

AUCKLAND INTERNATIONAL LIMITED

Directors

Sri H. Tapadar
Sri M. C. Singhi
Sri B. S. Rampuria
Sri B.S. Baid
Smt B.D.Baid

Executive Director

Sri H S Bayed

General Manager & CFO

Sri S.C. Bhutoria

Company Secretary

Ms. 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

REPORT OF THE DIRECTORS

TO THE MEMBERS

Your Directors have pleasure in presenting their 37th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2015.

FINANCIAL RESULTS:

The summarized standalone result of your Company is given below:-

	2014-15	2013-14
Profit before Depreciation and Taxation	11538	27932
Less: Depreciation and Amortisation	7287	6648
Transferred from Capital Reserve	<u>--</u> <u>7287</u>	<u>2225</u> <u>4423</u>
Profit before Taxation	4251	23509
Provision/(Credit) for Corporate Taxation:		
Current Tax	(693)	7315
Deferred Tax	2568	483
Adjustment relating to Taxes for earlier years	<u>(661)</u> <u>1214</u>	<u>--</u> <u>7798</u>
Profit for the period after Tax	5465	15711
Balance brought forward from Previous Year	190410	174699
Adjustment for Fixed Assets	<u>(11170)</u>	<u>--</u>
Balance carried to Balance Sheet	<u>184705</u>	<u>190410</u>

DIVIDEND:

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2015.

RESERVES:

During the year under review, no amount has been transferred to the Reserves.

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. There has been no change in the business of the Company during the financial year ended 31st March, 2015.

During the year under review, the net revenue from operations of your Company decreased from ₹. 1208176 to ₹.957719. Owing to reduced Sales turnover and rising costs throughout the financial year 2014-15, your Company's profit after tax stood at ₹. 5465 vis-à-vis ₹. 15711 in the previous year.

Business Review:

The financial year 2014-15 was a difficult year for the jute industry due to reduction and irregularities in government's procurement of jute bags and equally low level of demand from sugar and other industrial consumers. In consideration of the above facts, the goods manufactured during the year were 15643 MT as against previous year's production of 21790 MT . The cost of wages remained high due to consistent rise in the rates of Dearness Allowances of the workers and a massive hike in entry level of wages. Harvesting of Raw Jute was lower due to unfavourable rainfall during the year under review, but the prices remained steady throughout the year. 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 better 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. Due to disturbances, the manufacturing process was kept under suspension in the Mill from 17th June 2014 and was later withdrawn with the kind interference by Sri Arjun Singh, MLA & Chairman of the Bhatpara Municipality on 27th July 2014.

Technological Advancement:

Your Company believes in sustainable development and continues to maintain its thrust on Modernization and Diversification. The Company has installed Shuttle Less High Speed M4 Looms and Beaming Machine during the year. The Company continued replacement of old and outdated Electric Motors & Cables.

Other Developments:

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

A roof top power generating plant of a capacity of 250 KW has been installed and commissioned by Auckland Jute Co. Limited on the roof provided by the Company at Auckland Jute Mills, Jagatdal. The generated power is bought by the company and is consumed for manufacturing & domestic purposes. An agreement has been executed between the Company and High Tension power provider CESC Limited for the net billing.

The Custom, Excise & Service Tax Appellate Tribunal, Kolkata vide its order dated 09.07.2015 partially allowed the appeals made by several Jute Mills, the Company amongst one of them, against the confirmation of demand of Central Excise Duty amounting to ₹.162868 on the Branded Jute Goods sold during the period from March 2011 to December 2012 and equivalent amount of ₹.162868 as penalty & interest thereon. The Hon'ble Tribunal deleted the imposition of penalty and directed the authorities for re-computation of demand and interest thereon. The Company and other Mills, being not satisfied with the Order, will take necessary steps as required in this matter.

Prospects:

The Company is continuously reporting its anguish over the repeated violation by the consumers who are required to compulsorily use the new Bags made of Jute Fibre under the Jute Packaging Materials (Compulsory Use for Packing Commodities) Act, 1987 (JPMA) for packaging of food grains & other materials covered under the said Act. The Central & other State's Governments, Food Corporation of India and other related agencies had also reduced procurement of Jute Bags for packaging of Food grains, Sugar & other food products and materials during the year, due to which the Company has to drastically curtail its production capacity. The controlling authorities have failed to stop illegal use of bags made of material other than the Jute Fibre, second use of old Jute Bags and bags made in other countries too.

Some of the Jute Goods manufacturers still enjoy various exemptions and benefits from the Central and State Governments on various pretexts and coverage under the BIFR Act, due to which there is huge deficiency in the cost of manufacturing between the manufacturers not covered under the BIFR Act who were deprived from such benefits.

There is huge shortage of skilled and non-skilled workmen in the industry, to cope up with the situation, the Company has undertaken programme to train the youth to learn the job and to give employment to the eligible candidates. But due to uncertain work environment of Jute Industry, it has become very difficult to keep continued hold on the regular and enrolled workmen. However, the Company is continuing the process of enrolling fresh and eligible workmen. An agreement has been inked between Unions and Indian Jute Mills Association, in which an understanding has been made towards massive hike in entry level wages to the new entrants and the existing workmen, which may help in attracting freshers towards Jute Industry.

The Company has continued the process of up-keeping the installed machineries as well as looking for new and advanced machineries keeping in mind to reduce production cost by getting higher output and similarly saving energy and other cost elements.

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.

Industrial Relations and Employee's Welfare:

Your Company considers human resource development as integral to its long term sustainability and success, to which end it continues its efforts for personnel development for employees at various levels. An inspection was made by Sulabh International social service Organisation in the Company's premises for construction of Sulabh Sauchalaya/Toilet Blocks for workers of Auckland Jute Mill under the National Jute Board scheme for workers welfare in Jute sector. Further your 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. In addition to this the Company has also extended helping hands for establishing a College for the local boys and girls.

CAPITAL EXPENDITURE:

Capital Expenditure during the year, towards tangible & intangible assets, amounted to ₹.118.89 lacs, a major part of which was spent on plant & machinery.

MATERIAL CHANGES AND COMMITMENTS:-

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of the report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of loans and investments made by the Company are given in Note Nos. 12 & 17 of the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The details in respect of internal financial controls and their adequacy are included in the Management Discussion & Analysis report, which forms part of this report.

DEPOSITS:

Your Company has not invited any deposits from public / shareholders in accordance with Section 73 and 74 of the Companies Act, 2013 for the financial year ended on March 31, 2015.

TRANSACTIONS WITH RELATED PARTIES:

All related party transactions that were entered during the financial year were in the ordinary course of business and on an arm's length basis. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Thus, disclosure in Form AOC – 2 is not required.

During the year under review, the Board has adopted a policy to regulate the transactions of the Company with its related parties. As per the policy, all related party transactions require prior approval of the Audit Committee and Board of Directors of the Company. Prior approval of the shareholders of the Company is also required for certain related party transactions as prescribed under Companies Act, 2013 and listing agreement. The said policy is available on the Company's website under the following web-link <http://aucklandjute.com/data/documents/POLICY-ON-RPT.pdf>.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Even though the provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company during the year under review, yet the Company has been, over the years, pursuing as part of its corporate philosophy, a CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development. Thus, the Company has not made any contribution towards Corporate Social Responsibility activities. However, the Company is continuously contributing to the activities initiated previously.

SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES:

The Company does not have any subsidiary/associate/joint venture company for the year ended 31st March, 2015.

SHARE CAPITAL:

The paid-up Equity Share Capital of the Company on March 31, 2015 was ₹.4.11 crore. There was no change in the Authorised or Paid-up Capital/Subscribed Capital during FY 2014-15.

i. Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2014-15.

ii. Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2014-15.

iii. Issue of employee stock options

The Company did not issue stock options during the financial year 2014-15.

iv. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company does not have a scheme for purchase of its own shares by employees or by trustees for the benefit of employees.

FINANCE:

Cash and cash equivalents as at March 31, 2015 was ₹. 326.77 lakhs. The company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

DETAILS OF BOARD MEETINGS:

During the year under review, 10 Board meetings were held, details of which are given below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Date of the meeting	No. of Directors attended the meeting
1st April, 2014	4
29th May, 2014	4
9th June, 2014	3
8th July, 2014	4
31st July, 2014	4
14th August, 2014	5
15th November, 2014	4
1st January, 2015	4
14th February, 2015	5
30th March, 2015	5

EXTRACT OF ANNUAL RETURN:

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is given in **Annexure 'A'** in the prescribed Form MGT-9, which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, in terms of Section 134(5) of the Companies Act, 2013 your Directors make the following statements:

1. in the preparation of the Annual Accounts for the year ended 31st March, 2015, 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, 2013. 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;
4. the annual accounts of the Company for the year ended 31st March, 2015 have been prepared on a going concern basis;
5. they have laid down internal financial controls which are followed by the Company and such internal financial controls are adequate and are operating effectively;
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

DIRECTORS:

Section 149(4) of the Companies Act, 2013 requires every listed public company to have at least one-third of the total number of directors as Independent Director. Pursuant to the provisions of Section 149 of the Act, Shri Mool Chand Singhi (holding DIN 00407278) and Shri Hrishikesh Tapadar (holding DIN 00409477) were appointed as independent directors at the annual general meeting of the Company held on September 29, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Further Shri Mool Chand Singhi (holding DIN 00407278) and Shri Hrishikesh Tapadar (holding DIN 00409477), Independent Directors and Shri H S Bayed (holding DIN 00425481), Executive Director are not liable to retire by rotation. Accordingly, Shri B S Baid (holding DIN 01517268), Non-Executive Director, retires by rotation and being eligible has offered himself for re-appointment.

In order to meet the requirement of Section 149(1) and revised Clause 49 of Listing agreement, Smt Bimla Devi Baid (holding DIN 07165411) was appointed as the Woman Director on the Board of Directors of the Company with effect from 30th March, 2015 to hold office until the conclusion of the next Annual General Meeting of the Company. The Board now recommends the appointment of Smt Bimla Devi Baid as Non-Executive Woman director of the Company liable to retire by rotation.

