industry scenario, CRISIL has reaffirmed your Company's rating as "CRISIL BBB-/Stable" for long term bank facilities and "CRISILA3" for short term bank facilities.

## **Auckland International Limited**

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### **PUBLIC DEPOSITS:**

Your Company has not invited any deposits from public / shareholders in accordance with Section 58A of the Companies Act, 1956 (corresponding Section 73 and 74 of the Companies Act, 2013).

### **SHARE CAPITAL:**

The paid-up Equity Share Capital of the Company on March 31, 2014 was Rs. 4.11 crore. There was no change in the Authorised or Paid-up Capital/Subscribed Capital during FY 2013-14.

### **DIVIDEND:**

Your Directors have not recommended any dividend for the financial year 2013-14 in view of the need to conserve resources of the Company.

### **DEMATERIALISATION OF SHARES:**

As at March 31, 2014, 74.56% of equity shares of the Company have been dematerialised by shareholders through National Securities Depository Limited and Central Depository Services (India) Limited.

### **DISCLOSURES:**

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 (corresponding Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration) Rules 2014) regarding Conservation of Energy in Form 'A', Research and Development, Technology Absorption, Adaptation and Innovation in Form 'B' and Foreign Exchange earnings and outgo are given in Annexure 'A' forming part of this Report.

### **PARTICULARS OF EMPLOYEES:**

The Company did not have any employee in the category specified in Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

### **AUDITOR'S REPORT:**

M/s. S.S Kothari & Co., Chartered Accountants and Statutory Auditors of the Company, have submitted their Report under Section 227 of the Companies Act, 1956 (corresponding Section 143 of the Companies Act, 2013 read with rules thereunder) and the comments made by them in their Report have been adequately dealt with in the relative Notes to the Financial Statements which are self explanatory.

### **LISTING:**

The Equity shares of the Company are listed on The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata- 700001. The Annual Listing Fees for the year 2013-14 has been duly paid.

### **CORPORATE GOVERNANCE:**

As per clause 49 of the Listing Agreement entered into with the Stock Exchange, a Management Discussion and Analysis Report is provided in Annexure 'B' to the Director's Report. The Report on Corporate Governance as required under the aforesaid Clause is also provided in Annexure 'C' to the Director's Report, together with the Declaration affirming compliance with the Code of Conduct of the Company, CEO/CFO Certification and Auditor's Certificate on Compliance with the conditions of Corporate Governance.

The management's discussion and analysis together with opportunities and threats/risks and concerns are given in details in the attached Corporate Governance Report being a part of this report.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956 (corresponding Section 134 of the Companies Act, 2013), and based on the information provided by the management, the Directors confirm that:

1. in the preparation of the Annual Accounts for the year ended 31st March, 2014, applicable accounting standards have been followed and there have been no material departures requiring further explanation;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period as also certified by the Statutory Auditors of the Company;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

## **Auckland International Limited**

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4. the annual accounts of the Company for the year ended 31st March, 2014 have been prepared on a going concern basis.

### **DIRECTORS:**

As per the requirement prescribed under section 149(4) of the Companies Act, 2013, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors.

In accordance with the provisions of section 149 of the Act, Shri Mool Chand Singhi (holding DIN 00407278) and Shri Hrishikesh Tapadar (holding DIN 00409477), Directors are being appointed as Independent Directors, not liable to retire by rotation, for a term of 5 consecutive years commencing from the date of the ensuing Annual General Meeting (AGM). Shri H S Bayed (holding DIN 00425481) Executive Director, is not liable to retire by rotation. On July 31, 2014, Shri Bijay Singh Baid (holding DIN 01517268) was appointed on the Board of Directors of the Company to hold office until the conclusion of the forthcoming Annual General Meeting of the Company. One-third of the remaining directors are liable to retire by rotation, accordingly, Shri B S Rampuria (holding DIN 00350906), Non-Executive Director, retires by rotation and being eligible has offered himself for re-appointment.

On April 1, 2014, Shri Jai Kumar Kankaria (holding DIN 00409918), Non-Executive Director has relinquished the Directorship of the Company. The Board records its appreciation for the contribution rendered by Shri Jai Kumar Kankaria during his tenure.

Necessary resolutions for the appointment /re-appointment of the aforesaid directors have been incorporated in the Notice convening the Annual General Meeting for your approval.

### **KEY MANAGERIAL PERSONNEL**

The Board of Directors of your Company has approved continuance of office of Shri Hirendra Singh Bayed as the Whole Time Director designated as Executive Director and Ms. Sangeeta Ghose, Company Secretary as 'Key Managerial Personnel' in terms of the requirements of the Companies Act, 2013. Further the Board has appointed Shri Subhas Chand Bhutoria, General Manager as the Chief Financial Officer who will also be a 'Key Managerial Personnel' in terms of the requirements of Section 203 of the Companies Act, 2013 read with rules thereunder.

### **AUDITORS:**

M/s. S. S Kothari & Co. (Firm Registration No. 302034E), Chartered Accountants, Statutory Auditors of the Company, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have furnished a Certificate to the effect that their appointment will be in accordance with the limits specified in sub-section (IB) of Section 224 of the Companies Act, 1956 (corresponding Section 139 read with Section 141 of the Companies Act, 2013). You are requested to consider their appointment.

### **COST AUDITORS:**

Pursuant to the directives of the Central Government and provisions of Section 233B of the Companies Act, 1956 (corresponding Section 148 of the Companies Act, 2013), your Company carries out Cost Audit every year. The Cost Audit report for the financial year 2012-13 has been filed within due date. The Board has appointed M/s. D. Radhakrishnan & Co. (Firm Registration No. 000018), Cost Accountants to audit the cost records for the year 2014-15 subject to ratification of remuneration payable to them by the members at the ensuing Annual General Meeting.

### **SECRETARIAL COMPLIANCE CERTIFICATE:**

In terms of Section 383A (1) of the Companies Act 1956, a Certificate of compliance signed by a Secretary in whole-time practice is enclosed and forms part of this Report.

### **ACCOUNTING POLICIES AND PROCEDURES:**

The Significant accounting policies as narrated in the Notes to the Financial Statements is in conformity with the Accounting Standards which have been specified in the Companies Act, 1956 and the Rules framed thereunder as applicable to the Company have been followed as usual in the course of preparing and presenting these Accounts.

### **APPLICABILITY OF THE COMPANIES ACT, 1956:**

As clarified by the Ministry of Corporate Affairs vide its General Circular No. 08/2014 dated 4th April, 2014, the information given and contents of this report are governed by the relevant provisions/schedules/rules of the Companies Act, 1956.

### **APPRECIATION:**

Your Directors place on record their deep appreciation for the committed services rendered by the employees, Government agencies and other stakeholders of the Company.

## **Auckland International Limited**

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The Board would also like to record its specific appreciation for the confidence and understanding shown by the Members in the Company.

For & on behalf of the Board of Directors

Registered Office:-

Auckland International Limited  
P.O. Jagatdal, 24 Parganas (North)  
West Bengal-743125  
Dated: 14th August, 2014

H. S. Bayed  
(DIN-00425481)  
Executive Director

M.C Singhi  
(DIN-00407278)  
Director

### **ANNEXURE TO THE DIRECTORS' REPORT:**

#### **Annexure 'A' to the Director's Report**

**Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure Of Particulars In The Report Of The Board Of The Directors) Rules 1988:**

#### **CONSERVATION OF ENERGY**

**a) Energy Conservation measures taken:**

M/s. Schneider Electric India Pvt. Ltd., conducted an Energy Audit in the Mills and submitted its report with the Company. The suggestions made by them were taken for consideration and implemented in most of the cases and in the remaining suitable steps have been taken for doing the needful wherever required. However, the Company continues its effort to improve methods of energy conservation and utilization. Energy Conservation devices and reflectors have been installed and a number of old Motors have been replaced during the year. The Company has continued the replacement of conventional choke with electronic choke, optimization of machine speed wherever possible and replacement of belts for maintaining speed and slippage etc. The location of HT Motors has been changed wherever possible to save them from heat and moisture. The Company has eliminated the consumption of Coal by using by-products and mill wastes as fuel in Boiler for Steam generation. Installation of separate power connection in the Labour Quarters has been completed. Capacitors have been installed to control Power Factor. The Company has given consent for installation of rooftop Solar Power generation system for 250KW capacity on trial basis.

**b) Additional investment proposals, if any, being implemented for reduction of consumption of energy: Nil**

**c) Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:**

Incessant Efforts made by technical and specialized personnel to implement modernized methods at the factory premises has subsequently improved overall energy consumption without affecting operations as well as performance of machinery and other equipment.

**d) Total energy consumption and energy consumption per unit of production as per Form "A" of the Annexure to the Rules in respect of Industries Specified in the Schedule thereto:**

#### **FORM 'A'**

#### **Form for disclosure of particulars with respect to conservation of energy**

<b>A. Power &amp; Fuel Consumption</b>	<b><u>31st March 2014</u></b> <b>(Rs. in 000)</b>	<b><u>31st March 2013</u></b> <b>(Rs. in 000)</b>
<b>Electricity</b>		
a) Purchased Units (Kwh)	<b>11485972</b>	12796543
Total Amount (Rs.)	<b>84580</b>	90297
Rate/Unit (Rs.)	<b>7.36</b>	7.06
b) Own generation		
I) Through Diesel Generator Unit (Kwh)	<b>24367</b>	53789
Units per Litre of Diesel oil	<b>3.12</b>	3.25
Cost/Unit (Rs.)	<b>21.45</b>	17.06
II) Through Steam Turbine/Generator Unit (Kwh)	--	--
Units per Litre of Diesel oil	--	--
Cost/Unit (Rs.)	--	--

## Auckland International Limited

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### B. Consumption / Unit of Production

Production: Jute Goods (MT)	21790	24558
Unit: Electricity (MT)	528	523
Furnace Oil / LDO / HSD (Ltrs.)	–	--
Coal (kg)	–	--
Others	–	–

#### FORM 'B'

#### Form of disclosure of particulars with respect to absorption of Technology, Research and Development (R&D)

### A. RESEARCH & DEVELOPMENT (R & D)

#### 1. Specific areas in which R & D carried out by the Company :

The Company being primarily engaged in the manufacturing and trading of Jute products is a member of the Indian Jute Industries Research Association (IJIRA) and also of the National Jute Board. The Company is an active participant of the R&D carried out by these Associations.

#### 2. Benefits derived as a result of the above R&D:

Owing to the above R&D, the Company was able to improve the per unit realization of its products.

#### 3. Future Plan of Action:

Persistent efforts will be made to develop the quality of the production output and simultaneous research and development activities will be carried on to ensure the proper utilisation of waste products.

#### 4. Expenditure on R&D:

- a. Capital
- b. Recurring
- c. Total
- d. Total R&D expenditure as a percentage of total turnover

} No separate records are maintained for such expenditure, which remain merged with various heads as per established accounting policies.

