

AUCKLAND INTERNATIONAL LIMITED

Directors

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

Executive Director & CEO

Sri H S Bayed

General Manager & CFO

Sri S.C. Bhutoria

Company Secretary

Ms. S. Ghose

Auditors

KHANDELWAL RAY & CO.
Chartered Accountants

Bankers

CANARA BANK
Canning Street Branch
Kolkata - 700 001

Registered & Administrative Office & Works

P. O. Jagatdal
District : North 24 Parganas,
West Bengal - 743 125
E-mail - ail@aucklandjute.com
Web - www.aucklandjute.com

Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.
3A, Auckland Place, 7th Floor
Room No. 7A & 7B, Kolkata - 700 017

BOARD'S REPORT TO THE MEMBERS

Dear Shareholders,

Your Directors are pleased to present the 41st Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the financial year ended March 31, 2019.

1) CORPORATE OVERVIEW:

Auckland International Limited ("Your Company" or "The Company") is a leading manufacturer of jute goods with interest in investment in shares, securities & finances. Your Company has its registered office at Auckland Jute Mills, North 24 Parganas, Jagatdal, West Bengal-743125.

2) FINANCIAL SUMMARY:

The highlights of the financial results of the Company for the year ended March 31, 2019 are as under:

PARTICULARS	2018-19 (₹)		2017-18 (₹)	
Profit before Depreciation, Exceptional items and Taxation		665.64		661.84
Less: Depreciation and Amortisation	86.98		83.26	
Exceptional items	(2.05)	84.93	0.07	83.33
Profit before Taxation		580.75		578.51
Provision/(Credit) for Corporate Taxation:				
Current Tax	166.20		175.10	
Deferred Tax	(11.27)	154.93	15.49	(190.59)
Profit for the period after Tax		425.82		387.92
Other Comprehensive Income/(Loss)		40.94		(82.51)
Total Comprehensive Income		466.76		305.41

3) DIVIDEND:

Your Board did not recommend any dividend on equity shares of the Company for the financial year ended 31st March, 2019 in order to conserve resources of the Company and to meet working capital requirements.

4) TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend is required to be transferred by the Company to Investor Education and Protection Fund (IEPF) Authority, established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Accordingly, your Company has transferred ₹ 2,49,864/- to the IEPF Authority during the year under review.

5) TRANSFER TO RESERVES:

The Company proposes to retain the entire earning of ₹ 425.82/- (₹ In lakhs) in the Statement of profit and loss.

6) RESUME OF PERFORMANCE:

Your Company has been able to achieve profitable growth and believes that this is sustainable, barring unforeseen circumstances. During the year under review, your Company's performance showed remarkable improvement in terms of Sales which was achieved due to increase in production of Gunny than the previous years, in comparison, the Yarn Sales was lower than the earlier year. There has been no change in the business of the Company during the financial year ended 31st March, 2019.

During the financial year ended March 31, 2019, your Company recorded a turnover of ₹ 15610.13/- lakhs compared to ₹ 14875.70/- lakhs in the previous year. Whereas the profit after tax stood at ₹ 425.82/- lakhs vis-à-vis ₹ 387.92/- lakhs in the preceding year. The basic EPS for the year was ₹ 10.37/- per share vis-à-vis ₹ 9.45/- per share in FY 2017-18.

The overall performance of the Company during the year under review was satisfactory considering growth in turnover and keeping the capacity utilization at par during the year.

a) Business Review:

Raw Jute is an agricultural product whose availability depends on harvesting and normal rainfall during the monsoon season. During the financial year 2018-19, the production was 19325 MT as against 19357 MT of Jute Goods manufactured during the previous year. The production could have been better during the year under review but due to continuous scarcity of machine operators and semi-skilled workmen, which unable the company to utilise the installed machineries at required capacity. Manufacturing of light weighted quality of Government B. Twill Jute Bags was increased due to installation of new shuttle less high speed looms and fine quality of Hessian Cloth also, due to which consumption of higher quality of Raw Jute was much more than the earlier years. During the year once again as in the previous year, the quality of Raw Jute was of short length and strength was very poor which caused high droppings and losses during manufacturing process. The prices of raw material and other consumables were regularly varied as well cost of Power and Labour were kept continuously rising, which increased in cost of production of finished goods too.