Apart from Shri J K Kankaria, Non Executive Director of the Company who resigned from the Board of the Company on April 1, 2014, none of the Directors of the Company have relinquished the Directorship of the Company during the financial year 2014-15.

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.

BOARD EVALUATION:

According to Clause 49 of the Listing Agreement, a meeting of the Independent Directors is required to be held to evaluate the performance of the Non-Independent Directors. Accordingly, a meeting of Independent Directors was held on 16th February, 2015 wherein the performance of the non-independent directors was evaluated.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

The Board evaluated its own performance on the basis of inputs obtained from all the directors depending on criteria such as the Board composition, effectiveness of board processes, information and functioning, etc.

The Board evaluated the performance of the committees based on inputs obtained from the committee members depending on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") evaluated the performance of the individual directors depending on criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed and other inputs in meetings, etc.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION:

The Company has a well drafted Remuneration policy in place as is required under the provisions of Section 178(3) of the Companies Act, 2013. The Brief particulars of the policy are produced hereunder:

● **Terms of reference:**

The terms of reference of the Remuneration Committee, inter alia, consists of reviewing the overall compensation policy, service agreements, performance incentive and other employment conditions of Board Member(s). The recommendations of the Remuneration Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, where necessary. The Company Secretary is the Secretary to the Committee.

The remuneration of the Executive Director is recommended by the Remuneration Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, review on remuneration packages of heads of other organisations and is decided by the Board of Directors, subject to the approval of the shareholders at the General Meeting of the Company. The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to its Executive Director.

- **Remuneration payable to Executive Director**

Shri Hirendra Singh Bayed, Executive Director & CEO of the Company was re-appointed on a contractual basis in terms of resolution passed by the shareholders at the Thirty-fifth Annual General Meeting held on September 27, 2013 for a period of 3 years with effect from August 1, 2013. The elements of the remuneration package of the Executive Director comprises of salary, perquisites & allowances comprising of Company maintained accommodation or house rent allowance, leave travel allowance and other perquisites and allowances including Company's contribution to provident fund, gratuity and leave encashment facilities in accordance with rules of the Company.

There is no Annual Performance linked incentive apart from increments offered at the time of reappointment on the recommendation of the Remuneration Committee.

- **Remuneration payable to Non-Executive Directors**

The Non-Executive Directors have decided to forgo their sitting fees for attending the meetings of the Company at the meeting of Board held on 15th May, 2013.

None of the Non-Executive Directors are entitled to any remuneration. The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than in normal course of business.

DECLARATION BY INDEPENDENT DIRECTOR(S):

Shri Mool Chand Singhi and Shri Hrishikesh Tapadar are independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in section 149 of the Act and the Rules made thereunder about their status as Independent Directors of the Company.

DISCLOSURES:

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Appointment & Remuneration) Rules 2014 regarding Conservation of Energy, Research and Development, Technology Absorption, Adaptation and Innovation and Foreign Exchange earnings and outgo are given in **Annexure 'B'** forming part of this Report.

PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 'C'**, which forms part of this report.

AUDITORS:

a) **STATUTORY 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 Section 139 read with Section 141 of the Companies Act, 2013. You are requested to consider their appointment.

b) **COST AUDITORS:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the subsequently notified Companies (Cost Records and Audit) Rules, 2014, your Company carries out Cost Audit every year. The Cost Audit report for the financial year 2013-14 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 accounting records maintained by the Company for the year 2015-16 subject to ratification of remuneration payable to them by the members at the ensuing Annual General Meeting.

c) **SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Shri P K Jain (FCS No. 4031) of M/s. P K Jain & Co., Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report is annexed herewith as **Annexure 'D'**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

d) TAX AUDIT:

The Board of Directors on the recommendation of the Audit Committee appointed M/s. S. S Kothari & Co. (Firm Registration No. 302034E), Chartered Accountants to carry out the Tax Audit for the Assessment Year 2015-16.

AUDITOR'S REPORT:

M/s. S.S Kothari & Co., Chartered Accountants and Statutory Auditors of the Company, have submitted their Report under 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.

SECRETARIAL AUDIT REPORT:

Shri P.K Jain (FCS No. 4031) of M/s. P K Jain & Co., Company Secretary in practice has submitted the Secretarial Audit Report under Section 204 of the Companies Act, 2013 read with rules thereunder and the comments made by him in the said report is self explanatory. The report does not contain any qualifications, reservations or adverse remarks. Report of the secretarial auditor is given as **Annexure 'D'** which forms part of this report.

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 2014-15 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 'E'** to the Director's Report. A separate section on corporate governance practices followed by the Company, 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 forms an integral part of this Report in **Annexure 'F'**.

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY/RISK MANAGEMENT POLICY:

The Company has established a Vigil Mechanism/Whistle Blower Policy in terms of Section 177 (9) of the Companies Act, 2013 and Clause 49 of the Listing agreement for the directors and employees of the Company who should report genuine concerns as stipulated in the Policy in such manner as may be prescribed in the Policy.

The Company has established a Risk Management Committee which has drafted a risk management policy in terms of the requirement of the Companies Act, 2013, in which all the key risk elements which may threaten the very existence of the Company has been incorporated. The Committee reports to the Audit Committee and the Board.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has thus, formulated a policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year under review, no complaint of sexual harassment was received by the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Company for the year ended March 31, 2015 have been prepared according to Schedule III of the Companies Act, 2013.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF). Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 29th September, 2014), with the Ministry of Corporate Affairs.

Auckland International Limited

(₹.in 000)

WEBSITE OF THE COMPANY:

The Company maintains a website www.aucklandjute.com where detailed information of the Company and its products are provided.

ISO CERTIFICATION:

Your Company has obtained a certificate from the Bureau of Indian Standard under IS/ISO 9001:2008 for implementation of Quality Management, Environment and safety System for all its products and processes.

CREDIT RATING:

Due to the unfavourable Jute industry scenario, CRISIL has graded your Company's rating as "CRISIL BB+/Stable" for long term bank facilities and "CRISIL A4+" for short term bank facilities.

DEMATERIALISATION OF SHARES:

As at March 31, 2015, 74.60% of equity shares of the Company have been dematerialised by shareholders through National Securities Depository Limited and Central Depository Services (India) Limited.

ACCOUNTING POLICIES AND PROCEDURES:

The Significant accounting policies as narrated in the Notes to the Financial Statements are in conformity with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to under Section 129 of the Companies Act, 2013, as applicable to the Company have been followed as usual in the course of preparing and presenting these Accounts.

APPRECIATION:

Your Directors place on record their earnest appreciation for the unstinted commitment, dedication, hard work and significant services rendered by employees, Government agencies and other stakeholders of the Company.

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, 2015

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

M.C Singhi
(DIN-00407278)
Director

ANNEXURES TO THE DIRECTORS' REPORT:**Annexure 'A' to the Director's Report****Form No.MGT-9****EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH, 2015**

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies

(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

S.NO.	PARTICULARS	REMARKS
i.	CIN	L36934WB1977PLC031184
ii.	Registration Date	30th September, 1977
iii.	Name of the Company	AUCKLAND INTERNATIONAL LTD
iv.	Category / Sub-Category of the Company	Category- Company limited by shares Sub-category- Indian Non-Government Company
v.	Address of the Registered office and contact details	P O Jagatdal, North 24 Parganas, West Bengal-743125 Phone No.-033-25812757 E-mail Id - auckland@vsnl.net
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Private Limited D-511, Bagree Market, 71, B.R.B Basu Road, Kolkata-700001 Phone No.-2235-7271/7270 E-mail Id – nichetechpl@nichetechpl.com

II.PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product / service	% to total turnover of the company
1.	Jute and Jute products	131 & 139*#	100%

* As per National Industrial Classification Code 2008– Ministry of Statistics and Programme Implementation

On the basis of Gross Turnover

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1.	NONE	N.A .	N.A.	N.A.	N.A.

Auckland International Limited

(₹.in 000)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2014				No. of Shares held at the end of the year i.e. 31.03.2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	740710	220229	960939	23.40	740710	220229	960939	23.40	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	1933688	37652	1971340	48.00	1933688	46917	1980605	48.23	0.23
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	2674398	257881	2932279	71.40	2674398	267146	2941544	71.63	0.23
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total share holding of Promoter (A)= (A)(1)+(A)(2)	2674398	257881	2932279	71.40	2674398	267146	2941544	71.63	0.23
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	495	48411	48906	1.19	495	48411	48906	1.19	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	129600	300	129900	3.16	129600	300	129900	3.16	0.00
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	130095	48711	178806	4.35	130095	48711	178806	4.35	0.00
2. Non-Institutions									
a) Bodies Corp..									
i) Indian	13957	30339	44296	1.08	13957	30939	44896	1.09	0.01
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	166575	623408	789983	19.24	167237	612881	780118	19.00	-0.24
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	77982	71594	149576	3.64	77982	71594	149576	3.64	0.00
c) NRIs/OCBs	-	11880	11880	0.29	-	11880	11880	0.29	0.00
Sub-total (B)(2):-	258514	737221	995735	24.25	259176	727294	986470	24.02	-0.23
Total Public Shareholding (B)=(B)(1)+(B)(2)	388609	785932	1174541	28.6	389271	776005	1165276	28.37	-0.23
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3063007	1043813	4106820	100	3063669	1043151	4106820	100.00	0.00

Auckland International Limited

(₹.in 000)

(ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2014			Share holding at the end of the year i.e. 31.03.2015			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Adinath Investment And Trading Co Ltd	60000	1.46	-	60000	1.46	-	-
2.	Anuradha Mehta	75000	1.83	-	75000	1.83	-	-
3.	Aradhana Investments Ltd	558205	13.59	-	558205	13.59	-	-
4.	Aradhana Multimax Ltd	54190	1.32	-	54190	1.32	-	-
5.	Awanti Fibre And Industries Ltd	17540	0.43	-	17540	0.43	-	-
6.	Binod Jute And Fibre Ltd	100000	2.43	-	100000	2.43	-	-
7.	Divya Kankaria	253575	6.17	-	253575	6.17	-	-
8.	Glory Distributors Pvt Ltd	1980	0.05	-	1980	0.05	-	-
9.	H C Commercial Ltd	61128	1.49	-	61128	1.49	-	-
10.	Harakh Chand Kankaria	150000	3.65	-	150000	3.65	-	-
11.	Jai Kumar Kankaria	167780	4.09	-	167780	4.09	-	-
12.	Jai Kumar Kankaria Investment Pvt Ltd	133260	3.24	-	133260	3.24	-	-
13.	Kankaria Traders And Investment Pvt Ltd	152220	3.71	-	153420	3.74	-	0.03
14.	Mahabir Vanijya Pvt Ltd	3580	0.09	-	3580	0.09	-	-
15.	Meghna Sanghvi	60000	1.46	-	60000	1.46	-	-
16.	Morgan Walker Infrastructure Limited	81000	1.97	-	81000	1.97	-	-
17.	Morgan Walkers And Co. Ltd	54132	1.32	-	54132	1.32	-	-
18.	Padmavati Tradelink Limited	278583	6.78	-	282628	6.88	-	0.10
19.	Poonam Dugar	125380	3.05	-	125380	3.05	-	-
20.	Rajasthan Traders And Financiers Pvt Ltd	-	-	-	1290	0.03	-	0.03
21.	Reliance Traders & Investors Pvt. Ltd.	-	-	-	1530	0.04	-	0.04
22.	Russell Properties Pvt Ltd	67176	1.64	-	67176	1.64	-	-
23.	Samridhi Fibre Ltd	60000	1.46	-	60000	1.46	-	-
24.	Supreme Trade & Investment Pvt. Ltd.	15810	0.38	-	15810	0.38	-	-
25.	T Kumari (Financiers) Ltd	78100	1.90	-	78100	1.90	-	-
26.	United Investment & Trading Co Pvt Ltd	-	-	-	1200	0.03	-	0.03
27.	Universal Traders And Investors Pvt. Ltd.	194436	4.73	-	194436	4.73	-	-
28.	Vasanti Devi Kankaria	129204	3.15	-	129204	3.15	-	-
	TOTAL	2932279	71.40	-	2941544	71.63	-	0.23

Auckland International Limited

(₹.in 000)

(iii) Change in Promoters' Shareholding:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	2932279	71.40	#	#
2.	Date wise Increase/Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	#	#	#	#
3.	At the end of the year	2941544	71.63	#	#

#

S.No	Name of Promoter	Date	Increase(+)/Decrease(-)	Reason
1	PADMAVATI TRADELINK LIMITED	19/07/2014	+445	Transfer
2	PADMAVATI TRADELINK LIMITED	19/07/2014	+990	Transfer
3	PADMAVATI TRADELINK LIMITED	04/08/2014	+630	Transfer
4	PADMAVATI TRADELINK LIMITED	13/11/2014	+990	Transfer
5	PADMAVATI TRADELINK LIMITED	13/11/2014	+990	Transfer
6	KANKARIA TRADERS & INVESTMENT PVT. LTD	20/03/2015	+300	Transfer
7	KANKARIA TRADERS & INVESTMENT PVT. LTD	20/03/2015	+300	Transfer
8	KANKARIA TRADERS & INVESTMENT PVT. LTD	20/03/2015	+300	Transfer
9	KANKARIA TRADERS & INVESTMENT PVT. LTD	20/03/2015	+300	Transfer
10	RELIANCE TRADERS & INVESTORS PVT. LTD.	20/03/2015	+1140	Transfer
11	RELIANCE TRADERS & INVESTORS PVT. LTD.	20/03/2015	+60	Transfer
12	RELIANCE TRADERS & INVESTORS PVT. LTD.	20/03/2015	+300	Transfer
13	RAJASTHAN TRADERS AND FINANCIERS PVT LTD	20/03/2015	+600	Transfer
14	RAJASTHAN TRADERS AND FINANCIERS PVT LTD	20/03/2015	+390	Transfer
15	RAJASTHAN TRADERS AND FINANCIERS PVT LTD	20/03/2015	+120	Transfer
16	RAJASTHAN TRADERS AND FINANCIERS PVT LTD	20/03/2015	+180	Transfer
17	UNITED INVESTMENT & TRADING CO PVT LTD	20/03/2015	+600	Transfer
18	UNITED INVESTMENT & TRADING CO PVT LTD	20/03/2015	+600	Transfer
19	RELIANCE TRADERS & INVESTORS PVT. LTD.	20/03/2015	+30	Transfer

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	293777	7.15	-	-
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc):	There is no change in Top 10 shareholder's shareholding between 01.04.2014 to 31.03.2015			
3.	At the End of the year	293777	7.15	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1230	0.03	-	-
2.	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease(e.g.allotment/transfer/bonus/ sweat equity etc):	There is no change in Directors' shareholding between 01.04.2014 to 31.03.2015			
3.	At the end of the year	1230	0.03	-	-

Auckland International Limited

(₹.in 000)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	60529	-	-	60529
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	60529	-	-	60529
Change in Indebtedness during the financial year				
· Addition	36395	55150	-	91545
· Reduction				
Net Change	36395	55150	-	91545
Indebtedness at the end of the financial year				
i) Principal Amount	96924	55150	-	152074
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	96924	55150	-	152074

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Name of MD/WTD/Manager	Total Amount
		Shri H S Bayed, Whole Time Director (₹)	Shri S C Bhutoria, General Manager(₹)	₹.
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	803	831	1634
	(b) Value of perquisites u/s 17(2) of the Income-tax Act,1961	446	444	890
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	1249	1275	2524
	Ceiling as per the Act	Within the limit prescribed under relevant section of the Companies Act, 2013		

The above remuneration is as per Income tax Act and excludes contribution by the Company to Provident Fund

Auckland International Limited

(₹.in 000)

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors · Fee for attending board/committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2.	Other Non-Executive Directors · Fee for attending board/committee meetings · Commission · Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other than MD / Manager/WTD:

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		Smt. S. Ghose, Company Secretary(₹)	Shri S C Bhutoria* CFO (₹)	Total (₹)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	156	831	987
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	81	444	525
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - Others specify...	-	-	-
5	Others, please specify	-	-	-
	Total	237	1275	1512

*Also General Manager of the Company

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give details)
A.COMPANY					
Penalty					
Punishment		There were no penalties, punishment or compounding of offences during the year ended March 31, 2015			
Compounding					
B. DIRECTORS					
Penalty					
Punishment		There were no penalties, punishment or compounding of offences during the year ended March 31, 2015			
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment		There were no penalties, punishment or compounding of offences during the year ended March 31, 2015			
Compounding					

Information as per Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014:

(A) CONSERVATION OF ENERGY:

(i)	The steps taken or impact on conservation of energy	<p>STEPS 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. Rooftop Solar Power generation system of the capacity of 250KW has been installed on the roof provided by the Company. The power generated from the system is being bought by the company for consumption to manufacturing and domestic purposes.</p> <p>IMPACT OF STEPS TAKEN: The consumption of energy resources without affecting operations as well as performance of machinery and other equipment has significantly improved in comparison to the previous year owing to the constant effort of our technical and specialized personnel to implement modernized methods at the factory premises.</p>
(ii)	the steps taken by the company for utilizing alternate sources of energy	The Company is exploring possibilities for generating power from other sources and has successfully set up rooftop Solar Power Plant of 250KW capacity on the roof of Auckland Jute Mills. The power so generated is consumed by the jute mill for its manufacturing & domestic purposes.
(iii)	the capital investment on energy conservation equipments	The expenses incurred are accounted under the respective heads, no separate records are maintained.

(B) TECHNOLOGY ABSORPTION:

(i)	the efforts made towards technology absorption	The Company continues to use the latest technologies for improving the productivity and quality of its products. New high efficiency machineries have been installed as well as modification has been made wherever required.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	There was marginal improvement in quality and production but practically no reduction in production cost.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	No Technology has been imported.
	(b) the year of import	
	(c) whether the technology been fully absorbed	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof		
(iv)	the expenditure incurred on Research and Development	No separate records are maintained for such expenditure, which was merged with various heads as per established accounting policies.

Auckland International Limited

(₹.in 000)

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

During the year under review, the Company has manufactured Jute goods worth (₹In 000') 1824 which were exported through shippers, as against goods worth (₹In 000') 1123 which were exported in the previous year 2013-14.

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, 2015

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

M.C Singhi
(DIN-00407278)
Director

Annexure 'C' to the Director's Report

Information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) *The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2014-15:*

Name of Director	Designation	Ratio to median remuneration
Shri Bimal Singh Rampuria	Non-Executive Director	-
Shri Bijay Singh Baid	Non-Executive Director	-
Smt. Bimla Devi Baid (w.e.f 30.03.2015)	Non-Executive Director	-
Shri Hirendra Singh Bayed	Executive Director	7.20:1
Shri Hrishikesh Tapadar	Non-Executive Independent Director	-
Shri Mool Chand Singhi	Non-Executive Independent Director	-

- b) *The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2014-15:*

Name of Director	Designation	% increase in remuneration in the financial year
Shri Bimal Singh Rampuria	Non-Executive Director	-
Shri Bijay Singh Baid	Non-Executive Director	-
Smt. Bimla Devi Baid (w.e.f 30.03.2015)	Non-Executive Director	-
Shri Hirendra Singh Bayed	Executive Director	9.95
Shri Hrishikesh Tapadar	Non-Executive Independent Director	-
Shri Mool Chand Singhi	Non-Executive Independent Director	-
Smt. Sangeeta Ghose	Company Secretary	38.07
Shri Subhas Chand Bhutoria	CFO & General Manager	11.04

c) *The percentage increase in the median remuneration of employees in the financial year 2014-15: 8.42%*

d) *The number of permanent employees on the rolls of Company: 659*

e) *The explanation on the relationship between average increase in remuneration and Company performance:*