### B. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

#### 1. Efforts in brief made towards technology absorption, adaptation and innovations:

The Company makes invariable effort to adopt the latest technological advancements in the market by installing new machineries with higher efficiency, in order to produce improved traditional goods as well as to diversify the manufacture of jute products. New high efficiency machineries have been installed as well as modification has been made wherever required.

#### 2. Benefits derived as a result of the above efforts e.g. output improvement, cost reduction, product development, import substitution etc.:

- a) Improvement in the production and quality of output;
- b) Reduction in cost of production;
- c) Import substitution.

} There was marginal improvement in quality and production but practically no reduction in production cost.

#### 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

- (i) Technology imported
- (ii) Year of import
- (iii) Has technology been fully absorbed?
- (iv) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action

} No Technology has been imported.

## **Auckland International Limited**

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### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a) Activities relating to exports
- b) Initiatives taken to increase exports
- c) Development of new export markets for products and services
- d) Export plans

During the year under review, the Company had manufactured Jute goods worth (Rs.In 000') 1123, which were exported through the Shippers, as against goods worth (Rs.In 000') 1379, which were exported in the previous year 2012-13

	<b>Current Year (Rs. In 000)</b>	<b>Previous Year (Rs. In 000)</b>
e) Total Foreign Exchange used	<b>40</b>	4165
f) Total Foreign Exchange earned	-	-

For & on behalf of the Board of Directors

Registered Office:-

Auckland International Limited  
P.O. Jagatdal, 24 Parganas (North)  
West Bengal-743125  
Dated: 14th August, 2014

H. S. Bayed  
(DIN-00425481)  
Executive Director

M.C Singhi  
(DIN-00407278)  
Director

**Annexure 'B' to the Director's Report**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Clause 49(IV)(F) of the Listing Agreement entered into with the Stock Exchange stipulates disclosure under specific heads which are given in the following discussion and which continue to be followed in the regular course of the Company's business over the years in discussion amongst the Directors and other Senior Management Personnel.

**a) Introduction:**

The Company was incorporated in the year 1977. The Company has been engaged in the manufacture of Jute goods, better known as GUNNY since its amalgamation with the erstwhile 'The Auckland Jute Co. Limited' on and from 1st July, 1980. Besides being engaged in the manufacture of Jute goods, the Company also involves itself in activities like financing, investing and dealing in shares & securities. The manufacturing unit of the Company is situated at the industrial belt of Jagatdal near Barrackpore area in the district North 24 Parganas, West Bengal, which is around 35 Kms from the city of Kolkata. The aggregate work force of the Company is around 3200 workers alone at its factory premises.

**b) Industry Structure and Developments:**

By the closing stages of the 19th Century, the British established many Indian Jute Industries on the banks of river Hooghly making this industry as a whole as one of the primary industries in the history of independent India. Up to the 1970s, the Jute Industries contributed a substantial percentage of foreign exchange earnings to the Indian economy. Jute was then popularly known as the 'Golden Fibre' and the products made of jute remained in great demand, until its users shifted their preference to other substitute goods made of cheaper material like plastic & synthetic.

Owing to this huge diversion of market and availability of other cheaper products, the prosperous business of Jute goods became uneconomical and led to the closure of many Jute mills both in India as well as in abroad. With a view to improve the situation, the Central Government stepped in and brought in force the Jute Packaging Materials (Compulsory use for Packing Commodities) Act, 1987 (JPMA), to provide a new lease of life to the remaining Jute mills.

The Government of India vide a notification during the year under review has diluted the compulsory packing norms for food grains and sugar under Jute Packaging Materials (Compulsory use for Packing Commodities) Act, 1987 (JPMA). It has been directed that food grains to the extent of 90% of production & sugar to the extent of 20% of production, shall be packed in Jute Packaging Material. The said notification is valid upto June 2014.

**c) Opportunities and threats, Risks & concerns:**

**Opportunities:** Taking into consideration the present scenario of the ever-increasing problem of global warming and consequently the various new types of environmental protections, the need for goods made of natural and eco friendly biodegradable fibers like Jute has escalated in the home as well as in the foreign markets. Jute being a versatile fibre has the prospects of usage as geo-textiles, apparels, composites, decorative, carpet yarns etc. The Government has also taken various innovative steps to modernize the present condition of the Jute Industry.

**Threats, Risks & Concerns:**

The following are the major threats, risks & concerns faced by the Jute Industry:

- a) An undisciplined work culture has developed amongst the workers. The habit of sudden wilful absenteeism from work is very random amongst the workers, which is a matter of serious concern considering the fact that this unprofessional behaviour on the part of the workers hamper work and also increases the cost of manufacture.
- b) Multiple and aggressive trade unions are one of the major problems faced by the industry at present time. Resolution of issues related to workmen unrest is both time consuming as well as knotty.
- c) The export of jute goods becomes complex due to the volatility in exchange rates on a regular basis.
- d) Dilution of the Jute Packaging Material Act, 1987.
- e) Reduction in government food grains procurement level.
- f) Taking into account the threat of the Central Government to withdraw JPMA has led to difficulty in competing with substitute cheaper packaging industries like plastic & synthetic materials.
- g) The cost of production has further increased due to the substantial increase in productivity without much increase in profitability and poor supply chain.

## Auckland International Limited

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- h) Competition from comparable jute producing country like Bangladesh becomes very tough in the export market, owing to the huge differences in manufacturing cost of wages, power & other consumables required for production, between both countries, as well as offering of many subsidies by the Bangladesh Government to their units.
- i) As an agricultural product, availability of raw jute depends on the vagaries of weather. Adverse weather conditions may directly hit its pricing and availability.

**d) Segment-wise or Product-wise Performance:**

The Company has one reportable segment as indicated in AS 17, as notified in the Companies (Accounting Standards) Rules, 2006.

**e) Outlook:**

Although it was expected that the industry performance during the year under review will be comparatively worse than the previous year, the Company had installed new and advanced machinery and had also made significant effort to reduce power cost per unit of manufacture and other manufacturing and indirect costs as much as feasible to reduce cost of production. Notwithstanding the adverse condition of the jute market, your Directors continue in their emphasis on the 'Quality' of jute products.

**f) Internal Control Systems & their Adequacy:**

Internal Control system aims to provide reasonable assurance with regard to safeguarding of assets from unauthorized use or losses, preventing revenue leakage, recording and providing reliable financial and operational information, complying with various statutory provisions and promoting operational efficiency by cost control.

The Company has in place adequate systems of internal control procedures commensurate with the Company's size and nature of its operations. The Company has also appointed Shri S. Roy Chowdhury, Chartered Accountant, as the Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013. The Internal Audit Reports of the Company are discussed and reviewed by a qualified and independent Audit Committee of the Board of Directors and the recommendations of the Audit Committee are duly implemented in such reports.

**g) Financial & Operational Performances:**

The Company looks forward to positive advancement in the financials of the Industry in the near future thereby strengthening its sound financial base. During the year under review, the financial performance with reference to the operational performance of the Company is as under:-

PARTICULARS	2013-14 (Rs. In 000')	2012-13 (Rs. In 000')
Revenue from operations	1220676	1312974
Cost of Materials consumed	652717	746351
Change in Inventories (Increase)/Decrease	(31830)	(28015)
Finance Costs	5416	6104
Profit After Tax	15710	19755

**h) Development in Human Resource & Industrial Relations:**

The Jute Industry being particularly labour intensive in nature, your Company tends to provide environment for continuous innovation and improvement by rewarding its staff and workmen for their efforts in achieving company's goal. The Company has at present employee strength of around 3200. Given the frequent labour disturbances, industrial relations have remained unpleasant and unpredictable during the year under review.

**l) Cautionary Statement:**

This report contains forward looking statements within the meaning of applicable laws or regulations with regard to statements describing the Company's objectives, projections, estimates, expectations or predictions. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials cost & availability, withdrawal of JPMA or further relaxation granted by the Central

## Auckland International Limited

Government, regulations, tax laws, economic developments within India and other factors such as litigation and industrial relations.

This report should be read in conjunction with the financial statements included herein and the notes thereto. The Company should and need not be held responsible, if, which is not unlikely, the future turns out to be something quite different. Subject to this management disclaimer, this discussion and analysis should be perused.

### Annexure 'C' to the Director's Report

#### REPORT ON CORPORATE GOVERNANCE

##### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:-

Corporate Governance framework is basically a set of rules, practices, policies and processes by which a Company is governed and controlled. Effective corporate governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The aim of good corporate governance practice is to ensure commitment of the Board to guarantee the core value of transparency, accountability, independent monitoring and environmental consciousness amongst its operational activities.

Auckland's approach and commitment towards ethical Corporate Governance framework has remained unaffected during the 37 years of its subsistence. The Company observes ethical practices in all its operations. It strives to transparently disseminate vital information to all the Members of the Company. The Company has adopted a Code of Conduct for its employees including its Board of Directors.

Your Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange with regard to corporate governance. A report on the Corporate Governance practices prevalent in the Company is given here under:

##### 2. BOARD OF DIRECTORS:-

###### a. Composition of the Board:

The Board of Directors has an optimum combination of Non-executive and Independent Directors. As on 31st March, 2014, the Board comprised of 2 Non Executive Independent Directors, 2 Non-Executive Director and 1 Executive Director. Almost 75% of the Board comprised of Non-Executive Directors as against minimum requirement of 50% as per the listing agreement. Thus, the composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange.

###### b. Number of other Boards or Board Committees in which he/she is a member or Chairperson:

None of the Directors on the Board 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, 2014, have been made by the Directors.

###### c. Number of Board Meetings held and attended by the Directors:

The names and categories of the Directors on 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 as on March 31, 2014, are given hereinbelow:-

SI No.	Name of the Director	Category	Attendance		Directorships in other companies	No of Membership / Chairmanship of Board/Committee of other Limited Companies
			No. of Board Meetings attended	At last AGM		
1	Shri M.C.Singhi	Non-Executive Independent	9	Yes	3	Nil
2	Shri B.S.Rampuria	Non-Executive Independent	8	Yes	5	Nil
3	Shri J.K.Kankaria (Resigned on 01.04.2014)	Non-Executive	9	Yes	11	Nil
4	Shri H.S.Bayed	Executive	9	Yes	1	Nil
5	Shri H.Tapadar	Non-Executive Independent	9	Yes	1	Nil
6	Shri B.S.Baid (appointed w.e.f. 31.07.2014)	Non-Executive Independent	Nil	No	3	Nil

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### Notes:

- i. Shri J.K Kankaria resigned from directorship with effect from 1st April, 2014.
- ii. Shri B.S. Baid appointed on the Board w.e.f. July 31, 2014 as an Additional Director to hold office until the conclusion of the ensuing Annual General Meeting of the Company.
- iii. Directorships in other companies excludes Directorships in private limited companies.
- iv. Committee Positions in other companies relate to Chairmanship /Membership of Audit and Investor's/Shareholder's Grievance Committees only.