During the year, 333418 units of solar power generated from roof top installation of Renewal Energy Devices as against 251189 units in previous year and as per the agreement, the units of solar power generated were synchronised to the LT grid fed of the CESC Limited, the HT Power provider, and consumed for manufacturing process.

b) Technological Advancement:

Your Company continues to maintain its thrust on Modernization and Diversification and installed Jute Spreader Machine, Spinning & Winding Machines, Beaming Machine, Shuttle less Sacking Looms, and Compressor & also installed MIST Humidifier system during the year. The Company continued replacement of old and outdated Electric Motors & Cables and other electric fittings.

c) Other Developments:

Your directors are pleased to acknowledge that during the year the Company has installed new Jute Spreader Machine, 4¼ Slip Draft Spinning Frames, Winding Machines, and Shuttle-less Sacking Looms & Beaming Machine, Sewing Machines and Compressor, Cot Grinding Machine etc. under the incentive scheme of the National Jute Board. Further your directors continue their sincere efforts to improve the quality of the Company's produce to augment the Company's realisation pattern and for this Mist & Cool System has been installed. The Company will take appropriate plan to replace another lot of old & outdated machineries on the basis of the performance of the newly installed machineries and consideration of needs.

d) Prospects:

The repeated violation and prevailing uncertainty on part of the Central Government about the continuity of the Jute Packaging Materials (Compulsory Use & Packing Commodities) Act, 1987 (JPMA) remains as it was. Though the procurement by the State and Central Government & other agencies was rising but the diversion from the compulsory use of new Sacking Bags made of raw jute to the packing bags made of other products is still continuing.

Due to continued excursion of workmen to other job in large number and no replacement of retired workmen with the skilled and enthusiastic youngsters, huge shortage of skilled and non-skilled workmen in the industry still preexists, to cope up with the situation, the Company has undertaken various programme to train the youth to learn the job. The management has given employment with the Company to eligible candidates, but due to uncertain work environment of Jute Industry, the number of interested entrants remained low during the year too. The workmen have grown habit of sudden absenteeism from work which hampers the schedules of production and dispatches to the buyers. The management, to fill the vacancy and according to exigency and requirement to keep the continuous process of manufacturing running have re-employ and engage the retired/superannuated workmen.

Your Company continues 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 control other cost elements as well as saving in employment of workmen.

e) Export:

Your Company continues to accommodate the requirements of its domestic consumers only and has accordingly chosen the home country as its priority area of marketing owing to intense competition and frequent variations in foreign currencies.

7) CAPITAL EXPENDITURE:

The capital expenditure incurred towards tangible & intangible assets amounted to ₹ 220.07/-lakhs during the year under review, a major part of which was spent on purchase of Plant & machinery and EDP Machines.

8) MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes that have occurred subsequent to the close of the financial year of the Company to which the financial statements relate and the date of the report.

9) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Your Company has not given any loan, guarantee or made any investments exceeding sixty per cent of its paid-up share capital, free reserve and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, as prescribed in Section 186 of the Companies Act, 2013.

10) DEPOSITS FROM PUBLIC:

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014.

11) PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Regulations. There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder approval under the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The Company has adopted a policy on Related Party Transactions. The Policy, as approved by the Board, is uploaded on the Company's website under the following web-link <http://aucklandjute.com/data/documents/POLICY-ON-RPT.pdf>. Details of the transactions with Related Parties are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC-2.

12) CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, (referred herein as "CSR") were not attracted by the Company during the year under review. However, over the years the Company has been voluntarily involved in various CSR activities and is also pursuing, as part of its corporate philosophy, a CSR policy 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. Therefore, though the Company is continuously contributing to the said activities as part of its CSR initiative, it is not mandatorily required to make any contribution towards CSR activities in terms of the relevant provisions of the said Act read with rules made thereunder.

13) SUBSIDIARY/ASSOCIATES/JOINT VENTURE COMPANIES:

Your Company does not have any subsidiary/associate/joint venture Company for the year ended 31st March, 2019. Hence disclosure under Form AOC-1 is not required to be annexed.