During the year under review the remuneration of the employees was increased by 9.90 in the current year. The Company has increased the remuneration as per the statutory norms prevalent in the Jute Industry and that such increase is not linked to the performance of the individual employees, except remuneration of managerial persons which were evaluated on the basis of individual performance.

f) *Comparison of the remuneration of the key managerial personnel against the performance of the Company:*

Aggregate remuneration of key managerial personnel (KMP) in 14-15 (₹. In lacs)	29.43
Total Revenue (₹. In Lacs)	9698.81
Remuneration of KMP (as % of revenue)	0.30
Profit before Tax (PBT) (₹. In lacs)	3.59
Remuneration of KMP (as % of PBT)	*

* Not applicable in view of insufficient profit

g) *(i) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year (31.03.2015) and previous financial year (31.03.2014):*

Particulars	2014-15	2013-14	% change
Market Capitalisation (₹. In lacs)	Shares of the Company are very thinly traded hence the Market capitalization and Price Earnings Ratio could not be ascertained.		
Price Earnings Ratio			

(ii) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: N/A

h) *Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:*

The average percentile increase in the salaries of employees apart from managerial personnel in 2014-15 was around 8.42%. The increase in the managerial remuneration for the year under review was 12.45%.

i) *Comparison of each remuneration of the key managerial personnel against the performance of the Company:*

Particulars	Mr. H S Bayed, Executive Director	Mr. S C Bhutoria, Chief Financial Officer	Ms. Sangeeta Ghose Company Secretary
Remuneration (₹ In lacs)	13.29	13.58	2.56
Revenue (₹ In Lacs)	9698.81	9698.81	9698.81
Remuneration as % of revenue	0.14	0.14	0.03
Profit before Tax (PBT) (₹.In lacs)	3.59	3.59	3.59
Remuneration as % of PBT	*	*	*

* Not applicable in view of insufficient profit

j) *The key parameters for any variable component of remuneration availed by the directors: None*

k) *The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year 2014-15: 0.98:1*

l) *Affirmation that the remuneration is as per the remuneration policy of the company:*

The Board of Directors of the Company affirms that remuneration is as per the remuneration policy of the Company.

m) *Requirements under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:*

The provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 was not applicable to the Company for the Financial Year 2014-15.

Annexure 'D' to the Director's Report**FORM NO. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Auckland International Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Auckland International Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Auckland International Limited** for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
(Not Applicable to the Company during the Period under Audit);
- (v) The following Regulations and Guidelines (as amended from time to time) prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
(Not Applicable to the Company during the Period under Audit);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
(Not Applicable to the Company during the Period under Audit);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
(Not Applicable to the Company during the Period under Audit);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
(Not Applicable to the Company during the Period under Audit); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
(Not Applicable to the Company during the Period under Audit);
 - (i) The Company has complied with the requirements under the Equity Listing Agreements entered into with "The Calcutta Stock Exchange Limited"; and

- (j) The Memorandum and Articles of Association.
- (vi) The company operates in the **Jute Industry** and compliances are made with the applicable regulatory authorities and the guidelines laid down by them.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(Not Applicable to the Company during the Period under Audit).
- (ii) The Listing Agreement entered into by the Company with "The Calcutta Stock Exchange Limited".

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and the Listing Agreement with The Calcutta Stock Exchange Limited.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that for the purpose of examining the adequacy of compliances, reliance has been placed on the confirmation made at the Board meeting based on the reports received by the Company from its various units of the Mill.

Place: KOLKATA
Date: 12th August, 2015

Sd/- Pravin Kumar Jain
Proprietor -P K Jain & Co.,
Company Secretaries
FCS No.: 4031
C P No.: 4101

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The revised Clause 49 of the Listing Agreement entered into with the Stock Exchange stipulates disclosure under specific heads which are given in the following paragraphs 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:

Auckland International Limited was incorporated in the year 1977. The Company is 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 3000 workers alone at its factory premises.

b) Industry Structure and Developments:

The Indian Jute Industry is almost 125 years old and your Company's manufacturing unit is also more than 100 years old. Due to the fact of being one of the oldest industries in the world, jute once popularly known as the 'golden fibre' has always been in demand not only in India but also in other countries owing to its eco friendly nature.

However as a result of high cost of manufacturing and easy availability of other cheaper substitute products like plastic, the prosperous business of jute goods became uneconomical and led to the closure of many flourishing Jute Mills in India as well as abroad. With an aim 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. By a notification issued in January, 2015, the order was renewed for the year 2014-15 and the Jute Industry is hopeful that the government will further extend the order.

c) Opportunities and threats, Risks & concerns:

Opportunities: The rising concern for global warming and consequent environmental protections may lead to opening of new markets for the goods made of natural and eco-friendly biodegradable fibre like Jute both in the domestic as well as in the foreign countries. Jute being a versatile fibre has the prospects of usage as geo-textiles, apparels, composites, decorative, carpet yarns etc. The Central Government has also taken various innovative steps like announcing financial help and incentives for modernization & technological up-gradation schemes for the Jute Industry which will help to curtail manufacturing costs by installing high efficiency power saving machineries.

Threats, Risks & Concerns:

During the year under review, the Company has constituted a risk management committee in terms of revised Clause 49 of the listing agreement. The composition of the committee and its role is stated in corporate governance report annexed to this report. However 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.
- 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 only 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:

The Company has an adequate internal control system commensurate with the Company's size and nature of its operations which provides reasonable assurance with regard to safeguarding the assets, preventing revenue leakage, recording & providing reliable financial and operational information and compliance with various statutory provisions and promoting operational efficiency by cost control.

The Company has also engaged the services of Shri S. Roy Chowdhury, Chartered Accountant, as the Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013 to carry out the internal audit and ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The company has also installed an extensive CCTV Surveillance system to cover the important parts of entire factory premises. All these measures are continuously reviewed by the management and frequently necessary improvements are affected.

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	2014-15 (₹.in 000')	2013-14 (₹.in 000')
Revenue from operations	957719	1208176
Cost of Materials consumed	503911	652717
Change in Inventories(Increase)/Decrease	(16929)	(31830)
Finance Costs	10572	5416
Profit After Tax	5465	15711

h) Development in Human Resource & Industrial Relations:

As on March 31, 2015, the Company had employee strength of around 3000.

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. Given the frequent labour disturbances, industrial relations have remained unpleasant and unpredictable during the year under review.

The Company has also constituted an Internal control Committee for prevention, prohibition and redressal of complaints/grievances on the sexual harassment of women at work place in compliance of the requirement under Sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013.

i) Cautionary Statement:

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors such as finished goods prices, raw materials cost & availability, withdrawal of JPMA or further relaxation granted by the Central Government, regulations, tax laws, economic developments within India and other factors such as litigation and industrial relations.

Thus 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 'F' to the Director's Report**REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:-**

Effective corporate governance practices constitute the foundation on which successful commercial enterprises are built to last. The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders, government authorities and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosing all relevant information in an easily understandable manner and by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

Your company has fulfilled all the existing guidelines 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:**

As on 31st March, 2015, the Board comprised of 6 Directors which includes 2 Non Executive Independent Directors, 3 Non-Executive Directors and 1 Executive Director. Almost 80% 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, 2015, 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, 2015, are given herein below:-

Auckland International Limited

(₹.in 000)

Sl. No.	Name of Director	Category	Attendance		Directorship 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	10	Yes	2	Nil
2	Shri B.S Rampuria	Non- Executive	7	No	9	Nil
3	Shri J.K Kankaria (resigned on 01.04.2014)	Non- Executive	-	No	11	Nil
4	Shri H.S Bayed	Executive	10	Yes	2	Nil
5	Shri H. Tapadar	Non- Executive Independent	10	No	2	Nil
6	Shri B.S Baid	Non-Executive	5	Yes	4	Nil
7	Smt Bimla Devi Baid (appointed w.e.f 30.03.2015)	Non-Executive	-	No	-	Nil

Notes:

- i. Shri J.K Kankaria resigned from the office of Director with effect from 1st April, 2014.
 - ii. In order to comply with the provisions of Section 149 of the Companies Act, 2013 read with rules there under and Revised Clause 49(II)(A)(1) of the listing Agreement, Smt. Bimla Devi Baid was appointed on the Board of the Company on 30th March, 2015 as a Non-Executive Woman Director 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 10 times on 1st April, 2014, 29th May, 2014, 9th June, 2014, 8th July, 2014, 31st July, 2014, 14th August, 2014, 15th November, 2014, 1st January, 2015, 14th February, 2015 and 30th March, 2015. The Annual General Meeting for the year ended 31st March, 2014 was held on 29th September, 2014. The necessary quorum was present for all the meetings.

3. COMMITTEES OF THE BOARD**I. AUDIT COMMITTEE:**

The Audit Committee of the Company reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company 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 177 of the Companies Act, 2013 which broadly includes matters pertaining to the following:-

a) The terms of reference of the Audit Committee include:

- i. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Compliance with Listing and legal requirements concerning financial statements;
- iii. review of quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- iv. 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.;
- v. review performance of statutory and internal auditors;

- vi. reviewing of the Statement of Related Party transactions as submitted by the Management;
- vii. monitoring the end use of funds raised through public offers and related matters;
- viii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ix. reviewing, with the management, the statement of uses / application of funds;
- x. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- xi. scrutiny of inter-corporate loans and investments;
- xii. valuation of undertakings or assets of the company, wherever it is necessary;
- xiii. evaluation of internal financial controls and risk management systems.

b) Composition, Names of Members and Chairman:

As on 31st March, 2015 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.