#### d. Dates on which Board Meetings & Annual General Meeting held:

During the year under review, the Board met 9 times on *15th May, 2013, 15th June, 2013, 22nd July, 2013, 12th August, 2013, 7th October, 2013, 15th November, 2013, 8th January, 2014, 14th February, 2014 and 28th March, 2014*. The Annual General Meeting for the year ended 31st March, 2013 was held on 27th September, 2013.

### 3. AUDIT COMMITTEE:

The Audit Committee of the Company reviews the matters falling in its terms of reference and addresses larger issues and examines those facts that could be of vital concern to the Company. The Committee also liaises with the internal as well as statutory auditors of the Company and provides guidance to them.

The Audit Committee of the Company is constituted in line with the provisions of clause 49 of the Listing Agreement entered into with the Stock Exchange. The terms of reference of the Committee is also in conformity with the Corporate Governance code as prescribed under Clause 49 of the listing agreement and Section 292A of the Companies Act, 1956 (corresponding Section 177 of the Companies Act, 2013) which broadly includes matters pertaining to the following:-

#### A. The terms of reference of the Audit Committee include:

- a) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) Compliance with Listing and legal requirements concerning financial statements;
- c) review of quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- d) ensure compliance with internal control systems;
- e) recommend to the Board any matter relating to financial management, including audit report and the appointment/re-appointment of Statutory Auditors, fixation of their Audit Fees, and approving payments made for any other services rendered by them.;
- f) review performance of statutory and internal auditors;
- g) reviewing of the Statement of Related Party transactions as submitted by the Management.

#### B. Composition, Names of Members and Chairman:

As on 31st March, 2014 the Audit Committee comprised of the following members:-

- a. Shri Mool Chand Singhi, Non-executive Independent Director (Chairman)
- b. Shri Bimal Singh Rampuria, Non-Executive Independent Director (Member)
- c. Shri H S Bayed, Executive Director (Member)
- d. Shri H Tapadar, Non-executive Independent Director (Member)

All the said Directors are financially literate and are persons of standing in the industry and have the requisite experience and expertise to carry out their obligations at meetings of the Committee at which the Directors provide the necessary inputs.

#### ➤ Chairman:

Shri M.C Singhi, Non-executive Independent Director is the Chairman of the Audit Committee.

#### ➤ Secretary:

Ms. Sangeeta Ghose, Secretary of the Company, is the Secretary to the Audit Committee.

- The Chairman of the Audit Committee attended the last Annual General Meeting ("AGM") held on 27th September, 2013.

#### C. Meetings and attendance during the year:

During the Financial Year ended 31st March, 2014, five Meetings were held on (i) 10th May, 2013 (ii) 17th July, 2013 (iii) 5th August, 2013 (iv) 9th November, 2013 (v) 1st February, 2014. The attendance of each Member at these Meetings were as follows:

## Auckland International Limited

NAME OF THE DIRECTORS CONSTITUTING AUDIT COMMITTEE	POSITION HELD	COMMITTEE MEETINGS	
		HELD	ATTENDED
Shri M.C.Singhi	Chairman	5	5
Shri B.S.Rampuriah	Member	5	4
Shri H.S.Bayed	Member	5	5
Shri H.Tapadar	Member	5	5

### **REMUNERATION COMMITTEE:**

A Remuneration Committee has been constituted in accordance with Schedule XIII to the Companies Act, 1956 to consider and approve the Managerial Remuneration consisting of the salary and perquisites to be paid to the whole-time Director in accordance with his terms of employment. No Remuneration Committee has been formed pursuant to Clause 49 of the Listing Agreement.

**a) Brief description of terms of reference:**

The terms of reference of the Committee are in conformity with Schedule XIII to the Companies Act, 1956 (corresponding section 178 of the Companies Act, 2013).

**b) Composition, name of members and Chairperson:**

As on 31st March, 2014, the Remuneration Committee comprised of three Non-Executive Independent Directors- Shri H. Tapadar, Shri B.S Rampuria and Shri M.C Singhi. Shri M.C Singhi is the Chairman of the Remuneration Committee.

**c) Attendance during the year:**

Each Director has attended all Committee meetings held during the year under review.

**d) Remuneration Policy:**

The Company has a well drafted Remuneration policy for its Board Members in terms of Clause 49 of the Listing Agreement and Schedule XIII of the Companies Act, 1956 (corresponding Section 178 of the Companies Act, 2013).

**e) Details of remuneration paid to the Directors during the year under review are given below:**

(Rupees in 000)

Name of the Director	Category	Sitting fee paid	Salary & allowances	Contribution to PF	Total
Shri M.C. Singhi	Non-Executive Independent	--	--	--	--
Shri B. S. Rampuria	Non-Executive Independent	--	--	--	--
Shri J.K.Kankaria	Non-Executive	--	--	--	--
Shri H.S.Bayed	Executive	--	1073	73	1146
Shri H.Tapadar	Non-Executive Independent	--	--	--	--

## Auckland International Limited

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### **NOTES:**

- The Executive Director is not entitled to any Stock Option or Performance Linked Incentive.
- The Company has not issued any convertible instrument.
- No Commission is payable to any Director.
- No Sitting fees are paid/payable to the Non-Executive Independent Directors.
- Apart from the above, no other pecuniary relationship or transactions vis-à-vis the Company exist with the Non-Executive Directors.

### **5. SHAREHOLDER'S/INVESTOR'S GRIEVANCE COMMITTEE:**

The Company has constituted the Shareholder's/Investor's Grievance Committee to approve or confirm the transfer/transmission of shares, issue of duplicate Share Certificates, sort out Shareholder's Grievances received by the Company within 15 days of receipt thereof and several other functions.

#### **a) Composition:-**

As on 31st March, 2014, the Committee consisted of four Directors, Shri B.S Rampuria, Non-executive Independent Director (Chairman), Shri H. Tapadar, Non- Executive Independent Director (Member), Shri M.C Singhi, Non-executive Independent Director (Member) and Shri H S Bayed, Executive Director (Member).

#### **b) No. of Committee Meetings:-**

The Committee had met 8 times during the year under review on (i) 26th April, 2013 (ii) 26th June, 2013 (iii) 13th September, 2013 (iv) 10th January, 2014 (v) 16th January, 2014 (vi) 13th February, 2014 (vii) 10th March, 2014 and (viii) 22nd March, 2014. Share Transfer formalities are complied within a fortnight, the power to approve the same being delegated to Shri M.C Singhi and/or Shri H S Bayed.

#### **c) Name And Designation Of Compliance Officer:-**

Ms. Sangeeta Ghose, Company Secretary, is the Compliance Officer of the Company. E-mail ID pursuant to Clause 47(f) of the Listing Agreement with the Stock Exchange: auckland@vsnl.net.

#### **d) Status of Investor's Complaints As On 31st March, 2014:-**

No. of complaints received during the year and dealt with: 1 (one).

No. of complaints pending: Nil

No. of pending share transfers as on 31st March, 2014: Nil

### **6. GENERAL BODY MEETINGS:-**

- i. Location and time where last three Annual General Meetings were held:

Financial Year	Date of AGM	Venue	Time
2012-13	27th September, 2013	Jagatdal, 24 Parganas (North), West Bengal -743125	10.00 A.M.
2011-12	27th September, 2012		10.00 A.M.
2010-11	29th September, 2011		10.00 A.M.

- ii. No Special Resolution was passed in any of the previous three AGMs.
- iii. No Special Resolution was passed through Postal Ballot in the previous AGM.
- iv. No Postal Ballot was conducted during the year 2013-14.
- v. No Extraordinary General Meeting of the Members was held during the year 2013-14.

#### **Disclosures in relation to the re-appointment of Director:**

Information about the Directors appointed or re-appointed as required under Clause 49IV(G) (i) of the Listing Agreement is given in the Notice of the Annual General Meeting annexed to the Annual Report for the year under review.

## **Auckland International Limited**

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### **7. CODE OF CONDUCT:**

The Company has laid down a Code of Conduct for its Board of Directors including its Senior Management personnel. As envisaged in Clause 49 of the Listing Agreement with the Stock Exchange, the Board of Directors have affirmed compliance with the Code.

### **8. DISCLOSURES:-**

- a) The Company has not entered into any transactions of material nature with any of the related party that may have potential conflict with its interest during the year under review. However, the details of Related Party transactions during the Financial Year 2013-14 have been set out under Note No.35 of the Notes to the Financial Statements.
- b) No penalties/strictures were imposed on the Company by any regulatory authority for non-compliance of any laws or any matter relating to capital markets during the last three years.
- c) Your Company has a well laid out Vigil Mechanism/Whistle Blower policy in terms of Clause 49 of the listing agreement entered into with stock exchange and Section 177 of the Companies Act, 2013. It is one of the best means for increasing the transparency in the working of the Companies. The Board Members as well as the employees of the Company adhere to this principle and compliance with the same is affirmed by each of them annually.
- d) The Company has complied with all the mandatory requirements of Sub-clauses I to VII of Clause 49 of the Listing Agreement. Insofar as the non-mandatory requirements are concerned, some of such requirements such as presence of all members of the Audit Committee at its Meeting, attendance of Chairman of that Committee at the Company's Annual General Meeting, establishment of Whistle Blower policy are being followed by the Company.

### **9. MEANS OF COMMUNICATION:**

#### **a) Quarterly Results:**

In compliance with Clause 41 of the Listing Agreement, the Company intimates unaudited half yearly and quarterly results as well as the audited annual results to the Stock Exchange after they are taken on record by the Board of Directors. The printed Annual Reports are despatched to every shareholder of the Company.

#### **b) Publication of Results:**

Such results are also published in newspapers namely, Kalantar/Duranto Barta (Bengali Newspaper), having wide circulation in West Bengal, where the Registered Office of the Company is situated and Financial Express / Business Standard (English Newspaper).

#### **c) MD & A:**

The document on Management Discussion and Analysis Report forms a part of the Annual Report.

### **10. GENERAL SHAREHOLDER INFORMATION:**

#### **a) Company Registration Details:**

The Company is registered in the State of West Bengal. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L36934WB1977PLC031184.

#### **b) AGM date, time and venue:**

Time	10.00 A.M.
Day	Monday
Date	29th September, 2014
Venue	Jagatdal, 24 Parganas (North), West Bengal -743125

#### **c) Financial year:**

The Financial Year of the Company is from 1st April to 31st March.

#### **d) Date of Book closure:**

23rd September, 2014 to 29th September, 2014 (both days inclusive)

#### **e) Dividend payment date:**

No dividend has been recommended for the year ended 31st March, 2014.

#### **f) Listing on Stock Exchanges & Stock Code:**

The Equity shares of the Company are listed on the following Stock Exchange:

## Auckland International Limited

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### Stock Exchange

The Calcutta Stock Exchange Ltd. ("CSE Ltd."),  
7, Lyons Range, Kolkata-700001.

ISIN No. allotted by NSDL & CDSL: INE907C01022.