14) SHARE CAPITAL:

The Authorized Share Capital of your Company as on March 31, 2019 stands at ₹ 80,000,000/- divided into 7,500,000 equity shares of ₹ 10/- each and 50,000 Preference Shares of ₹ 100/- each. The Issued, Subscribed and Paid-up Share Capital of your Company is ₹ 41,068,200/- divided into 4,106,820 Equity Shares of ₹ 10/- each fully paid up. There was no change in the Authorised or Paid-up Capital/Subscribed Capital during the financial year 2018-19.

i. Issue of equity shares with differential rights

The Company did not issue equity shares with differential rights during the financial year 2018-19.

ii. Issue of sweat equity shares

The Company did not issue sweat equity shares during the financial year 2018-19.

iii. Issue of employee stock options

The Company did not issue stock options during the financial year 2018-19.

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.

15) FINANCE:

As on 31st March, 2019, the Cash and cash equivalents of the Company stood at ₹379.30/-lakhs. Your Company continues to focus on perceptive management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

16) DETAILS OF BOARD MEETINGS HELD DURING THE YEAR:

During the year under review, 9 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
12 th April, 2018	6
30 th May, 2018	6
14 th July, 2018	4
13 th August, 2018	5
10 th October, 2018	5
15 th November, 2018	5
10 th January, 2019	5
14 th February, 2019	5
26 th March, 2019	5

17) EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return in Form No. MGT-9 pursuant to Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 attached as **Annexure "A"** shall form part of the Board's report. The extract is also available under the Investor section on the website of the Company at <http://www.aucklandjute.com/>.

18) DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, make the following statement:

- a) that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed and there have been no material departures requiring further explanation;

- b) that 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;
- c) that 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;
- d) that the annual accounts of the Company for the year ended March 31, 2019 have been prepared on a going concern basis;
- e) that they have laid down internal financial controls which are followed by the Company and such internal financial controls are adequate and are operating effectively;
- f) that 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.

19) DIRECTORS AND KEY MANAGERIAL PERSONNEL:**i. Independent Directors:**

Pursuant to Section 149 of the Companies Act, 2013 read with rules thereunder and SEBI Listing Regulations, 2015, one-third of the total number of directors on the Board of the Company comprises of Independent Directors. Shri Mool Chand Singhi (holding DIN 00407278) and Shri Hrishikesh Tapadar (holding DIN 00409477) were appointed as independent directors at the 36th annual general meeting of the Company held on September 29, 2014 to hold office for the first term of five consecutive years. Both Shri Mool Chand Singhi (holding DIN 00407278) and Shri Hrishikesh Tapadar (holding DIN 00409477) shall retire at the forthcoming Annual General Meeting and being eligible, have offered themselves for reappointment. The first term of appointment of both Shri M C Singhi as well as Shri H Tapadar shall expire on 28th September, 2019. Considering their vast knowledge, experience and expertise in their respective fields and the contribution made by these Directors during their tenure as Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of your Company have recommended reappointment of the said directors and they have also given their consent to act as Independent directors for a second term of five years from 27th September, 2019 to 26th September, 2024. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. A Formal Letter setting out the terms and conditions of appointment has been issued to the Independent Directors as per the provisions of Companies Act, 2013 and the Listing Regulation.

The Independent Directors have given their respective declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Sri Bimal Singh Rampuria (holding DIN 00350906), Non-Executive Director, retires by rotation and being eligible has offered himself for re-appointment.

iii. Appointment/Resignation of Directors:

During the year under review, there had been no induction of new Director(s) on the Board. However, Mrs. Bimla Devi Baid (holding DIN 07165411), woman director of the Company has relinquished her position as Non-Executive Director of the Company at the meeting of the Board held on 14th July, 2018 due to old age and frail health. The Board acknowledges the services provided by Mrs. Baid during her tenure as a woman director of the Company.

iv. Key Managerial Personnel:

The following are the Key Managerial Personnel of the Company:

- a. Mr. Hirendra Singh Bayed: Whole-Time Director cum Executive Director cum Chief Executive Officer (CEO) (appointed w.e.f 14.08.2019)
- b. Mr. Subhas Chand Bhutoria: Manager cum Chief Financial Officer (CFO)
- c. Ms. Sangeeta Ghose: Company Secretary cum Compliance Officer.