1. Chairman:

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

2. Secretary:

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

- 3. The Chairman of the Audit Committee attended the last Annual General Meeting ("AGM") held on 29th September, 2014.

c) Meetings and attendance during the year:

During the Financial Year ended 31st March, 2015, five Meetings were held on (i) 4th April, 2014 (ii) 22nd May, 2014 (iii) 6th August, 2014 (iv) 7th November, 2014 (v) 2nd February, 2015. The necessary quorum was present for all the meetings. The attendance of each Member at these Meetings was as follows:

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

II. NOMINATION AND REMUNERATION COMMITTEE:

To ensure compliance with the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and revised Clause 49 of the listing agreement the Board at its meeting held on 15th November, 2014 reconstituted and re-named the Committee from "Remuneration Committee" to "Nomination and Remuneration Committee" with amended terms of reference.

a) Brief description of terms of reference:

The terms of reference of the Committee is in conformity with Section 178 of the Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and revised Clause 49 of the listing agreement.

b) Composition, name of members and Chairperson:

As on 31st March, 2015, the Committee comprised of three Non-Executive Independent Directors- Shri M.C Singhi, Shri B.S Baid and Shri H. Tapadar. Shri M.C Singhi, Non Executive Director 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:**

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Director) the Nomination and Remuneration Committee ensures that the relationship of remuneration and performance benchmark is clear. Accordingly the Company drafted the remuneration policy for its Board Members in terms of Revised Clause 49(IV) of the Listing Agreement and Section 178 of the Companies Act, 2013.

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

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 (resigned on 01.04.2014)	Non-Executive	--	--	--	--
Shri H.S.Bayed	Executive	--	1180	80	1260
Shri H.Tapadar	Non-Executive	--	--	--	--
Shri B.S.Baid (appointed on 31.07.2014)	Non-Executive Independent	--	--	--	--
Smt Bimla Devi Baid (appointed on 30.03.2015)	Non-Executive Independent	--	--	--	--

NOTES:

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

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board at its meeting held on 15th November, 2015, re-constituted and re-named the said Committee from "Shareholder's/Investor's Grievance Committee" to "Stakeholder's Relationship Committee" to align with the requirements of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing agreement 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, 2015, the Committee consisted of three Directors, Shri B.S Rampuria, Non-executive Independent Director (Chairman), Shri H. Tapadar, Non-Executive Independent Director (Member) and Shri M.C Singhi, Non-executive Independent Director (Member).

b) No. Of Committee Meetings:-

The Committee had met 12 times during the year under review on (i) 7th April, 2014 (ii) 19th July, 2014 (iii) 26th July, 2014 (iv) 4th August, 2014 (v) 4th October, 2014 (vi) 13th November, 2014 (vii) 21st November, 2014 (viii) 27th November, 2014 (ix) 6th January, 2015 (x) 16th January, 2015 (xi) 11th February, 2015 (xii) 20th March, 2015. 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. Tapadar.

c) Name And Designation of Compliance Officer:-

Ms. Sangeeta Ghose, Company Secretary, is the Compliance Officer of the Company in terms of Clause 47(a) of the Listing Agreement. E-mail Id pursuant to Clause 47(f) of the Listing Agreement with the Stock Exchange: cs@aucklandjute.com

d) Status Of Investor's Complaints As On 31st March, 2015:-

No. of complaints received during the year and dealt with: None

No. of complaints pending: None

No. of pending share transfers as on 31st March, 2015: None

IV. RISK MANAGEMENT COMMITTEE:

Pursuant to revised Clause 49 (VI) of the Listing Agreement, a Risk Management Committee was constituted by the Board at its meeting held on 15th November, 2014 to monitor and review risk management plan and practices of the Company.

The Committee met once on 30th March, 2015 during the year under review and comprised of three Directors- Mr. B S Baid, Non-executive Independent Director (Chairman), Mr. H Tapadar, Independent Director (Member) and Mr. M C Singhi, Independent Director (Member).

4. REMUNERATION OF DIRECTORS:

The remuneration of the Executive Director is fixed by the Board of Directors and approved by shareholders in the Annual General Meeting.

The details of remuneration to Executive Director for the year ended March 31, 2015 is as under:

Name of the Director	Remuneration (₹)	Commission (₹.)	Perquisites (₹.)	Service Contract
Shri H S Bayed Executive Director	8,03,000	-	3,76,920	3 years (Shri H S Bayed was re-appointed as Executive Director of the Company w.e.f. 1st August, 2013 upto 31st July, 2016 which was approved by members of the Company at its Annual General Meeting held on 27th September, 2013)

Total remuneration paid as Salary and allowances, perquisites, Contribution towards Provident Fund and Gratuity Fund on his account is subject to overall limit of 5% of the net profit individually and 10% of the net profit collectively payable to all the managerial personnel together, as calculated in accordance with Sections 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII of the said Act as amended from time to time.

No sitting fees was paid to the Executive Director, Non-Executive and Independent Directors of the Company during the year ended March 31, 2015.

Further, there has been no other material pecuniary relationship or business transactions by the Company with any Non-executive and Independent Directors of the Company.

5. INDEPENDENT DIRECTOR'S MEETING:

During the year under review, the Independent Directors met once on February 16, 2015, inter alia, to:

- review the performance of non-independent directors and the entire board of directors of the Company as a whole;
- to conduct the familiarization program for independent directors of the company.

All the independent Directors were present at the meeting.

6. GENERAL BODY MEETINGS:-

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

Financial year	Date Of AGM	Venue	Time
2013-14	29th September, 2014	P.O. Jagatdal, 24 Parganas (N) W.B. 743125	10.00 A.M
2012-13	27th September, 2013	P.O. Jagatdal, 24 Parganas (N) W.B. 743125	10.00 A.M
2011-12	27th September, 2012	P.O. Jagatdal, 24 Parganas (N) W.B. 743125	10.00 A.M

ii. Details of Special Resolution:

Financial year	Date Of AGM	Subject matter of the resolution	Triggering Section of the Companies Act, 2013
2013-14	29th September, 2014	a) Authorization to borrow money under section 180(1)(c) of the Companies Act, 2013 b) Alteration of the memorandum of association of the company c) Alteration of articles of association	Section 180(1)(c) Section 13 Section 14
2012-13	27th September, 2013	None	N/A
2011-12	27th September, 2012	None	N/A

iii. No Special Resolution was passed through Postal Ballot in the previous AGM.

iv. No Postal Ballot was conducted during the year 2014-15.

v. No Extraordinary General Meeting of the Members was held during the year 2014-15.

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.

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) Related Party Transactions-**

In terms of Accounting Standard-18 "Related Party Disclosures", as notified under the Companies (Accounting Standards) Rules, 2006, the Company has identified the related parties covered therein and details of such transactions during the Financial Year 2014-15 with such related parties have been disclosed in Note No.35 to the Accounts forming part of this Annual Report.

All transactions with related party were entered in the ordinary course of business and at arm's length basis with prior omnibus approval of the audit committee in line with the policy on related party transactions of the Company and does not have potential conflicts with the Company. Further, these transactions are also placed in the Audit Committee Meeting(s).

b) Compliances by the Company-

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

c) Vigil Mechanism/Whistle Blower Policy-

Your Company has a well laid out Vigil Mechanism/Whistle Blower policy in terms of Section 177 of the Companies Act, 2013 read with Clause 49 of the listing agreement entered into with the stock exchange. It is one of the best means of improving the transparency in the working of the Companies. The Board of Directors as well as the employees of the Company adheres to this principle and compliance with the same is affirmed by each of them.

d) Status of compliance of Non-Mandatory requirements of Clause 49 of the listing agreement-

The Company has complied with all the mandatory requirements of Sub-clauses I to XI of Clause 49 of the Listing Agreement. The non-mandatory requirements as stipulated in Annexure XIII of Clause 49 of the Listing Agreement on the Code of Corporate Governance have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance.

e) **CEO/CFO certification-**

The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49 (IX) of the Listing Agreement and a certificate forms part of the Annual Report.

f) **Accounting Treatment-**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The financial statements have been prepared on accrual basis under the historical cost convention.

9. MEANS OF COMMUNICATION:a) **Quarterly Results:**

In compliance with Clause 41 of the Listing Agreement, the Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the company are sent to the stock exchange immediately after it is approved by the Board of Directors. The printed Annual Reports are dispatched to every shareholder of the Company.

b) **Publication of Results:**

The said results are also published in one vernacular newspaper viz. "Kalantar" and one English newspaper viz. "Business Standard" or "Financial Express". Also it is uploaded on the company's website www.aucklandjute.com. The results are published in accordance with the guidelines of the Stock Exchanges.

c) **Management Discussion and Analysis Report:**

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

d) **Website:**

www.aucklandjute.com

10. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redresses the shareholders complaints, if any, well within the stipulated time.

11. 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	10.00A.M
Day	Tuesday
Date	29th September, 2015
Venue	P.O. 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, 2015 to 29th September, 2015 (both days inclusive)

e) **Dividend payment date:**

No dividend has been recommended for the year ended 31st March, 2015.

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

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

Stock Exchange	Stock Code
The Calcutta Stock Exchange Ltd. ("CSE Ltd."), 7, Lyons Range, Kolkata-700001	10011027
ISIN No. allotted by NSDL & CDSL: INE907C01022.	

Listing Fees as prescribed have been paid to the aforesaid Stock Exchange for 2014-15.

g) **Market Price Data:**

The Equity Shares of the Company are very thinly traded and the trading has been sporadic, 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

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 of lodgment, subject to the documents being in order, 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 meet periodically as and when required.

k) **Distribution of shareholding:**

(A) The distribution of shareholdings, including the shares in dematerialized form, as on 31st March, 2015 is given here under:

Break-up of Equity shares held	No. of Shareholders/Folios	% of Shareholders	No. of Shares	% of Shares
Up to 5000	1956	97.17	748065	18.22
5001-10000	17	0.84	141360	3.44
10001-20000	10	0.50	159261	3.88
20001-30000	4	0.20	104027	2.53
30001-40000	2	0.10	66222	1.61
40001-50000	1	0.05	41810	1.02
50001-100001	12	0.60	813988	19.82
Above 100001	11	0.55	2032087	49.48
Total	2013	100.00	4106820	100.00

(B) Shareholding Pattern as on 31st March 2015 :

Category	No. of Shares held	Percentage of Shareholding
A PROMOTOR'S HOLDING		
1 Promoters		
- Indian Promoters	2941544	71.63
- Foreign Promoters	--	--
2 Persons acting in concert	--	--
Total (A)	2941544	71.63
B NON-PROMOTOR'S HOLDING		
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	44896	1.09
b) Indian Public	929694	22.64
c) NRIs/ OCBs	11880	0.29
d) GDRs	--	--
Sub -Total	986470	24.02
Total (B)	1165276	28.37
Grand Total (A+B)	4106820	100

- l) **Reconciliation of Share Capital Audit:**
As stipulated by SEBI, a qualified Practising Company Secretary carries out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the shares of the Company are listed and also to the Board of Directors. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.
- m) **Dematerialization of shares and liquidity:**
As on 31st March, 2015, 30,63,669 Equity Shares of ₹10/- each (75% of the total paid-up share capital) were held in dematerialized form and the balance 10,43,151 Equity shares of ₹.10/- each were held in physical form.
- n) **Outstanding GDRs:**
The Company has not issued any GDRs/ADRs/warrants or any convertible instruments.
- o) **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.
- p) **Address for correspondence:**
Share Department OR Niche Technologies Pvt. Ltd.
Auckland International Limited D-511, Bagree Market,
Jagatdal, 24 Parganas (North), 71, B.R.B Basu Road,
West Bengal-743125. Kolkata-700001

The above report has been placed before the Board at its Meeting held on 14th August, 2015 and the same was approved.