Listing Fees as prescribed have been paid to the aforesaid Stock Exchange for 2013-14.

### Stock Code

10011027

### g) Market Price Data:

The Equity Shares of the Company are very thinly traded and the trading has been intermittent, hence, the monthly Market Price Data is not available.

### h) Stock Performance:

As the Equity shares of the Company are very thinly traded in the Stock Market, the stock performance in comparison to broad-based indices cannot be determined.

### i) Registrar and Transfer Agents:

M/s. Niche Technologies Private Limited is acting as Registrar and Share Transfer Agent of the Company. Their address for communication is as under:-

Niche Technologies Private Limited  
D-511, Bagree Market,  
71, B.R.B Basu Road,  
Kolkata-700001.

Email: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

### j) Share Transfer System:

The Share Transfer work is attended to by the Company's Registrar & Share Transfer Agent within the prescribed period under law and the Listing Agreement with Stock Exchange. Requests for Dematerialisation/rematerialization of shares are processed and confirmation given within 15 days to the respective Shareholders or to the depositories i.e NSDL and CDSL, as the case may be.

All share transfers etc. are approved/ratified by a Committee of Directors, which meets periodically.

### k) Distribution of shareholding:

(A) The Distribution of shareholdings, including the shares in dematerialized form, as on 31st March, 2014 is given here under:

Break-up of Equity Shares held	No. of shareholders	% of shareholders	No. of shares	% of shares
Up to 5000	1924	97.07	747913	18.21
5001-10000	16	0.81	131460	3.20
10001-20000	12	0.61	172626	4.20
20001-30000	5	0.25	132761	3.23
30001-40000	1	0.05	34175	0.83
40001-50000	1	0.05	41810	1.02
50001-100000	12	0.61	813988	19.82
100001 and above	11	0.55	2032087	49.48
Total	<b>1982</b>	<b>100.00</b>	<b>4106820</b>	<b>100.00</b>

## Auckland International Limited

### (B) Shareholding Pattern as on 31st March 2014 :

Category	No.of Shares held	Percentage of Shareholding
<b>A Promoter's Holding</b>		
1 Promoters		
- Indian Promoters	2932279	71.40
- Foreign Promoters	--	--
2 Persons acting in concert	--	--
Total (A)	2932279	71.40
<b>B Non-Promoter's Holding</b>		
1 Institutional Investors	--	--
a) Mutual Funds and UTI	--	--
b) Banks, Financial Institutions, Insurance Companies (Central/State Government / Non-Government Institutions)	178806	4.35
c) FIIs	-	-
Sub -Total	178806	4.35
2 Others		
a) Private Corporate Bodies	44296	1.08
b) Indian Public	939559	22.88
c) NRIs/ OCBs	11880	0.29
d) GDRs	--	--
Sub -Total	995735	24.25
Total (B)	1174541	28.60
<b>Grand Total (A+B)</b>	<b>4106820</b>	<b>100</b>

#### l) Dematerialization of shares and liquidity:

As on 31st March, 2014, 3062177 Equity Shares of Rs.10/- each (74.56% of the total paid-up share capital) were held in dematerialized form and the balance 1044643 Equity shares of Rs. 10/- each were held in physical form.

#### m) Outstanding GDRs:

The Company has not issued any GDRs/ADRs/ warrants or any convertible instruments.

#### n) Plant Locations:

The Registered Office and unit of the Company viz. Auckland Jute Mills is located at P.O. Jagatdal, 24 Parganas (North), West Bengal-743125.

#### o) Address for correspondence:

Share Department	or	Niche Technologies Pvt. Ltd.
Auckland International Limited		D-511, Bagree Market,
P.O.Jagatdal, 24 Parganas (North),		71, B.R.B Basu Road,
West Bengal-743125.		Kolkata-700 001.

The above report has been placed before the Board at its Meeting held on 14th August, 2014 and the same was approved.

For & on behalf of the Board of Directors

Place: KOLKATA  
Dated: 14th August, 2014

H. S. Bayed (DIN-00425481) Executive Director	M.C.Singhi (DIN-00407278) Director
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## **Auckland International Limited**

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### **CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

The Board of Directors  
Auckland International Limited  
P O Jagatdal, North 24 Parganas,  
West Bengal-743125

We, Shri H S Bayed, Executive Director and Shri S C Bhutoria, CFO do hereby certify to the Board that in terms of Clause V of the listing agreement, we have reviewed the financial statement and Cash Flow Statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief, we further certify that:

- a) these statements does not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- c) no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct;
- d) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that there have been no deficiencies in the design or operation of such internal controls;
- e) no significant changes in internal control over financial reporting during the year;
- f) no significant changes in accounting policies during the year;
- g) no instances of fraud during the year.

**For Auckland International Limited**

Place: KOLKATA  
Dated: 14th August, 2014

H. S. Bayed  
Executive Director & CEO

S.C.Bhutoria  
CFO

### **DECLARATION**

To the Members of  
Auckland International Limited,

Pursuant to Clause 49(1)(D)(ii) of the Listing Agreement with the Stock Exchange, I hereby declare that all Directors of the Company and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company and the confirmation to that effect has been given by each of them, for the year ended 31st March, 2014.

**For Auckland International Limited**

Place: KOLKATA  
Dated: 14th August, 2014

H. S. Bayed  
(DIN-00425481)  
Executive Director

### **AUDITOR'S CERTIFICATE**

#### **Auditor's Certificate regarding compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement**

**To the Members of  
Auckland International Limited**

We have examined the compliance of conditions of Corporate Governance by Auckland International Limited, for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with The Calcutta Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 above mentioned Listing Agreement.

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

"India Steamship House"  
21, Old Court House Street  
Kolkata-700001.  
Dated : 14th August, 2014

For S.S KOTHARI & CO.  
Chartered Accountants  
Firm Registration No. 302034E  
(R.K ROY CHOUDHURY)  
Partner  
Membership No. 8816

## **Auckland International Limited**

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PHONE: 2230- 9776 / 7670

**P. K. Jain & Co.**

Company Secretaries

### **COMPLIANCE CERTIFICATE**

**Registration No. of the Company: 031184**

**Capital: Nominal Rs. 8, 00, 00,000/- Paid Up Rs. 4, 10, 68,200/-**

**To**

**The Members of**

**AUCKLAND INTERNATIONAL LTD.**

**P.O.-Jagatdal, 24 Parganas (North)**

**West Bengal– 743 125.**

We have examined the registers, records, books and papers of **Auckland International Ltd.** as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March, 2014**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure - 'A' to this certificate, as per the provisions of the Act, and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure - 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited Company has the minimum prescribed paid-up capital.
4. The Board of Directors duly met **9** (Nine) times respectively on *15th May, 2013, 15th June, 2013, 22nd July, 2013, 12th August, 2013, 7th October, 2013, 15th November, 2013, 8th January, 2014, 14th February, 2014 and 28th March, 2014*, in respect of which meetings proper notices were given and the proceedings were properly recorded . No circular resolution was passed during the year.
5. The Company has closed its Register of Members and share transfer books from 21.09.2013 to 27.09.2013 and thereby the necessary compliance of section 154 of the Companies Act was made.
6. The Annual General Meeting for the financial year ended on 31.03.2013 was held on 27th September 2013, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and / or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - A. The Company has delivered all Certificates on lodgement thereof for transfer/transmission in accordance with the provisions of the Act. There was no allotment of securities during the financial year.
  - B. The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year, in accordance with the provisions of the Act.
  - C. The Company has not posted warrants to any members of the Company as no dividend was declared during the financial year.

## **Auckland International Limited**

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- D. The Company has not transferred any amount to Investor Education and Protection Fund as there was no amount remaining unclaimed or unpaid for a period of seven years in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon.
- E. The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional director, alternate director and director to fill casual vacancy during the financial year.
  15. There was re-appointment of Whole Time Director during the year but there was no appointment of any Managing Director during the financial year.
  16. The Company has not appointed any sole selling agents during the financial year.
  17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the provisions of the Act during the financial year.
  18. The Directors have disclosed their interest in other firms / Companies to the Board of Directors pursuant to the provisions of the Act and the Rules made thereunder.
  19. The Company has not issued any shares, debentures or others securities during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. The Company did not issue any preference shares or debentures, therefore the question of redemption did not arise.
  22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
  23. The Company has not invited /accepted any deposits including any unsecured loans falling within the purview of Section 58A & 58AA read with Companies (Acceptance of Deposit) Rules, 1975, during the financial year.
  24. The amount borrowed by the Company from the banks during the financial year ending 31st March 2014 is within the borrowing limits of the Company and that necessary resolution as per section 293(1) (d) of the Act has been passed in duly convened Annual General Meeting.
  25. The Company has not made any loans or advances, or given guarantees or provided securities to other bodies corporate and consequently no entries has been made in the register kept for the purpose.
  26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under Scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny
  28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
  30. The Company has not altered its Articles of Association during the financial year.
  31. There was / were no prosecution initiated against or show-cause notices received by the Company for alleged offences under the Act.
  32. The Company has not received any money as security from its employees during the year under the certification.
  33. The Company has deposited both employer's and employee's contribution to provident fund with the prescribed authorities pursuant to section 418 of the Act with no delays.

## Auckland International Limited

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### Annexure - 'A'

#### Registers as maintained by the Company

1. Register of Allotment U/S 75
2. Register of Investments U/S 49
3. Register of Members U/S 150
4. Minutes Books U/S 193
5. Books of Accounts U/S 209
6. Disclosure of Director's Interest U/S 297
7. Register of Contracts, Companies & Firms in which director's are interested U/S 301
8. Register of Directors U/S 303
9. Register of Director's shareholdings U/S 307
10. Register of Transfers U/S 108
11. Register of Fixed Assets.