The term of office of Shri H S Bayed, Whole Time Director designated as Executive Director cum Chief Executive Officer (CEO) of the Company was due to expire on 31st July, 2019, however, Shri Bayed resigned from his office owing to frail health and other personal commitments and did not seek re-appointment any further. The Board of Directors at its meeting held on 15th July, 2019 accepted his resignation and also acknowledged his services during his term of office as the Whole Time Director designated as Executive Director cum Chief Executive Officer (CEO) of the Company.

Nevertheless, the Board was obliged to appoint Shri H S Bayed yet again as the Whole Time Director designated as Executive Director cum Chief Executive Officer (CEO) of the Company at its meeting held on 14th August, 2019 owing to the unavailability of an equally competent and proficient personnel for the said designation and the inconsistency created due to vacancy caused at the said position. Shri H S Bayed was appointed for a period of three years commencing from 14th August, 2019 to 13th August, 2022 subject to the approval of the members at the ensuing Annual General Meeting of the Company on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board. He has attained the age of 70 years, and hence continuation of his employment as Whole Time Director designated as Executive Director cum Chief Executive Officer (CEO) pursuant to Section 196(3) and Schedule V of the Act through a Special Resolution proposing his appointment as Whole Time Director designated as Executive Director cum Chief Executive Officer (CEO) with effect from 14th August, 2019, will be placed at the ensuing Annual General Meeting for approval of the Shareholders.

v. Additional Disclosures:

None of the Directors of your Company are disqualified for being appointed as directors, as specified in Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Necessary information pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of directors to be appointed and re-appointed at the ensuing Annual General Meeting are given in the Annexure to the Notice convening the Annual General Meeting scheduled to be held on 27.09.2019. All members of the Board of Directors and senior management personnel affirmed compliance with the Company's code of conduct policy on an annual basis.

20) ANNUAL PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board as a whole, and the Non-Independent Directors was carried out by the Independent Directors.

The performance of the Board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the said Guidance Note.

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

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Pursuant to Regulation 25(3) of the SEBI Listing Regulations, 2015, a meeting of the Independent Directors was held on 1st March, 2019 wherein the performance of the non-independent directors was evaluated, whereas, the performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

21) POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has Nomination & Remuneration policy in place which is also available on the Company's website under the following web-link <http://aucklandjute.com/data/documents/Directors-Remuneration-Policy.pdf>. The Brief particulars of the policy are as follows:

❖ Terms of reference:

The terms of reference of the Nomination and 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 Committee are considered and approved by the Board of Directors, subject to the approval of the shareholders, wherever required. The Company Secretary of the Company is the Secretary to the Committee.

The remuneration of the Executive Director is recommended by the Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record and is also 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 & Manager:

The Board appointed Shri Hirendra Singh Bayed as the Whole Time Director cum Executive Director cum CEO of the Company for a term of three years from 14th August, 2019 to 13th August, 2022 at its meeting held on 14th August, 2019 and his appointment is placed at the ensuing Annual General Meeting for shareholder's approval. Whereas Sri S C Bhutoria, Manager of the Company was re-appointed by the members of the Company at its meeting held on 25th September, 2017 for a period of three years commencing from 1st July, 2017. The elements of the remuneration package of the Executive Director & Manager 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 according to the governing rules of the Company. No annual performance linked incentive apart from increments is offered at the time of re-appointment on the recommendation of the Nomination and Remuneration Committee.

❖ Remuneration payable to Non-Executive Directors:

The Non-Executive Directors of the Company have decided to forgo their sitting fees for attending the meetings of the Board at the Board meeting 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.

22) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Clause (m) of Sub-Section (3) of Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed here with as **Annexure 'B'** and forms an integral part of this Report.

23) PARTICULARS OF EMPLOYEES:

The disclosure required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 'C'** which forms an integral part of this Report. However, during the year under review, there was no employee in receipt of remuneration exceeding the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

24) AUDITORS:**a) STATUTORY AUDITORS:**

According to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Khandelwal Ray & Co. (Firm registration No. 302035E), Chartered Accountants, were appointed as the Statutory Auditors of the Company to hold office for a period of five years commencing from the conclusion of the 39th Annual General Meeting of the Company till the conclusion of the 44th Annual General Meeting of the Company to be held in the financial year 2021-22.