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, 2015

H. S. Bayed (DIN-00425481) Executive Director	M.C Singhi (DIN-00407278) Director
---	--

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 do hereby certify to the Board that in terms of Clause 49 (IX) of the listing agreement, we have reviewed the financial statement and Cash Flow Statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief, we further certify that:

- these statements does not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 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;
- there are, to the best of our knowledge & belief no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct;
- 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) there are no significant changes in internal control over financial reporting during the year;
 - f) there are no significant changes in accounting policies during the year;
 - g) there are no instances of fraud during the year.

Place: KOLKATA
Dated: 14 th August, 2015

For Auckland International Limited
H S BAYED
Executive Director & CEO
S C BHUTORIA
CFO

DECLARATION

To the Members of
Auckland International Limited,

Pursuant to Clause 49(II)(E)(2) 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, 2015.

Place: KOLKATA
Dated: 14th August, 2015

For Auckland International Limited
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, 2015, 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, 2015

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

INDEPENDENT AUDITORS' REPORT

1. We have audited the accompanying standalone financial statements of **AUCKLAND INTERNATIONAL LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and or preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.
4. **Basis of Qualification:**

The accrued liability on account of encashment of leave by the employees has not been provided and has been accounted for on Cash Basis. (Refer Note 1.11) Unprovided Liability on this account as on 31st March 2015 as determined by actuarial valuation amounts to ₹.45.88 lacs.

The effects of the forgoing to the extent determinable is that the Profit and Reserve & Surplus are overstated by ₹.45.88 lacs and liability under long term provision is under stated to the same amount.
5. **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except para 4 above on the basis of qualification the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.
6. **Report on Other Legal and Regulatory Requirements**
 1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the Financial Statements:
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses:
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

Kolkata, 14th August, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(ii) In respect of its inventories:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies between book record and physical stock were noticed on physical verification.

Auckland International Limited

(₹.in 000)

- (iii) The Company has granted unsecured loans to companies covered in the Register maintained under Section 189 of the Companies Act, 2013. The Company has not granted any loan to firm or other parties covered under the said register.
- (a) The receipts of principal amounts and interest have been paid as per stipulations.
- (b) There is no overdue amount remaining outstanding as at the year end.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) The Company has not accepted any deposit during the year covered under Section 73 to Section 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable except the due payment as mentioned below.
- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March, 2015 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹.In Lacs)
Central Sales Tax Act, 1956	Sales Tax	Asst. Commissioner/ Deputy Commissioner (Appeals)	75-76, 94-95, 01-02, 03-04, 04-05, 06-07, 07-08, 08-09, 09-10 & 10-11	43.80
West Bengal Sales Tax Act, 1956	Sales Tax	Appellate Tribunal/ Asst. Commissioner/ Deputy Commissioner (Appeals)	74-75 01-02, 03-04 & 04-05	0.15 10.08
West Bengal VAT Act, 2003	VAT	Assessing Authority	05-06, 06-07, 07-08, 09-10, 10-11 & 11-12	22.70
Central Excise Tariff Act, 1985	Excise Duty	CESTAT, Kolkata	March 2011 to December 2012	1628.68

- (d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under within time.
- (viii) The Company has no accumulated loss at the end of the year. The Company has not incurred cash loss during the year covered by our audit and also not in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures.
- (x) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions. Therefore Clause (x) of the Order is not applicable.
- (xi) In our opinion and according to the information and explanations given to us, no term loan has been taken by the Company Therefore Clause (xi) of the Order is not applicable.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For S. S. KOTHARI & COMPANY
Chartered Accountants
R. K. Roy Choudhury
Membership No. 8816
Partner

Kolkata, 14th August, 2015

Auckland International Limited

(₹.in 000)

Balance Sheet as at 31st March, 2015

	Notes	31st March, 2015	31st March, 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	41068	41068
Reserves and Surplus	3	250971	273035
		<u>292039</u>	<u>314103</u>
Non-current Liabilities			
Deferred Tax liabilities	4	6958	12155
Deferred Government Grant	5	5696	3799
		<u>12654</u>	<u>15954</u>
Current Liabilities			
Short-term borrowings	6	152074	60529
Trade payables	7	18538	5163
Other current liabilities	8	83279	67210
Short-term provisions	9	8008	16415
		<u>261899</u>	<u>149317</u>
TOTAL		<u><u>566592</u></u>	<u><u>479374</u></u>
ASSETS			
Non-current Assets :			
Fixed Assets			
Tangible Assets	10	123604	150823
Intangible Assets	11	132	144
Non-current Investments	12	27890	36770
Other non-current assets	13	1111	1111
		<u>152737</u>	<u>188848</u>
Current Assets			
Inventories	14	283670	178989
Trade receivables	15	55291	31070
Cash and Cash equivalents	16	32677	34267
Short-term loans and advances	17	986	960
Other Current assets	18	41231	45240
		<u>413855</u>	<u>290526</u>
TOTAL		<u><u>566592</u></u>	<u><u>479374</u></u>
Significant Accounting Policies	1		

The accompanying Notes 1 to 36 form an integral part of these financial statements

For S.S.Kothari & Co.

In terms of the report of even date annexed

Chartered Accountants

(R.K.Roy Choudhury)

Partner

Membership No. 8816

Firm Registration No. 302034E

Place : Kolkata

Dated : 14th August 2015

H.S. Bayed
Executive DirectorS. Ghose
Company SecretaryS. C. Bhutoria
Chief Finance OfficerH. Tapadar
M.C. Singhi
B.S. Rampuria
B.S. Baid
B.D. Baid
Directors

Auckland International Limited

(₹.in 000)

Statement of Profit and Loss for the year ended on 31st March, 2015

	Notes	31st March, 2015	31st March, 2014
REVENUE			
Revenue from Operations	19	969520	1221738
Less : Cess Duty		11801	13562
		957719	1208176
Other Income	20	12162	9267
Total Revenue		969881	1217443
EXPENSES			
Cost of Materials Consumed	21	503911	652717
Change in Inventories (Increase)/Decrease	22	(16929)	(31830)
Employee benefits expenses	23	290059	340391
Finance Costs	24	10572	5416
Depreciation & amortisation expenses		7287	6648
Less: Transferred from Capital Reserve		--	2225
Other expenses	25	170730	222817
Total Expenses		965630	1193934
Profit before exceptional and extraordinary items & tax		4251	23509
Exceptional / Extraordinary items			
Adjustment relating to Taxes for earlier years		661	--
Profit before tax		3590	23509
Tax expense :			
Current tax		693	7315
Deferred tax		(2568)	483
Profit for the Period		5465	15711
Basic / Diluted Earnings per equity Share		1.33	3.83

Significant Accounting Policies

1

The accompanying Notes 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 2015

H.S. Bayed
Executive Director

S. Ghose
Company Secretary

S. C. Bhutoria
Chief Finance Officer

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

Auckland International Limited

(₹.in 000)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

	31st March, 2015	31st March, 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary Items	4251	23509
Adjustments for :		
Depreciation and Amortisation Expenses	7287	4423
Interest Received	(3967)	(5653)
Dividend Received	(616)	(711)
Interest Expenses	10368	4616
(Profit)/ Loss on Sale of Investment	(5037)	(587)
(Profit)/ Loss on Sale of Fixed Assets	(666)	--
Operating Profit before Working Capital Changes	<u>11620</u>	<u>25597</u>
Adjustments for:		
Decrease/(Increase) in Inventories	(104681)	34727
Decrease/(Increase) in Trade Receivables	(24221)	12811
Decrease/(Increase) in Other Receivables	(26)	10
Decrease/(Increase) in Other Current Assets	7354	(5023)
Decrease/(Increase) in Trade and Other Payables	21037	(29673)
Provisions	(693)	(7315)
Cash Generated from operations	<u>(89610)</u>	<u>31134</u>
Interest Paid	(10368)	(4616)
Direct Taxes Paid	(3345)	(7421)
	<u>(103323)</u>	<u>19097</u>
Cash Flow before extra ordinary items		
Extra ordinary items	<u>(661)</u>	<u>--</u>
Net Cash from Operating Activities	<u>(103984)</u>	<u>19097</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(11889)	(10756)
Sale of Fixed Assets	2340	--
Acquisition of Companies	--	--
Purchase of Investments	(53354)	(97500)
Sale of Investments	67271	105459
Interest Received	3967	5653
Dividend Received	<u>616</u>	<u>711</u>
	<u>8952</u>	<u>3567</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	--	--
Proceeds from Cash Credit	91545	(18954)
Deferred Government Grants	1897	1037
Repayment of long term borrowings	--	--
Proceeds from Unsecured Loans	--	--
Dividends Paid	--	--
Net Cash used in Financing Activities	<u>93442</u>	<u>(17917)</u>
Net increase in Cash & Cash Equivalents (A+B+C)	<u>(1590)</u>	<u>4747</u>
Opening Balance of Cash & Cash Equivalents	34267	29520
Closing Balance of Cash & Cash Equivalents	<u>32677</u>	<u>34267</u>

Note:

1. 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.