Sl.No.	Form No/ Return	Filed Under Section	For	Date Filing	Whether filed within Prescribed Time Yes/No	If delay in filing whether Requisite Additional Fee paid Yes/No
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Annual Return	U/S 159	–	12.11.2013	Yes	No
2.	Balance Sheet /P & L A/c.	U/S 220	–	30.10.2013	No	Yes
3.	Compliance Certificate	U/S 383A(1)	–	28.09.2013	Yes	No
4.	Form-23C	U/S 233B	Appointment of Cost Auditor	12.06.2013	Yes	No
5.	Form-23	U/S 192	Registration of Special Resolution	01.11.2013	Yes	No
6.	Form-25C	U/S 269(2)	Re-appointment of Whole Time Director	01.10.2013	Yes	No
7.	Form-1 XBRL		Cost Auditor Report	27.09.2013	Yes	No
8.	Form-5 INV		Unclaimed and Unpaid dividend	10.10.2013	Yes	No

For **P.K.Jain & Co.**  
**Company Secretaries**

**Proprietor**  
**(Pravin Kumar Jain)**  
C. P. No - 4101  
F.C.S. No. - 4031

Place : Kolkata  
Date : 14th August, 2014

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Auckland International Limited  
Report on the Financial Statements**

- I. We have audited the accompanying financial statements of Auckland International Limited which comprise the Balance Sheet as at 31 March, 2014 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**

- II. The Company's 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) read with the general Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of Companies Act, 2013. 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**

- III. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standard 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.
- IV. 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.
- V. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**VI. Basis of Qualification:**

- (i) **Insurance Claims, Internal Marketing Assistance & receipt from DEPB License are accounted for on cash basis (Refer Note 1.3)**
- (ii) **The accrued liability on account of encashment of leave by the employees is not provided and accounted for on Cash Basis. (Refer Note 1.11) Unprovided Liability on this account as on 31st March 2014 as determined by actuarial valuation amounts to ₹. 55.39 lacs.**
- (iii) **The accrued liability on account of Gratuity payables to staff and workers on retirement during the year is accounted for on cash basis. However, future liability on account of Gratuity payable to employees as determined by LIC as on 31st March 2014 amount to ₹.1833.29 lacs against which ₹.1772.15 lacs have been funded with LIC as premium for the policy taken in this regard. Amount of unfunded/unprovided liability in this regard has been determined at ₹.61.14 lacs (after considering return on plan assets) (Refer Note 31). This is in deviation of the procedure prescribed under AS15. Effects of the forgoing to the extent determinable, balance of Reserve & Surplus & Profit for the year are overstated by ₹.116.53 lacs and liability is under stated to the same amount.**

**VII. Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements subject to Para VI above 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 March 31, 2014  
(b) in the case of the Profit and Loss Account, of the profit/loss 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.

## **Auckland International Limited**

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### **VIII. Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

### **IX. As required by section 227(3) of the Companies 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 purposes of our audit.
- (b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) the Balance Sheet and 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 Para II above read with the general Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013 except AS15 (Refer VI(iii) above)
- (e) on the basis of written representations received from the directors as on 31st March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

'INDIA STEAMSHIP HOUSE'  
21, Old Court House Street,  
Kolkata-700001.

Dated: 14th August 2014

**For S. S. KOTHARI & CO.**  
Chartered Accountants  
Firm Registration No. 302034E  
(R. K. Roy Choudhury)  
Partner  
Membership No. 8816

### **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT Referred to in Paragraph VIII of our Report of even date,**

- 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 during the year as per programme of verification of except for Furniture & Fixtures. No material discrepancies were noticed on such verification between Book records & Physical balance. In our opinion, having regard to the size of the Company and nature of its operation, the programme of verification is reasonable.
  - (c) The substantial part of fixed assets has not been disposed off during the year.
- II.
  - (a) As explained to us the inventory except stock lying with 3rd parties has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion the Company has maintained proper records of inventory. The discrepancy noticed on verification between the physical stocks and the book records were not material and adjusted in the account.
- III.
  - (a) According to the information & explanation, the Company has not granted any loan secured or unsecured to Company, Firm or other parties covered in the Register maintained under section 301.
  - (b) The Company has taken unsecured loans from 14 Companies covered in the register maintained u/s 301 of the Companies Act 1956. The amount involved is ₹.645 lacs and maximum amount due at any time during the year is ₹. 645 lacs. The Company has repaid the entire loan together with interest and the year-end balance of loans taken from the said parties is ₹. Nil. The Company has not taken any loan from Firm or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.

## Auckland International Limited

- (c) In our opinion, the rate of interest and other terms and conditions on which loans have been taken are not, prima facie, prejudicial to the interest of the company.
- (d) The Company has not granted any loan to any Company or any Firm or other Parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- 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 purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the system of internal controls. The Company has no sale of service.
- V. In respect of the Contracts or arrangement referred to in Section 301 of the Companies Act, 1956;
- (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the transactions made in pursuance of contracts and arrangements, that need to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of 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 each party during the year have been made at prices which appear to be reasonable as per information available with the Company.
- VI. To the best of our knowledge & belief and according to the information and explanation given to us the company has not accepted any deposit from public during the year, within the meaning of the provisions of Sections 58A and 58AA of the Companies Act 1956, and the Companies (Acceptance of Deposits) Rules, 1975 with regard to deposits accepted from the public.
- VII. In our opinion, Company has an internal Audit system commensurate with the size and nature of its business. However, the internal audit system needs to be strengthened to cover the operational and major financial areas.
- VIII. We have broadly reviewed the books of accounts and cost records maintained by the company in respect of manufacturing of Jute goods prescribed by the Central Government pursuant to the Rules for the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made detailed examination of these records.
- IX. (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Fringe Benefit Tax, Sales Tax, VAT, Wealth Tax, Custom Duty, Excise Duty, Cess Duty, Service Tax and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, Company has no undisputed amount payable in respect of Income Tax, Sales Tax, VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess Duty were in arrear as at 31st March 2014 for a period more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are disputed dues on account of the following:

Name of the Statute	Nature of dues	Amount (₹. in Lacs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	43.78	75-76, 94-95, 01-02, 03-04, 04-05, 06-07 07-08, 08-09, 09-10 & 10-11	Asst. Commissioner/ Deputy Commissioner (Appeals)
West Bengal Sales Tax Act, 1941	Sales Tax	0.15 10.08	74-75 01-02, 03-04 & 04-05	Appellate Tribunal Asst. Commissioner / Deputy Commissioner (Appeals)
West Bengal VAT Act, 2003	VAT	30.00	05-06, 06-07, 07-08, 09-10 & 10-11	Assessing Authority
Central Excise Tariff Act, 1985	Excise Duty	3257.36	March 2011 to December 2012	CESTAT, Kolkata

## **Auckland International Limited**

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- X. The Company has no accumulated loss. It has not incurred any cash loss during the financial year covered by our audit and the immediately preceding financial year.
- XI. In our opinion and according to the information and explanations given to us, the company has not defaulted in re-payment of loan to Bank. The Company has neither taken any loan from Financial Institution nor issued any debenture.
- XII. In our opinion and according to information given to us and based on the information available, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion the Company is not a chit fund or a nidhi /mutual benefit fund/society.
- XIV. In our opinion and according to the information & explanations given to us, the company is not a dealer or trader in shares, securities, debentures and other securities.
- XV. In our opinion and according to information and explanation given to us, Company has not given any guarantees for loans taken by others from financial institutions/ Banks.
- XVI. The Company has not obtained any term loan from Bank during the year.
- XVII. In our opinion and according to information & explanation given to us and scrutiny on an overall examination of the Balance Sheet, we report that no funds raised for short term basis have been used for Long Term Investment.
- XVIII. According to the information and explanations given to us, the Company has not issued any shares during the year.
- XIX. According to the information and explanations given to us, the Company had not issued any Secured Debentures.
- XX. The Company has not raised any money by way of any public issue during the year.
- XXI. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

'INDIA STEAMSHIP HOUSE'  
21, Old Court House Street,  
Kolkata-700001.

Dated : 14th August, 2014

**For S. S. KOTHARI & CO.**  
Chartered Accountants  
Firm Registration No.302034E  
(R. K. Roy Choudhury)  
Partner  
Membership No.8816

## Balance Sheet as at 31st March, 2014

Particulars	Notes	31st March, 2014	31st March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds :</b>			
Share Capital	2	41068	41068
Reserves and Surplus	3	273035	259549
		<u>314103</u>	<u>300617</u>
<b>Non-current Liabilities</b>			
Deferred Tax Liabilities	4	12155	11672
Deferred Government Grant	5	3799	2763
		<u>15954</u>	<u>14435</u>
<b>Current Liabilities</b>			
Short-term borrowings	6	60529	79481
Trade Payables	7	5163	10443
Other Current liabilities	8	67210	98918
Short-term provisions	9	16415	9100
		<u>149317</u>	<u>197942</u>
<b>TOTAL</b>		<u><u>479374</u></u>	<u><u>512994</u></u>
<b>ASSETS</b>			
<b>Non-current Assets :</b>			
Fixed Assets			
Tangible Assets	10	150823	146749
Intangible Assets	11	144	110
Non-current Investments	12	36770	44141
Other non-current assets	13	1111	1147
		<u>188848</u>	<u>192147</u>
<b>Current Assets</b>			
Inventories	14	178989	213716
Trade receivables	15	31070	43881
Cash and Cash equivalents	16	34267	29520
Short-term loans and advances	17	960	934
Other Current assets	18	45240	32796
		<u>290526</u>	<u>320847</u>
<b>TOTAL</b>		<u><u>479374</u></u>	<u><u>512994</u></u>

Significant Accounting Policies 1  
The accompanying Note Nos. 1 to 36 form an integral part of these Financial Statements.

In terms of the report of even date annexed

**For S.S.Kothari & Co.**

Chartered Accountants  
(R.K.Roy Choudhury)  
Partner  
Membership No. 8816  
Firm Registration No. 302034E  
Place : Kolkata  
Dated : 14th August, 2014

H.S. Bayed  
Executive Director  
S. Ghose  
Company Secretary

H. Tapadar  
M.C.Singhi  
B.S. Rampuria  
B.S. Baid  
Directors

## Statement of Profit and Loss for the year ended on 31st March, 2014

	Notes	31st March, 2014	31st March, 2013
<b>REVENUE</b>			
Revenue from Operations	19	<b>1220676</b>	1312974
Less : Cess Duty		<b>12500</b>	13562
		<b>1208176</b>	1299412
Other Income	20	<b>9267</b>	7312
<b>Total Revenue</b>		<b>1217443</b>	1306724
<b>EXPENSES</b>			
Cost of Material Consumed	21	<b>652717</b>	746351
Change in inventories (Increase)/Decrease	22	<b>(31830)</b>	(28015)
Employee benefits expenses	23	<b>340391</b>	300099
Finance costs	24	<b>5416</b>	6104
Depreciation and amortisation expenses		6648	6363
Less: Transferred from Capital Reserve		<u>2225</u>	<u>2225</u>
Other expenses	25	<b>222817</b>	249383
<b>Total Expenses</b>		<b>1193934</b>	1278060
Profit before exceptional and extraordinary items & tax Exceptional / Extraordinary items		<b>23509</b>	28664
Adjustment relating to Taxes for earlier years		--	772
Profit before tax		<b>23509</b>	29436
<b>Tax expense :</b>			
Current tax		<b>7315</b>	9100
Deferred tax		<b>483</b>	581
<b>Profit for the period</b>		<b>15711</b>	19755
Basic / Diluted Earnings per equity Share		<b>3.83</b>	4.81
Significant Accounting Policies	1		

The accompanying Note Nos. 1 to 36 form an integral part of these financial statements

In terms of the report of even date annexed

**For S.S.Kothari & Co.**

Chartered Accountants  
(R.K.Roy Choudhury)  
Partner  
Membership No. 8816  
Firm Registration No. 302034E  
Place : Kolkata  
Dated : 14th August, 2014