Pursuant to the amendment in Section 139 of the Companies Act, 2013, the requirement to place the matter relating to ratification of appointment of Statutory Auditors at every AGM has been omitted with effect from 7th May, 2018.

b) COST AUDIT:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost account records as specified by the Central Government and has been carrying out audit of cost records relating to jute goods every year. The Cost Audit report for the financial year 2017-18 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 2018-19 subject to ratification by the members at the ensuing Annual General Meeting of the remuneration of ₹ 22,000/- (Rupees Twenty Two Thousand only) plus applicable taxes payable to them.

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 Gautam Dugar (FCS No. 7139), Company Secretary in practice to undertake the Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report is annexed herewith as **"Annexure 'D'"** to the Board's Report which is self-explanatory and hence do not call for any further explanation. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

25) EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE STATUTORY AUDITOR IN HIS REPORT:

M/s. Khandelwal Ray & Co. (Firm registration No. 302035E), Chartered Accountants and Statutory Auditors of the Company, have submitted their Report under Section 143 of the Companies Act, 2013 read with rules there under and the qualified opinion by the Statutory Auditors in their Report have been adequately dealt with in the relative notes to the financial statements which are self-explanatory.

During the year under review, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no details is required to be disclosed under Section 134(3) of the Companies Act, 2013.

26) CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:

In terms of Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate from Mr. Gautam Dugar, Practising Company Secretary is attached confirming that none of the directors on the board of the company have been debarred or disqualified from having been appointed/continuing as directors by SEBI/Ministry of Corporate Affairs or any such statutory authority.

27) COMPLIANCE WITH SECRETARIAL STANDARDS ISSUED BY ICSI:

The Company has complied with Secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

28) LISTING OF SHARES OF THE COMPANY:

The Equity Shares of your Company continue to remain listed on "The Calcutta Stock Exchange Ltd", 7, Lyons Range, Kolkata-700001. The Company is registered with both NSDL & CDSL for holding the shares in dematerialized form and open for trading. Further the Company has also paid the listing fees as payable to the CSE Limited for the financial year 2019-20 within due date.

29) MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CODE OF CONDUCT:

The Management Discussion and Analysis Report, as required under the Listing Regulation, is attached as **Annexure 'E'** to the Director's Report as per Regulation 34(2)(e) of the SEBI Listing Regulations, 2015.

The Code of Conduct for Directors, KMPs and Senior Executives of the Company is already in force and the same has been placed on the Company's website: www.aucklandjute.com. Further as per Regulation 34(3) 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'**.

30) CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

In terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and its subsequent Amendments in 2008, 2015 and 2019, the Company has adopted a model Code of Conduct for prevention of Insider Trading in the shares and securities of the Company which is available on the Company's website under the following web link <http://aucklandjute.com/data/documents/Insider-Trading-Policy.pdf>. The Code, inter alia, prohibits purchase, sale of the shares of the Company by the Directors, Officers and Designated Employees while in possession of the unpublished price sensitive information in relation to the Company. The Board of Directors has confirmed compliance with the code. The Company Secretary is the Compliance Officer for the purpose of these Regulations.

31) VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has formulated a Vigil Mechanism cum Whistle Blower Policy to deal with the instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. It provides for a mechanism for Directors and Employees of the Company to approach the Chairman of the Audit Committee of the Company or the Director nominated to play the role of Audit Committee as the case may be, in exceptional cases to report such cases. The Vigil Mechanism cum Whistle Blower Policy of the Company is uploaded on the Company's website under the following web-link <http://aucklandjute.com/data/documents/Vigil-Mechanism-WBP.pdf>.

32) RISK MANAGEMENT POLICY:

Pursuant to the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formed a Risk Management Policy. This policy seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The policy defines the risk management approach across the enterprise at various levels including documentation and reporting. The Board of Directors reviews the risks applicable to the Company periodically and a statement of risks is mentioned under the head Management Discussion and Analysis Report of this Annual Report. The Risk Management Policy as approved by the Board is uploaded on the Company's website under the following web-link <http://aucklandjute.com/data/documents/Risk-Mgt-Policy.pdf>. The Committee reports to the Audit Committee and the Board.

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

Your Company has zero tolerance for sexual harassment at the workplace and has formulated and implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, no complaints were reported to the Board.

Therefore, the Board of Directors of the Company declares that it has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 [14 of 2013].

34) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant material orders passed by the regulators/courts/tribunals which would impact the going concern status of the Company and its future operations. Also, there were no penalties imposed on the Company by any regulator.

35) CREDIT RATING:

Various bank facilities of the Company are rated by India Ratings and Research Private Limited (India Rating) based on the prescribed norms followed by the banks under the guidelines of Reserve Bank of India.

All existing & proposed bank facilities have been reviewed and rated by India Ratings and Research Private Limited (India Rating) vide its letter dated 29th July 2019 and rated "IND BBB-/Stable" for long term bank facilities and "IND A3" for short term bank facilities.

36) ENVIRONMENT AND SAFETY

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

37) ACKNOWLEDGEMENTS:

Your Directors wish to place on record their sincere appreciation of the continuous support, encouragement and co-operation received from the Company's customers, shareholders, suppliers, bankers, financial institutions and the Government for their consistent support to the Company. The directors also place on record their gratitude to all employees of the Company for their hard work and valued contribution.

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, 2019

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

M.C Singh
(DIN-00407278)
Director

ANNEXURES TO THE DIRECTORS' REPORT:

Annexure A' to the Director's Report

Form No.MGT-9**EXTRACT OF ANNUAL RETURNS ON THE FINANCIAL YEAR ENDED ON 31st March, 2019**

[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	30 th 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	Auckland Jute Mills, P O Jagatdal, North 24 Parganas West Bengal-743125 Phone No.-033-25812757 E-mail Id - ail@aucklandjute.com
vi.	Whether listed Company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Niche Technologies Private Limited 3A, Auckland Place 7 th Floor, Room No. 7A & 7B Kolkata-700017 Phone No.-2280-6616/17/18/19 E-mail Id - nicetechpl@nicetechpl.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%

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.

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. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	741130	220229	961359	23.409	854265	107094	961359	23.409	0.000
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	1937014	51984	1988998	48.432	1943091	46497	1989588	48.446	0.014
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	2678144	272213	2950357	71.840	2797356	153591	2950947	71.855	0.015
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	0	0	0	0.000	0	0	0	0.000	0.000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	2678144	272213	2950357	71.840	2797356	153591	2950947	71.855	0.015
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	121995	45936	167931	4.089	121995	32571	154566	3.764	(0.325)
c) Central Govt.	-	-	-	-	990	0	990	0.024	0.024
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	0	300	300	0.007	-	-	-	-	(0.007)
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	121995	46236	168231	4.096	122985	32571	155556	3.788	(0.308)

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2018				No. of Shares held at the end of the year i.e. 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	16182	33414	49596	1.208	22877	25140	48017	1.169	0.039
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	167237	597507	764744	18.621	181184	189685	370869	9.031	9.590
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	85180	79007	164187	3.998	133800	36225	170025	4.140	0.142
c) Others Specify									
1. NRI	990	8415	9405	0.229	-	-	-	-	(0.229)
2. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
3. Foreign Nationals	-	-	-	-	-	-	-	-	-
4. Clearing Members	300	0	300	0.007	300	0	300	0.007	0.000
5. Trusts	-	-	-	-	-	-	-	-	-
6. Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
7. IEPF Authority	-	-	-	-	411106	0	411106	10.010	10.010
Sub-total (B)(2):-	269889	718343	988232	24.063	749267	251050	1000317	24.357	0.294
Total Public Shareholding (B)=(B)(1)+(B)(2)	391884	764579	1156463	28.160	872252	283621	1155873	28.145	0.015
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3070028	1036792	4106820	100.000	3669608	437212	4106820	100.000	0.000

Auckland International Limited

(₹.in.Lakhs)

(ii) Shareholding of Promoters:

Sl. No	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2018			Shareholding at the end of the year i.e. 31.03.2019			% 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	1.461	0.000	60000	1.461	0.000	0.000
2	ANURADHA MEHTA	75000	1.826	0.000	75000	1.826	0.000	0.000
3	ARADHANA INVESTMENTS LTD	558205	13.592	0.000	558205	13.592	0.000	0.000
4	ARADHANA MULTIMAX LTD	54190	1.320	0.000	54190	1.320	0.000	0.000
5	AWANTI FIBRE AND INDUSTRIES LTD	17540	0.427	0.000	17540	0.427	0.000	0.000
6	BINOD JUTE AND FIBRE LTD	100000	2.435	0.000	100000	2.435	0.000	0.000
7	DIVYA DUGAR	253575	6.174	0.000	253575	6.174	0.000	0.000
8	GLORY DISTRIBUTORS P. LTD.	1980	0.048	0.000	1980	0.048	0.000	0.000
9	H C COMMERCIAL LIMITED	61128	1.488	0.000	61128	1.488	0.000	0.000
10	JAI KUMAR KANKARIA	204605	4.982	0.000	204605	4.982	0.000	0.000
11	JAI KUMAR KANKARIA HUF	113295	2.759	0.000	113295	2.759	0.000	0.000
12	JAI KUMAR KANKARIA INVESTMENT PVT. LTD	133260	3.245	0.000	133260	3.245	0.000	0.000
13	KANKARIA TRADERS AND INVESTMENT PVT LTD	153420	3.736	0.000	153420	3.736	0.000	0.000
14	MAHABIR VANIJYA PVT. LTD.	3580	0.087	0.000	3580	0.087	0.000	0.000
15	MEGHNA SANGHVI	60000	1.461	0.000	60000	1.461	0.000	0.000
16	MORGAN WALKER & CO. LTD.	54132	1.318	0.000	54132	1.318	0.000	0.000
17	MORGAN WALKER INFRASTRUCTURE LIMITED	81000	1.972	0.000	81000	1.972	0.000	0.000
18	PADMAVATI TRADE LINK LTD.	282628	6.882	0.000	282628	6.882	0.000	0.000
19	POONAM DUGAR	125380	3.053	0.000	125380	3.053	0.000	0.000
20	RAJASTHAN TRADERS AND FINANCERS PVT LTD	2742	0.067	0.000	2742	0.067	0.000	0.000
21	RELIANCE TRADERS & INVESTORS PVT. LTD.	1530	0.037	0.000	2120	0.052	0.000	0.015
22	RUSSELL PROPERTIES PVT LTD	67176	1.636	0.000	67176	1.636	0.000	0.000
23	SAMRIDHI FIBRE LIMITED	60000	1.461	0.000	60000	1.461	0.000	0.000
24	SUPREME TRADE & INVESTMENT P.LTD.	15990	0.389	0.000	15990	0.389	0.000	0.000
25	T KUMARI FINANCIERS LTD	78100	1.902	0.000	78100	1.902	0.000	0.000
26	UNITED INVESTMENT & TRADING CO PVT LTD	7961	0.194	0.000	7961	0.194	0.000	0.000
27	UNIVERSAL TRADERS AND INVESTORS PVT LTD	194436	4.734	0.000	194436	4.734	0.000	0.000
28	VASANTI DEVI KANKARIA	129504	3.153	0.000	129504	3.153	0.000	0.000
	TOTAL	2950357	71.840	0.000	2950947	71.855	0.000	0.015

Auckland International Limited

(₹.in.Lakhs)

(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 i.e. 01.04.2018	2950357	71.840	#	#
2.	Date wise Increase/Decrease in Promoters Shareholding during the Year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	#	#	#	#
3.	At the end of the year i.e. 31.03.2019	2950947	71.855	590	0.014

Auckland International Limited

(₹.in.Lakhs)