2. Cash and Cash equivalent represent cash and bank balances.

For S.S.Kothari & Co.

This is in term of our report of even date.

Chartered Accountants

(R.K.Roy Choudhury)

Partner

Membership No. 8816

Firm Registration No. 302034E

Place : Kolkata

Dated : 14th August 2015

H.S. Bayed
Executive DirectorS. Ghose
Company SecretaryS. C.Bhutoria
Chief Finance Officer

H. Tapadar

M.C.Singhi

B.S. Rampuria

B.S.Baid

B.D.Baid

Directors

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015**NOTE 1****SIGNIFICANT ACCOUNTING POLICIES:****1 Basis of preparation of Financial Statements**

The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles.

2 Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialise or are known.

3 Revenue Recognition

(a) Revenue has been accounted for on accrual basis excepting Internal Marketing Assistance and Insurance Claim 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 Tangible fixed assets

Fixed assets are recorded at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation, amortisation and impairment loss, if any.

6 Depreciation on tangible fixed assets

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life of the assets prescribed in Schedule II to the Companies Act, 2013.

7 Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortisation. Computer Software which are capitalised, are amortised over a period of 3 years on straight-line basis.

8 Impairment of tangible and intangible assets

Impairment loss is provided to the extent that the carrying amount(s) of assets exceed their recoverable amount(s).

Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash-flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable willing parties, less the costs of disposal.

9 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.

10 Inventories

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 that approximate actual cost.

11 Retirement and other 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 Foreign currency transactions

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.

13 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.

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

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

NOTE 2	31st March 2015	31st March 2014
Share Capital		
Authorised :		
7500000 Equity Shares of ₹. 10/- each	75000	75000
50000 Preference Shares of ₹.100/- each	5000	5000
Total	80000	80000
Issued, Subscribed & Paid up		
4106820 Equity Shares of ₹. 10/- each fully paid up	41068	41068
Total	41068	41068

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

Name of Shareholder	No. of Shares	% of Shareholdings
Aradhana Investments Limited	558205	13.59
Padmavati Tradelink Limited	282628	6.88
Divya Kankaria	253575	6.17

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

Auckland International Limited

(₹.in 000)

	31st March 2015	31st March 2014
NOTE 3		
Reserves and Surplus		
Capital Reserve (Revaluation)		
As per last Balance Sheet	66654	68879
Less: Transferred to Profit & Loss Account	--	(2225)
Less: Adjustment on Fixed Assets	(16359)	--
Balance at the end of year	<u>50295</u>	<u>66654</u>
General Reserve		
As per last Balance Sheet	<u>11909</u>	<u>11909</u>
Capital Redemption Reserve		
As per last Balance Sheet	<u>4062</u>	<u>4062</u>
Surplus in the Statement of Profit and Loss Account		
As per last Balance Sheet	190410	174699
Less: Adjustment for Fixed Assets (net of Tax)	(11170)	--
Add : Net Profit after tax transferred from Statement of Profit & Loss Account	5465	15711
Balance at the end of year	<u>184705</u>	<u>190410</u>
Total	<u>250971</u>	<u>273035</u>
NOTE 4		
Deferred tax liabilities		
As per last Balance Sheet	12155	11672
Deferred Income Tax Assets	(5197)	483
Total	<u>6958</u>	<u>12155</u>
NOTE 5		
Deferred Government Grant		
Deferred Government Grants (Note 36 (j))	5696	3799
Total	<u>5696</u>	<u>3799</u>
NOTE 6		
Short-term borrowings		
Loans payable on demand		
Working Capital Facilities		
-From Banks (Secured)	96924	60529
-From Others	55150	--
Total	<u>152074</u>	<u>60529</u>
Borrowings from Bank -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 Sri H.C.Kankaria & Sri J.K.Kankaria Promoters of the Company		
NOTE 7		
Trade payables		
- Micro, Small & Medium Enterprises	--	--
- Others	18538	5163
Total	<u>18538</u>	<u>5163</u>

Auckland International Limited

(₹.in 000)

31st March, 2015

31st March, 2014

NOTE 8**Other current liabilities**

Unpaid Dividends	273	273
Employees Benefits Payable	22563	22847
Advances from Customers & other payables	25794	12719
Provision for expenses	27313	26506
Deposit received	463	372
Statutory dues payable	6873	4493
Total	83279	67210

NOTE 9**Short-term provisions**

Provision for Income Taxes	8008	16415
Total	8008	16415

NOTE 10**Fixed Assets****Tangible Assets**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.14	Additions	Sales	As at 31.03.15	Up to 01.04.14	For the year	Sales/Adj	Up to 31.03.15	As at 31.03.15	As at 31.03.14
Land & Building	71581	268	--	71849	16437	255	272	16964	54885	55144
Plant & Machinery	220660	10717	2123	229254	129738	5794	29205	164737	64517	90922
Furniture & Fixtures	1593	368	--	1961	941	265	185	1391	570	652
Vehicles & Trolleys	5351	460	--	5811	1653	780	--	2433	3378	3698
Laboratory Equipments	139	--	--	139	78	16	6	100	39	61
E.D.P. Machines	1405	76	--	1481	1059	165	42	1266	215	346
Current Year	300729	11889	2123	310495	149906	7275	29710	186891	123604	150823
Previous Year	290022	10707	--	300729	143273	6633	--	149906	150823	146749

NOTE 11**Fixed Assets****Intangible Assets**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.14	Additions	Sales	As at 31.03.15	Up to 01.04.14	For the year	Sales	Up to 31.03.15	As at 31.03.15	As at 31.03.14
Software	2249	--	--	2249	2105	12	--	2117	132	144
Current Year	2249	--	--	2249	2105	12	--	2117	132	144
Previous Year	2200	49	--	2249	2090	15	--	2105	144	110

Auckland International Limited

(₹.in 000)

NOTE 12
Non-current Investment

Particulars	Face value	Nature of Investment (Fully Paid)	As at 31.03.15		As at 31.03.14	
			Nos.	₹. (in 000)	Nos.	₹. (in 000)
Other Investment - Quoted						
Aditya Birla Nuvo Limited.	10	Equity	600	815	--	--
Ashok Leyland Limited.	1	Equity	15000	501	--	--
Bajaj Finserv Limited.	10	Equity	1000	898	--	--
Balmer Lawrie Investments Limited	10	Equity	--	--	21162	2164
BEML Limited	10	Equity	3600	3428	6949	7038
Cipla Limited.	2	Equity	1500	639	--	--
Coal India Limited	10	Equity	1350	501	--	--
Electrosteel Steels Limited	10	Equity	180000	1980	189386	2083
GVK Power & Infrastructure Ltd	1	Equity	--	--	9500	499
Housing Development Finance	2	Equity	1700	1819	--	--
IFCI Ltd.	10	Equity	33800	2085	33800	2085
Infosys Limited.	5	Equity	400	591	--	--
Kesoram Industries Ltd	10	Equity	4525	1438	4525	1438
NHPC Limited	10	Equity	35799	1305	65799	2386
Oil India Limited	10	Equity	--	--	662	278
Oil and Natural Gas Corporation Ltd.	5	Equity	--	--	8000	2584
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
State Bank of Bikaner & Jaipur	10	Equity	4321	1814	4321	1814
State Bank of India	10	Equity	--	--	2285	4952
State Bank of Travancore	10	Equity	650	319	650	319
Sun Pharmaceutical Industries Ltd.	1	Equity	1500	884	--	--
Tata Steel Limited	10	Equity	--	--	1000	513
Tech Mahindra Limited.	5	Equity	2000	904	--	--
Investment in Mutual Fund - Quoted						
Goldman Sachs Mutual Fund	1000	Units	0.839	1	0.802	1
Investment in Bond & Debentures -Quoted						
Reliance Dynamic Bond Fund	10	Units	301767	5000	301767	5000
Aggregate amount of Quoted investment			619381	27890	682075	36770
Aggregate Value of Quoted Investment				27890		36770
Market Value				30123		30232

NOTE 13
Other non-current assets

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

Total

31st March, 2015

31st March, 2014

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	31st March, 2015	31st March, 2014
NOTE 14		
Inventories		
As certified by the Management		
Stores and Spare Parts	16484	16646
Raw Jute	109467	21553
Jute-in-process	16049	17757
Finished Goods	<u>141670</u>	<u>123033</u>
Total	<u>283670</u>	<u>178989</u>
NOTE 15		
Trade receivable		
(Unsecured -considered good unless otherwise stated)		
a) Debts outstanding for a period exceeding six months		
Considered good	11350	769
Considered doubtful	--	--
Less: Provision for doubtful debts	--	--
	<u>11350</u>	<u>769</u>
b) Other debts		
Considered good	43941	30301
Considered doubtful	--	--
	<u>43941</u>	<u>30301</u>
Total	<u>55291</u>	<u>31070</u>
NOTE 16		
Cash and Cash equivalents		
Balance with Banks		
In current and deposit accounts	3531	7034
Cash in hand	867	924
	<u>4398</u>	<u>7958</u>
Fixed deposits with Bank more than twelve months maturity	2500	2500
Fixed deposit with Bank (more than twelve months maturity) held as margin money against guarantee	25506	23536
Balance with Bank in unpaid dividend account	273	273
	<u>28279</u>	<u>26309</u>
Total	<u>32677</u>	<u>34267</u>
NOTE 17		
Short-term loans and advances		
(Unsecured considered good unless otherwise stated)		
- Intercorporate Loans	-	-
- Deposits	986	960
Total	<u>986</u>	<u>960</u>

31st March, 2015

31st March, 2014

NOTE 18

Other current assets

(Unsecured considered good unless otherwise stated)

Advances recoverable in cash or in kind or for value to be recovered

- Employees	6190	6693
- Suppliers	1306	3194
- Interest Receivable	3212	2728
- Others	14387	10550
Balance with Excise Authorities	1	1
Prepaid expenses	517	551
Income tax advances	15618	21523
Total	41231	45240