H.S. Bayed  
Executive Director  
S. Ghose  
Company Secretary

H. Tapadar  
M.C.Singhi  
B.S. Rampuria  
B.S. Baid  
Directors

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31st March, 2014	31st March, 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary Items	23509	28664
Adjustments for :		
Depreciation and Amortisation Expenses	4423	4138
Interest Received	(5653)	(4082)
Dividend Received	(711)	(684)
Interest Expenses	4616	5782
(Profit)/ Loss on Sale of Investment	(587)	(695)
(Profit)/ Loss on Sale of Fixed Assets	--	(252)
<b>Operating Profit before Working Capital Changes</b>	<u>2088</u>	<u>4207</u>
	25597	32871
Adjustments for:		
Decrease/(Increase) in Inventories	34727	(350)
Decrease/(Increase) in Trade Receivables	12811	(8544)
Decrease/(Increase) in Other Receivables	10	58
Decrease/(Increase) in Other Current Assets	(5023)	37737
(Decrease)/Increase in Trade & Other Payables	(29673)	(28978)
Provisions	(7315)	(9100)
<b>Cash Generated from operations</b>	<u>5537</u>	<u>(9177)</u>
	31134	23694
Interest Paid	(4616)	(5782)
Direct Taxes Paid	(7421)	(9002)
	<u>19097</u>	<u>8910</u>
<b>Cash Flow before extra ordinary items</b>		
Extra ordinary items	--	772
<b>Net Cash from Operating Activities</b>	<u>19097</u>	<u>9682</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(10756)	(10327)
Sale of Fixed Assets	--	300
Acquisition of Companies	--	--
Purchase of Investments	(97500)	(65000)
Sale of Investments	105459	65695
Interest Received	5653	4082
Dividend Received	711	684
	<u>3567</u>	<u>(4566)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	--	--
Proceeds from Cash Credit	(18954)	(2146)
Deferred Government Grants	1037	(488)
Repayment of long term borrowings	--	--
Proceeds from Unsecured Loans	--	--
Dividends Paid	--	--
<b>Net Cash used in Financing Activities</b>	<u>(17917)</u>	<u>(2634)</u>
Net increase in Cash & Cash Equivalents (A+B+C)	4747	2482
Opening Balance of Cash & Cash Equivalents	29520	27038
Closing Balance of Cash & Cash Equivalents	<u>34267</u>	<u>29520</u>

## Note:

- The above statement have been prepared in indirect method except in case of interest, dividend and purchase of investment and fixed assets, which have been considered on the basis of actual movement.
- Cash and Cash equivalent represent cash and bank balances.

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This is in terms of the report of even date annexed

**For S.S.Kothari & Co.**

Chartered Accountants

(R.K.Roy Choudhury)

Partner

Membership No. 8816

Firm Registration No. 302034E

Place : Kolkata

Dated : 14th August, 2014

H.S. Bayed  
Executive Director  
S. Ghose  
Company Secretary

H. Tapadar  
M.C.Singhi  
B.S. Rampuria  
B.S. Baid  
Directors

**NOTE 1****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014****SIGNIFICANT ACCOUNTING POLICIES:****1. GENERAL**

The Financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India under the historical cost convention, except for certain tangible assets acquired before 30th September 1986 which are carried at revalued amount. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211 (3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**2. USE OF ESTIMATES**

The preparation of the financial statements in conformity with the generally accepted accounting principles in India requires, the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual and the estimates are recognised in the period in which the actuals are known/ materialise.

**3. REVENUE RECOGNITION**

(a) Revenue has been accounted for on accrual basis excepting Internal Marketing Assistance, Insurance Claim and receipt from DEPB Licence, which are accounted for as and when received. All claims including Gunny claim are considered as and when settled.

(b) Government Grants are recognized only when they are actually received. The grant related to depreciable fixed asset is treated as deferred income which is allocated to income over the periods and in the proportion in which depreciation on that asset is charged.

**4. SALES AND OTHER INCOME**

Sales of Goods are recognized on transfer of significant risks and reward of ownership, which is generally on dispatch of goods, and are recorded net of return, claims, cash discount etc.

**5. INVENTORY**

Inventory of raw material and finished goods are valued at lower of cost and market prices, stores & spares at monthly average cost and work in process at cost. Cost of work in process and finished goods includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location. Cost is determined using standard cost method than approximate actual cost.

**6. INVESTMENTS**

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

Long term investments are valued at cost. Current investments are valued at lower of costs and fair value as on the date of Balance Sheet. The Company provides for diminution in value of investment, if any, other than temporary in nature.

**7. TRANSACTION IN FOREIGN CURRENCY**

Transactions in foreign currency are recognised at the prevailing exchange rates on the date of transaction. Gains/losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit & Loss in the period in which they arise.

**8. FIXED ASSETS**

- a) All fixed assets have been stated at cost less accumulated depreciation. The Company capitalises all direct costs relating to the acquisition and installation of fixed assets. Further, in respect of block of assets, which were revalued, the difference between the cost and revalued amount has been transferred to Capital Reserve Account and are stated at the amount revalued, less depreciation on the revalued addition.
- b) Profit/Loss on sale of revalued fixed assets are stated with reference to the written down value based on the Specified period and on the basis of their original cost.

**9. DEPRECIATION**

## Tangible Assets

- a) Depreciation on fixed assets is provided on the Book value and is inclusive of addition on revaluation, if any.
- b) Depreciation is provided on:
  - i) Plant & Machinery at the rate of 2.64%, which has been determined on the basis of the useful lives as estimated by the technical evaluation based on the rates specified in the Schedule XIV to the Companies Act, 1956 and on the Straight Line Method.
  - ii) In respect of other assets as per the rates as specified in amended Schedule XIV to the Companies Act, 1956 and on the Straight Line Method.
  - iii) In the case of revalued assets, the difference between the depreciation provided on the revalued value and on the historical cost is transferred from the Capital Reserve (on revaluation) to the Profit & Loss Account.
  - iv) Assets individually costing less than ₹. 5000/- are fully depreciated in the year of addition.

**10. IMPAIRMENT OF ASSETS**

Impairment is ascertained at each Balance Sheet date, the Company reviews the carrying value of tangible & intangible assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

**11. EMPLOYEE BENEFITS**

Short term employees' benefits are recognized at the undiscounted amount as expenses for the year in which the related service is rendered.

The Company has Defined Contribution Plan for its employees' retirement benefits comprising of Provident Fund, Pension & Gratuity. The Company makes regular contribution to Provident Fund including payment under Pension Scheme which are fully funded and administered by the Government and is recognized in Statement of Profit & Loss on accrual basis.

The Company has defined benefit plan for Gratuity and Leave Encashment Scheme. The Company contributes to the Gratuity Fund and has taken a Master Policy with Life Insurance Corporation of India for future payment of liability to its employees.

The liabilities for gratuity for the employees left/dead and leave encashment to the employees in employment are accounted for as per Gratuity Act & Standing Orders and on the basis of payment & contribution made during the year. However, the amounts of said liabilities are ascertained on the basis of actuarial valuation disclosed in the accounts.

**12. INCOME TAX**

Current tax is determined on the amount of tax payable in respect of taxable income for the year. Deferred tax assets and liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and laws that have been enacted or substantively enacted.

13. Dividend received is accounted for as and when it is received.

14. Unless specifically stated to be otherwise, these policies are consistently followed.

## NOTE 2

	31st March 2014	31st March 2013
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
7500000 Equity Shares of ₹.10/- each	75000	75000
50000 Preference Shares of ₹.100/- each	5000	5000
<b>Total</b>	<b>80000</b>	<b>80000</b>
<b>Issued, Subscribed &amp; Paid up</b>		
4106820 Equity Shares of ₹.10/- each fully paid up	41068	41068
<b>Total</b>	<b>41068</b>	<b>41068</b>

- a) The Company has not issued any Shares during the year.
- b) The Company has issued one class of equity shares. The holders of the equity shares are entitled to receive dividends subject to approval in the Annual General Meeting and are entitled to voting rights proportionate to their share holdings at the meetings of the shareholders and entitled to receive surplus on the winding up of the company in proportion to share holding.
- c) Following Shareholders hold equity shares more than 5% of the total shares of the Company at the end of the period.

<u>Name of Shareholder</u>	<u>No. of Shares</u>	<u>% of Shareholdings</u>
Aradhana Investments Limited	558205	13.59
Padmavati Tradelink Limited	278583	6.78
Divya Kankaria	253575	6.17

- d) The Company has not issued shares for a consideration other than cash or bonus shares during the immediately preceding 5 years

## NOTE 3

## RESERVE AND SURPLUS

<b>Capital Reserve (Revaluation)</b>		
As per last Balance Sheet	68879	71181
Less: Transferred to Profit & Loss Account	-2225	-2225
Less: Adjustment on Sale of Fixed Assets	--	-77
Balance at the end of year	<b>66654</b>	<b>68879</b>
<b>General Reserve</b>		
As per last Balance Sheet	11909	11909
<b>Capital Redemption Reserve</b>		
As per last Balance Sheet	4062	4062
<b>Surplus in the Statement of Profit and Loss Account</b>		
As per last Balance Sheet	174699	154944
Add: Net Profit after tax transferred from Statement of Profit & Loss Account	15711	19755
<b>Balance at the end of year</b>	<b>190410</b>	<b>174699</b>
<b>Total</b>	<b>273035</b>	<b>259549</b>

## NOTE 4

## Deferred tax liabilities

As per last Balance Sheet	11672	11091
Deferred Income Tax Liability	483	581
<b>Total</b>	<b>12155</b>	<b>11672</b>

NOTE 5	31st March, 2014	31st March, 2013
<b>Deferred Government Grant</b>		
Deferred Government Grants - [Note 36(j)]	3799	2763
<b>Total</b>	<u>3799</u>	<u>2763</u>

NOTE 6		
<b>Short-term borrowings</b>		
Loans payable on demand		
Working Capital Facilities		
-From Banks (Secured)	60529	79481
-From Others	--	--
<b>Total</b>	<u>60529</u>	<u>79481</u>

Secured by first charge on Plant & Machinery and Current Assets of the Company and deposit of Title Deeds of Land & Building, additionally secured by Personal guarantee of the Director of the Company.

NOTE 7		
<b>Trade payables</b>		
- Micro, Small & Medium Enterprises	--	--
- Others	5163	10443
<b>Total</b>	<u>5163</u>	<u>10443</u>

NOTE 8		
<b>Other current liabilities</b>		
Unpaid Dividends	273	274
Employees Benefits Payable	22847	24151
Advances from Customers & other payables	12719	33543
Provision for expenses	26506	34430
Deposit received	372	1068
Statutory dues payable	4493	5452
<b>Total</b>	<u>67210</u>	<u>98918</u>

NOTE 9		
<b>Short-term provisions</b>		
Provision for Income Taxes	16415	9100
<b>TOTAL</b>	<u>16415</u>	<u>9100</u>

## NOTE 10

**FIXED ASSETS**  
**Tangible Assets**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.13	Additions	Sales	As at 31.03.14	Up to 01.04.13	For the year	Sale	Up to 31.03.14	As at 31.03.14	As at 31.03.13
Land & Building	69264	2317	--	71581	15979	458	--	16437	55144	53285
Plant & Machinery	213311	7349	--	220660	124164	5574	--	129738	90922	89147
Furniture & Fixtures	1558	35	--	1593	876	65	--	941	652	682
Vehicles & Trolleys	4419	932	--	5351	1216	437	--	1653	3698	3203
Laboratory Equipments	139	--	--	139	74	4	--	78	61	65
E.D.P. Machines	1331	74	--	1405	964	95	--	1059	346	367
<b>Current Year</b>	<b>290022</b>	<b>10707</b>	<b>--</b>	<b>300729</b>	<b>143273</b>	<b>6633</b>	<b>--</b>	<b>149906</b>	<b>150823</b>	<b>146749</b>
Previous Year	280230	10327	535	290022	137320	6363	410	143273	146749	142910

**NOTE 11****FIXED ASSETS**  
**Intangible Assets**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.13	Additions	Sales	As at 31.03.14	Up to 01.04.13	For the year	Sale	Up to 31.03.14	As at 31.03.14	As at 31.03.13
Software	2200	49	--	2249	2090	15	--	2105	144	110
<b>Current Year</b>	<b>2200</b>	<b>49</b>	<b>--</b>	<b>2249</b>	<b>2090</b>	<b>15</b>	<b>--</b>	<b>2105</b>	<b>144</b>	<b>110</b>
Previous Year	2200	--	--	2200	2090	--	--	2090	110	110

**NOTE 12****Non - Current Investment**

PARTICULARS	Face Value	Nature of Investment (Fully Paid)	31st March, 2014		31st March, 2013	
			Value	Nos.	Value	Nos.
Other Investment Quoted						
Balmer Lawrie Investments Limited	10	Equity	21162	2164	21162	2164
BEML Limited	10	Equity	6949	7038	6949	7038
Electrosteel Steels Ltd.	10	Equity	189386	2083	189386	2083
GVK Power & Infrastructure Ltd.	1	Equity	9500	499	9500	499
IFCI Ltd.	10	Equity	33800	2085	33800	2085
Kesoram Industries Ltd.	10	Equity	4525	1438	4525	1438
NHPC Limited	10	Equity	65799	2386	65799	2386
Oil India Limited	10	Equity	662	278	265	278
Oil and Natural Gas Corporation Ltd.	5	Equity	8000	2584	12000	3875
Power Grid Corporation of India Ltd.	10	Equity	23268	2094	23268	2094
Punjlloyd Limited	2	Equity	6600	874	6600	874
Sesa Sterlite Ltd	1	Equity	2400	649	4000	649
State Bank of Bikaner & Jaipur	10	Equity	4321	1814	4321	1814
State Bank of India	10	Equity	2285	4952	2285	4952
State Bank of Travancore	10	Equity	650	319	650	319
Tata Steel Limited	10	Equity	1000	513	1000	513
Investment in Mutual Fund - Quoted						
Goldman Sachs Mutual Fund	1000	Units	0.802	1	0.759	1
			<b>380308</b>	<b>31770</b>	<b>385511</b>	<b>33062</b>
Investment in Bond & Debentures-Quoted						
The Tata Power Company Ltd-(Bond)	1000000	Units	--	--	11	11079
Reliance Dynamic Bond Fund	10	Units	301767	5000		
			<b>301767</b>	<b>5000</b>	11	11079
			<b>682075</b>	<b>36770</b>	385522	44141

Value of Quoted Investments

Book Value

36770

44141

Market Value

29955

34872

**NOTE 13****Other non-current assets**

(Claim for old Input VAT, CST receivables etc.)

**Total**

31st March, 2014

31st March, 2013

1111

1147

1111

1147

**NOTE 14****Inventories**

As certified by the Management

Stores and Spare Parts

Raw Jute

Jute-in-process

Finished Goods

**Total**

16646

15436

21553

89320

17757

16360

123033

92600

178989

213716

<b>NOTE 15</b>	<b>31st March, 2014</b>	31st March, 2013
<b>Trade receivable</b>		
(Unsecured -considered good unless otherwise stated)		
a) Debts outstanding for a period exceeding six months		
Considered good	769	813
Considered doubtful	--	--
Less: Provision for doubtful debts	--	--
	<u>769</u>	<u>813</u>
b) Other debts		
Considered good	30301	43068
Considered doubtful	--	--
	<u>30301</u>	<u>43068</u>
<b>Total</b>	<b><u>31070</u></b>	<b><u>43881</u></b>
<b>NOTE 16</b>		
<b>Cash and Cash equivalents</b>		
Balance with Banks		
In current and deposit accounts	7034	6307
Cash in hand	924	1197
	<u>7958</u>	<u>7504</u>
Other Bank Balances		
Fixed deposits with more than three months maturity but less than one year	9536	5187
Fixed deposits with more than twelve months maturity	--	55
Fixed deposit (more than 12 months maturity) held as margin money against guarantee	16500	16500
Balance with Bank in unpaid dividend account	273	274
	<u>16773</u>	<u>16829</u>
<b>Total</b>	<b><u>34267</u></b>	<b><u>29520</u></b>
<b>NOTE 17</b>		
<b>Short-term loans and advances</b>		
(Unsecured considered good unless otherwise stated)		
- Intercompany Loans	--	--
- Security Deposits	960	934
<b>Total</b>	<b><u>960</u></b>	<b><u>934</u></b>
<b>NOTE 18</b>		
<b>Other current assets</b>		
(Unsecured considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be recovered		
- Employees	6693	4560
- Suppliers	3194	1900
- Interest Receivable	2728	2410
- Others	10550	9035
Balance with Excise Authorities	1	48
Prepaid expenses	551	309
Income tax advances	21523	14534
<b>Total</b>	<b><u>45240</u></b>	<b><u>32796</u></b>

	31st March, 2014	31st March, 2013
<b>NOTE 19</b>		
<b>Revenue from operations</b>		
Gunny	1194558	1292879
Yarn	13618	6533
<b>Total</b>	<b>1208176</b>	<b>1299412</b>
<b>NOTE 20</b>		
<b>Other Income</b>		
Profit on sale of investment	587	695
Profit on sale of fixed assets	--	252
Interest	5653	4082
Miscellaneous Income	2158	1369
Dividend	711	684
Rent	158	146
Liabilities no longer required written back	--	84
<b>Total</b>	<b>9267</b>	<b>7312</b>
<b>NOTE 21</b>		
<b>Cost of Material Consumed</b>		
<b>Opening Stock</b>		
Raw Jute	89320	119355
<b>Purchase</b>		
Raw Jute	571596	634387
Gunny & Yarn	13354	81929
	<b>584950</b>	<b>716316</b>
<b>Closing Stock</b>		
Raw Jute	21553	89320
<b>Total</b>	<b>652717</b>	<b>746351</b>
<b>NOTE 22</b>		
<b>Change in Inventories</b>		
<b>Opening Stock</b>		
Jute in process	16360	16334
Finished Goods	92600	64611
	<b>108960</b>	<b>80945</b>
<b>Closing Stock</b>		
Jute in process	17757	16360
Finished Goods	123033	92600
	<b>140790</b>	<b>108960</b>
<b>Total (Increase)/Decrease</b>	<b>(31830)</b>	<b>(28015)</b>
<b>NOTE 23</b>		
<b>Employee benefits expenses</b>		
Salaries and wages	305239	265640
Contribution to provident and other funds	31385	29229
Staff welfare expenses	3767	5230
<b>Total</b>	<b>340391</b>	<b>300099</b>

	31st March, 2014	31st March, 2013
<b>NOTE 24</b>		
<b>Finance Costs</b>		
Interest on loans	4616	5782
Other borrowing costs		
Processing fees	800	322
<b>Total</b>	<b>5416</b>	<b>6104</b>
<b>NOTE 25</b>		
<b>Other expenses</b>		
-Stores and spares consumed	53346	55945
-Power & fuel	85120	92224
-Sewing & processing charges	3744	3867
	<b>142210</b>	<b>152036</b>
Repairs and maintenance		
-Building	4246	5717
-Machinery	29480	27040
-Other Assets	4528	5889
	<b>38254</b>	<b>38646</b>
-Insurance charges	2075	2199
-Rent	1320	1260
-Rates & taxes	3160	4442
-Brokerage & commission	8986	8201
-Shipping & delivery	1990	5545
-Cess duty	2	17
-Miscellaneous expenses	24638	36827
-Sundry balances written off	29	57
	<b>42200</b>	<b>58548</b>
Auditor's remuneration		
-As audit fees	62	62
-For Tax audit, Certification etc.	63	68
-Reimbursement of expenses	28	23
	<b>153</b>	<b>153</b>
<b>Total</b>	<b>222817</b>	<b>249383</b>
<b>NOTE 26</b>		
<b>CONTINGENT LIABILITIES NOT PROVIDED FOR IN THE ACCOUNTS</b>		
a) Sales Tax (pending appeal) (to the extent declaration forms not received)	1023	1023
VAT (pending appeal) (to the extent declaration forms not received)	2900	1878
CST (pending appeal) (to the extent declaration forms not received)	4377	3252
b) Employees' State Insurance –Not acknowledged as debt	1060	1060
c) Outstanding Bank Guarantee	16500	16500
d) Demand of Excise Authority on pending appeal	325736	–

	31st March, 2014	31st March, 2013
<b>NOTE 27</b>		
<b>Particulars of Sales &amp; Stock</b>		
<b>a) Sale</b>		
Gunny	1194558	1292879
Yarn	13618	6533
<b>b) Closing Stock</b>		
Gunny	123033	92600

**NOTE 28****Value of Imports on CIF basis**

Raw Material	--	4065
--------------	----	------

**NOTE 29****Expenditure in Foreign Currency**

Travelling	40	100
------------	----	-----

**NOTE 30****Value of Imported and Indigenous raw materials, stores, spare parts and components consumed and the percentage of each to total consumption**

	31st March 2014		31st March 2013	
	₹. (in 000)		₹. (in 000)	
Raw Material	Value	%	Value	%
Imported	9790	1.50	14284	1.91
Indigenous	642928	98.50	732067	98.09
<b>Store, Spare Parts and Components</b>				
Imported	--	--	--	--
Indigenous	78626	100	76712	100

**NOTE 31****Employees Benefits**

The disclosures required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006 are given below:

**Post Retirement Benefit - Defined Contribution Plan**

Contributions to Defined Contribution Plans recognized and charged off for the year are as under:

Employer's Contribution to Provident Fund	3804
Employer's Contribution to Employees Pension Scheme	14794

**Post Retirement and Long Term Benefits -Defined Benefit Plan**

The Company makes the payment of Gratuity and Leave Encashment out of its own resources. The Gratuity is paid as per the provisions of the Payment of Gratuity Act, 1972 and the amount paid on retirement, death while in employment or on termination of employment. The Leave Encashment is paid according to the approved Standing Order for Jute Industry. The disclosures as per Actuarial Valuation as on March 31, 2014 are as follows:-