NOTE 19

Revenue from operations

Gunny	946454	1194558
Yarn	11265	13618
Total	957719	1208176

NOTE 20

Other Income

Profit on sale of investment	5037	587
Profit on sale of fixed assets	666	--
Interest	3967	5653
Miscellaneous Income	1708	2158
Dividend	616	711
Rent	168	158
Liabilities no longer required written back	--	--
Total	12162	9267

NOTE 21

Cost of Material Consumed

Opening Stock

Raw Jute	21553	89320
Purchase		
Raw Jute	569974	571596
Gunny & Yarn	21851	13354
Closing Stock	591825	584950
Raw Jute	109467	21553
Total	503911	652717

Auckland International Limited

(₹.in 000)

NOTE 22

Change in Inventories	31st March, 2015	31st March, 2014
Opening Stock		
Jute in process	17757	16360
Finished Goods	<u>123033</u>	<u>92600</u>
	<u>140790</u>	<u>108960</u>
Closing Stock		
Jute in process	16049	17757
Finished Goods	<u>141670</u>	<u>123033</u>
	<u>157719</u>	<u>140790</u>
Total (Increase)/Decrease	<u>(16929)</u>	<u>(31830)</u>

NOTE 23**Employee benefits expenses**

Salaries and wages	256263	305239
Contribution to provident and other funds	30237	31385
Staff welfare expenses	<u>3559</u>	<u>3767</u>
Total	<u>290059</u>	<u>340391</u>

NOTE 24**Finance Costs**

Interest on loans	10368	4616
Other borrowing costs		
Processing fees	<u>204</u>	<u>800</u>
Total	<u>10572</u>	<u>5416</u>

NOTE 25**Other expenses**

-Stores and spares consumed	36285	53346
-Power & fuel	73663	85120
-Sewing & processing charges	<u>2675</u>	<u>3744</u>
	<u>112623</u>	<u>142210</u>
Repairs and maintenance		
-Building	2706	4246
-Machinery	21309	29480
-Other Assets	<u>2490</u>	<u>4528</u>
	<u>26505</u>	<u>38254</u>
-Insurance charges	2345	2075
-Rent	1260	1320
-Rates & taxes	2944	3160
-Brokerage & commission	6714	8986
-Shipping & delivery	1014	1990
-Cess duty	11	2
-Miscellaneous expenses	17086	24638
-Sundry balances written off	<u>47</u>	<u>29</u>
	<u>31421</u>	<u>42200</u>
Auditor's remuneration		
-As audit fees	62	62
-For Tax audit, Certification etc.	94	68
-Reimbursement of expenses	<u>25</u>	<u>23</u>
	<u>181</u>	<u>153</u>
Total	<u>170730</u>	<u>222817</u>

Auckland International Limited

(₹.in 000)

NOTE 26**CONTINGENT LIABILITIES NOT PROVIDED FOR IN THE ACCOUNTS**

31st March, 2015 31st March, 2014

a) Sales Tax (pending appeal) (to the extent declaration forms not received)	1023	1023
VAT (pending appeal) (to the extent declaration forms not received)	2270	2900
CST (pending appeal) (to the extent declaration forms not received)	4380	4377
b) Employees' State Insurance –Not acknowledged as debt	1060	1060
c) Outstanding Bank Guarantee	16500	16500
d) Demand of Excise Authority on pending appeal	162868	325736

NOTE 27**Particulars of Sales & Stock**

a) Sale		
Gunny	946454	1194558
Yarn	11265	13618
b) Closing Stock		
Gunny	141670	123033

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

Raw Material	--	--
--------------	----	----

NOTE 29**Expenditure in Foreign Currency**

Travelling	--	40
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NOTE 30**Value of Imported and Indigenous raw material, stores, spare parts and components consumed and the percentage of each to total consumption**

	31st March 2015		31st March 2014	
	₹. (in 000)	%	₹. (in 000)	%
Raw Material				
Imported	5100	1.01	9790	1.50
Indigenous	498811	98.99	642928	98.50
Stores, Spare Parts and Components				
Imported	--	--	--	--
Indigenous	55690	100	78626	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	3488
Employer's Contribution to Employees Pension Scheme	15298

Auckland International Limited

(₹.in 000)

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, 2015 are as follows:-

	<u>Gratuity Funded</u>	<u>Leave encashment unfunded</u>
1. Change in present value of Defined Benefit Obligation as on 31/03/15		
Present value of DBO at the beginning of the year	183329	5539
Interest Cost	14666	456
Current Service Cost	9712	3366
Benefit Paid	--	(8832)
Actuarial (gain)/loss on obligation	(23216)	4059
Present value of DBO as at end of the year	184491	4588
2. Change in the fair value of Plan Assets as on 31/03/15		
Fair value of plan assets at the beginning of the year	177215	
Expected return on plan assets	15950	
Contributions	1000	
Benefits paid	--	
Actuarial Gain/(loss)on plan assets	--	
Fair value of plan assets at the end of the year	194165	
3. Fair value of Plan Assets		
Fair value of plan assets at the beginning of the year	177215	
Actual return on plan assets	15950	
Contributions	1000	
Benefits paid	--	
Fair value of plan assets at the end of the year	194165	
Funded status	9674	
Excess of Actual over estimated return on plan assets	--	
4. Actuarial Gain/ Loss recognised		
Actuarial (gain) / loss on obligation	(23216)	
Actuarial (gain) / loss for the year on plan assets	--	--
Actuarial (gain) / loss on obligation	(23216)	4059
Actuarial (gain) / loss	(23216)	4059
5. The amounts to be recognised in the Balance Sheet and Statement of Profit & Loss		
Present value of obligation as at the end of the year	184491	4588
Fair value of the plan assets as at end of the year	194165	
Funded status	9674	(4588)
Net assets/ (liability) recognised in Balance Sheet	9674	(4588)
6. Expenses recognised in statement of Profit & Loss		
Current service cost	9712	3366
Interest Cost	14666	455
Expected return on plan assets	(15950)	--
Net actuarial (gain)/loss recognised in the year	(23216)	4059
Expenses recognised in Statement of account of Profit & Loss	(14788)	7881

The Benefits accounted under the head 'Employee Benefits Expenses' ₹.10477 include ₹. 9477 paid to retired/ dead employees etc. and the contribution of ₹. 1000 out of accrued liabilities as on 31.03.2015 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 ₹. 4588 on the basis of actuarial valuation as mentioned above in consonance with the Company's policy of accounting.

Auckland International Limited

(₹.in 000)

	31st March, 2015	31st March, 2014
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 Expense 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 ₹. 693 has been made on regular income		
b) Deferred Tax		
The major component of the Deferred Tax Liability to the extent recognized and outstanding at 31.03.2015:		
Deferred Tax Liability as on 01st April, 2014		12155
Deferred Tax Liability :		
On differences between Book & Income Tax depreciation		(5197)
Net Deferred Tax Liability as on 31st March 2015		6958

NOTE 33

	31st March, 2015	31st March, 2014
Earnings per Share:		
Net Profit/(Loss) available for Equity shareholders	5465	15711
Weighted average number of Equity shares outstanding	4106820	4106820
Basic and diluted earnings per share -		
In rupees of face value of ₹.10 each	1.33	3.83

NOTE 34

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

i) Salary	803	730
ii) Contribution to Provident Fund	80	73
iii) Perquisites	377	343

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 Limited
v) Hotline Sales Pvt. Ltd.
vi) Jai Kumar Kankaria Investment Pvt. Ltd

Auckland International Limited

(₹.in 000)

B Transactions with Related Parties during the Financial Year and Outstanding Balances as on 31st March 2015

Nature of Transactions	Enterprises in which Key Management Personnel have significant influence	Item	Key Management Personnel
Interest Paid	985	b	
Rent	60	b	
Remuneration to Key Management Personnels		a	2610
Unsecured Loans			
Received during the year	50600	b	
Paid during the year	50600	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 ₹. 40 and Cash Discount ₹.1438.
- c) Profit from Sale of Short term Investment is ₹.158 Income from Mutual Funds ₹. 360 .
Investment purchased and sold during the year

Description of Investment	Purchases		Sale	
	No. of Shares/ Units	Amount ₹.	No. of Shares/ Units	Amount ₹.
Tata Motors Limited	3000	800	3000	958
Reliance Money Manager Funds	25081	45000	25081	45360

- d) Dividend received from long term investment in Shares ₹. 616.
- e) Purchase of Raw material is net of Sale Value NIL (Previous Year ₹. 4568).
- f) Stock of Finished Goods includes Stock in transit ₹. 20 (Previous Year ₹. NIL).
- g) Salary & Wages under the head Employee Benefits Expenses include the expenditure incurred on account of Repairs & Maintenance of Building ₹. 638, Machinery ₹.18515 and Power & Fuel ₹. 729.
- h) Consumption of Stores & Spare parts is net of Sale proceeds of Scraped Stores & Spare parts ₹. 3809
- 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 despatch as on 31.03.2015 from the factory is not accounted for and estimated at ₹.1319 (Previous year ₹.1272). 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 ₹. 2612 from National Jute Board against installed new machinery which has been treated as deferred income. The amount of ₹. 715 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) Company has one reportable segment as indicated in AS17 as notified in the Companies (Accounting Standards) Rules, 2006.
- l) During the year the Company has charged the depreciation at rate computed on basis of effective life of Assets as given in Schedule II of the Companies Act 2013 as against at the rates given in Schedule XIV of Companies Act, 1956. Due to this change the loss for the year has been increased by ₹. 2261
- m) Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

For S.S.Kothari & Co.

Chartered Accountants

(R.K.Roy Choudhury)

Partner

Membership No. 8816

Firm Registration No. 302034E

Place : Kolkata

Dated : 14th August 2015

In terms of the report of even date annexed

H.S. Bayed
Executive DirectorS. Ghose
Company SecretaryS. C.Bhutoria
Chief Finance Officer

H. Tapadar

M.C.Singhi

B.S. Rampuria

B.S.Baid

B.D.Baid

Directors