	Gratuity Funded	Leave encashment unfunded
1. Change in present value of Defined Benefit Obligation as on 31/03/14		
Present value of DBO at the beginning of the year	168290	4137
Interest Cost	13463	435
Current Service Cost	9161	4501
Benefit Paid	--	(7259)
Actuarial (gain)/loss on obligation	(7585)	3725
Present value of DBO as at end of the year	183329	5539
2. Change in the fair value of Plan Assets as on 31/03/14		
Fair value of plan assets at the beginning of the year	153656	
Expected return on plan assets	13615	
Contributions	9944	
Benefits paid	--	
Actuarial Gain/(loss) on plan assets	--	
Fair value of plan assets at the end of the year	177215	
3. Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	153656	
Actual return on plan assets	13615	
Contributions	9944	
Benefits paid	--	
Fair value of plan assets at the end of the year	177215	
Funded status	(6114)	
Excess of Actual over estimated return on plan assets	--	
4. Actuarial Gain/ Loss recognised		
Actuarial (gain) / loss on obligation	(7585)	
Actuarial (gain) / loss for the year on plan assets	--	--
Actuarial (gain) / loss on obligation	(7585)	3725
Actuarial (gain) / loss	(7585)	3725
5. The amounts to be recognised in the Balance Sheet and Statement of Profit and Loss		
Present value of obligation as at the end of the year	183329	5539
Fair value of the plan assets as at end of the year	177215	
Funded status	(6114)	(5539)
Net assets/ (liability) recognised in Balance Sheet	(6114)	(5539)
6. Expenses recognised in statement of Profit & Loss		
Current service cost	9161	4501
Interest Cost	13463	435
Expected return on plan assets	(13615)	--
Net actuarial (gain)/loss recognised in the year	(7585)	3725
Expenses recognised in Statement of account of Profit and Loss	1423	8661

The Benefits accounted under the head 'Employee Benefits Expenses ₹. 21987 include ₹. 12043 paid to retired/ dead employees etc. and the contribution of ₹. 9944 out of accrued liabilities as on 31.03.2014 to the Gratuity Fund. No benefits are derivable during the year from contribution to LIC. No Liability has been provided in the books of account in respect of Leave Encashment of ₹. 5539 on the basis of actuarial valuation as mentioned above in consonance with the Company's policy of accounting.

#### Actuarial Assumptions

Discount Rate (%)	8.00	8.00
Active members of the scheme will experience in service mortality assumed in accordance with the table LIC (1994-96) ultimate.		

The methodology used in calculation is Projected Unit Credit to assess the plan's liabilities, including those to death service and incapacity benefits.

Principal Plan Provisions: Payment of Gratuity Act as amended upto date.

**NOTE 32**

Tax Expenses is the aggregate of current year income tax and deferred tax charged to the Profit & Loss Account for the year

a) Current Year Charge		
Income Tax provision of ₹. 7315 has been made on regular income		
b) Deferred Tax		
The major component of the Deferred Tax Liability to the extent recognized and outstanding at 31.3.2014:		
Deferred Tax Liability as on 1st April, 2013		<b>11672</b>
Deferred Tax Liability :		
On differences between Book & Income Tax depreciation		<b>483</b>
Net Deferred Tax Liability as on 31st March 2014		<b>12155</b>
	<b>31st March, 2014</b>	31st March, 2013

**NOTE 33****Earnings per Share:**

Net Profit/(Loss) available for Equity shareholders	<b>15711</b>	19755
Weighted average number of Equity shares outstanding	<b>4106820</b>	4106820
Basic and diluted earnings per share -		
In rupees of face value of ₹.10 each	<b>3.83</b>	4.81

**NOTE 34**

Remuneration paid to Executive Director for the year is debited to respective heads of account:

i) Salary	<b>730</b>	667
ii) Contribution to Provident Fund	<b>73</b>	67
iii) Perquisites	<b>343</b>	313

**NOTE 35**

**Information given in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures as notified in the Companies (Accounting Standards) Rules 2006:**

**A. List of Related Parties**

- a) Names of the Key Management Personnel of the Company
  - i) Mr. Hirendra Singh Bayed - Executive Director, WTD & CEO
  - ii) Mr. Subhas Chand Bhutoria - General Manager, CFO
  - iii) Ms. Sangeeta Ghose - Company Secretary
- b) Enterprises in which Key Management Personnel have significant influence
  - i) Glory Distributors Pvt. Ltd.
  - ii) Morgan Walker Infrastructure Ltd.
  - iii) JKK Finance Limited
  - iv) Aradhana Multimax Ltd.
  - v) Hotline Sales Pvt. Ltd.
  - vi) Jai Kumar Kankaria Investment Pvt. Ltd.

B. Transactions with Related Parties during the Financial Year and Outstanding Balances as on 31st March 2014 (amount in ₹. 000)

Nature of Transactions	Enterprises in which Key Management Personnel have significant influence	Item	Key Management Personnel
Interest Paid	584	b	--
Rent	120	b	--
Remuneration to Key Management Personnel	--	a	2386
Unsecured Loans			
Received during the year	22750	b	--
Paid during the year	22750	b	--
Balance Receivable	NIL	b	--

**NOTE 36**

- a) The provision for impairment loss as required under AS28 as notified in the Companies (Accounting Standards) Rules 2006 in respect of Fixed Assets has not been made as in the opinion of Board of Directors the Book Value of the Fixed Assets is less than the realizable value of the said assets.
- b) Gunny Sales is net of quality Claim ₹. 421 and Cash Discount ₹.1336.
- c) Profit from Sale of Short term Investment is Income from Mutual Funds ₹. 587.

**Investment purchased and sold during the year**

Description of Investment	Purchases		Sale	
	No. of Shares/ Units	Amount	No. of Shares/ Units	Amount
Tata Liquid Fund	41635	92500	41635	93040

- d) Dividend received from long term investment in Shares ₹. 711.
- e) Purchase of Raw material is net of Sale Value ₹. 4568 (Previous Year ₹. 2991).
- f) Stock of Finished Goods includes stock in transit ₹. NIL (Previous Year ₹. 1527).
- g) Salary & Wages under the head Employee Benefits Expenses include the expenditure incurred on account of Repairs & Maintenance of Building ₹. 664, Machinery ₹.19990 and Power & Fuel ₹. 758.
- h) Consumption of Stores & Spare parts is net of Sale proceeds of Scraped Stores & Spare parts ₹. 3931
- i) In accordance with the consistent practice, Cess duty in respect of goods manufactured by the Company is accounted for at the time of despatch of the goods from the factory. The Cess duty payable on goods awaiting despatches as on 31.03.2014 from the factory is not accounted for and estimated at ₹.1272 (Previous year ₹. 946). However, the said liability if accounted for would not have any impact on the profits for the year.
- j) The Company has received a grant of ₹. 6341 from National Jute Board against installed new machinery which has been treated as deferred income. The amount of ₹. 532 has been allocated as income during the year in the same proportion to the Income Tax rate of depreciation of related to the asset.
- k) The Company has one reportable segment as indicated in AS 17 as notified in the Companies (Accounting Standards) Rules 2006.
- l) Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

In terms of the report of even date annexed

**For S.S.Kothari & Co.**  
Chartered Accountants  
(R.K.Roy Choudhury)  
Partner  
Membership No. 8816  
Firm Registration No. 302034E  
Place : Kolkata  
Dated : 14th August, 2014

H.S. Bayed  
Executive Director  
S. Ghose  
Company Secretary

H. Tapadar  
M.C.Singhi  
B.S. Rampuria  
B.S. Baid  
Directors

## AUCKLAND INTERNATIONAL LTD.

CIN- L36934WB1977PLC031184  
P.O. JAGATDAL, DIST: 24 PARGANAS (N)  
WEST BENGAL -743125  
Phones: 22872607 / 40060331 / 40073219 Fax: 22872587  
Email:auckland@vsnl.net

### PROXY FORM

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

Name of the member(s):	
Registered address :	
E-mail Id:	
Folio No./DP ID-Client ID No.:	

I/We, being the member (s) of \_\_\_\_\_ shares of AUCKLAND INTERNATIONAL LTD, hereby appoint:

(1) Name :	Address :
E-mail Id :	Signature:
or failing him/her	
(2) Name :	Address :
E-mail Id :	Signature :
or failing him/her	
(3) 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 36<sup>th</sup> Annual General Meeting of the Company, to be held on the 29<sup>th</sup> day of September, 2014 at 10.00 A.M. at the Registered Office of the Company at P.O. Jagatdal, 24 Parganas (North). West Bengal-743125 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Optional*	
		For	Against
ORDINARY BUSINESS (As Ordinary Resolution)			
1	Adoption of accounts for the year ended 31st March, 2014		
2	Re-Appointment Of Director Retiring By Rotation		
3	Appointment Of Auditors		
SPECIAL BUSINESS (As Special Resolution)			
4	Authorisation To Borrow Money Under Section 180(1)(c) Of The Companies Act, 2013		
SPECIAL BUSINESS (As Ordinary Resolution)			
5	Appointment Of Shri Bijay Singh Baid as Director		
6	Appointment Of Shri Mool Chand Singhi as Independent Director		
7	Appointment Of Shri Hrishikesh Tapadar as Independent Director		
8	Approval Of Remuneration To Cost Auditor		
SPECIAL BUSINESS (As Special Resolution)			
9	Alteration Of The Memorandum Of Association Of the Company		
10	Alteration Of Articles Of Association of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of shareholder:

Signature of Proxy holder(s):

AFFIX REVENUE STAMP
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**Note:**

1. 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.
2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of the 36<sup>th</sup> Annual General Meeting.
3. \*It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

## AUCKLAND INTERNATIONAL LTD

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P.O. JAGATDAL, DIST: 24 PARGANAS (N)  
WEST BENGAL -743125  
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Email:auckland@vsnl.net

### ATTENDANCE SLIP

- |   |
|---|
| 1. Name(s) of Member(s):<br>Including joint holders, if any |
| 2. Registered address of the Sole/<br>First named Member    |
| 3. No. of Shares held:                                      |
| 4. DP ID No. & Client ID No. / :<br>Registered Folio No.    |

1. I/We hereby record my/Our presence at the 36th Annual General Meeting of the Company to be held at P.O. Jagatdal, Dist: 24 Parganas (N), West Bengal -743125 on Monday, the 29th September 2014 at 10:00 A. M.
2. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

**Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**

### ELECTRONIC VOTING

Your e-voting user ID and password are provided below:

EVSN	USER ID	PASSWORD
140902061	Please Refer Point 11 of Notice of the AGM	

Note: The voting period starts from 10.00 A.M on Tuesday, 23rd September, 2014 and will end on Thursday, 25th September, 2014 at 6.00 P.M.

Thereafter, the voting module shall be disabled by CDSL.

Kindly refer to the e-voting instructions mentioned in the Notice of the Annual General Meeting.