#Details of Increase and Decrease in Promoters' Shareholding: -

Sl. No.	Name	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	ADINATH INVESTMENT AND TRADING CO LTD				
	a) At the Beginning of the Year	60000	1.461		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	1.461
2	ANURADHA MEHTA				
	a) At the Beginning of the Year	75000	1.826		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			75000	1.826
3	ARADHANA INVESTMENTS LTD				
	a) At the Beginning of the Year	558205	13.592		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			558205	13.592
4	ARADHANA MULTIMAX LTD				
	a) At the Beginning of the Year	54190	1.320		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			54190	1.320
5	AWANTI FIBRE AND INDUSTRIES LTD				
	a) At the Beginning of the Year	17540	0.427		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			17540	0.427
6	BINOD JUTE AND FIBRE LTD				
	a) At the Beginning of the Year	100000	2.435		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100000	2.435
7	DIVYA DUGAR				
	a) At the Beginning of the Year	253575	6.174		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			253575	6.174
8	GLORY DISTRIBUTORS P. LTD.				
	a) At the Beginning of the Year	1980	0.048		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1980	0.048
9	H C COMMERCIAL LIMITED				
	a) At the Beginning of the Year	61128	1.488		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			61128	1.488
10	JAI KUMAR KANKARIA				
	a) At the Beginning of the Year	204605	4.982		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			204605	4.982
11	JAI KUMAR KANKARIA HUF				
	a) At the Beginning of the Year	113295	2.759		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			113295	2.759
12	JAI KUMAR KANKARIA INVESTMENT PVT. LTD				
	a) At the Beginning of the Year	133260	3.245		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			133260	3.245
13	KANKARIA TRADERS AND INVESTMENT PVT LTD				
	a) At the Beginning of the Year	153420	3.736		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			153420	3.736
14	MAHABIR VANIJYA PVT. LTD.				

Auckland International Limited

(₹.in.Lakhs)

Sl. No.	Name	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
	a) At the Beginning of the Year	3580	0.087		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			3580	0.087
15	MEGHNA SANGHVI				
	a) At the Beginning of the Year	60000	1.461		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	1.461
16	MORGAN WALKER & CO. LTD.				
	a) At the Beginning of the Year	54132	1.318		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			54132	1.318
17	MORGAN WALKER INFRASTRUCTURE LIMITED				
	a) At the Beginning of the Year	81000	1.972		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			81000	1.972
18	PADMAVATI TRADE LINK LTD.				
	a) At the Beginning of the Year	282628	6.882		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			282628	6.882
19	POONAM DUGAR				
	a) At the Beginning of the Year	125380	3.053		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			125380	3.053
20	RAJASTHAN TRADERS AND FINANCERS PVT LTD				
	a) At the Beginning of the Year	2742	0.067		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2742	0.067
21	RELIANCE TRADERS & INVESTORS PVT. LTD.				
	a) At the Beginning of the Year	1530	0.037		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	07/01/2019 Transfer	480	0.012	2010	0.049
	29/03/2019 Transfer	110	0.003	2120	0.052
	c) At the End of the Year			2120	0.052
22	RUSSELL PROPERTIES PVT LTD				
	a) At the Beginning of the Year	67176	1.636		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			67176	1.636
23	SAMRIDHI FIBRE LIMITED				
	a) At the Beginning of the Year	60000	1.461		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60000	1.461
24	SUPREME TRADE & INVESTMENT P.LTD.				
	a) At the Beginning of the Year	15990	0.389		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			15990	0.389
25	T KUMARI FINANCIERS LTD				
	a) At the Beginning of the Year	78100	1.902		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			78100	1.902

Auckland International Limited

(₹.in.Lakhs)

Sl. No.	Name	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
26	UNITED INVESTMENT & TRADING CO PVT LTD				
	a) At the Beginning of the Year	7961	0.194		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			7961	0.194
27	UNIVERSAL TRADERS AND INVESTORS PVT LTD				
	a) At the Beginning of the Year	194436	4.734		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			194436	4.734
28	VASANTI DEVI KANKARIA				
	a) At the Beginning of the Year	129504	3.153		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			129504	3.153
	TOTAL	2950357	71.840	2950947	71.855

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

Sl.No.	For Each of the Top10 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 i.e. 01.04.2018	304008	7.403	-	-
2.	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	#	#	#	#
3.	At the End of the year i.e. 31.03.2019	713247	17.367	409239	9.965

#Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holder 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	BANK OF INDIA				
	a) At the Beginning of the Year	19206	0.468		
	b) Changes during the year				
	Date Reason				
	28/12/2018 Transfer	-2475	0.060	16731	0.407
	c) At the End of the Year			16731	0.407
2	BASUDEO LALL				
	a) At the Beginning of the Year	36225	0.882		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			36225	0.882
3	CENTRAL BANK OF INDIA				
	a) At the Beginning of the Year	14355	0.350		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			14355	0.350

Auckland International Limited

(₹.in.Lakhs)

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
4	DHAWDA ASHAKAUR GOBINDSINGH				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	05/10/2018 Transfer	4000	0.097	4000	0.097
	30/11/2018 Transfer	7000	0.170	11000	0.268
	11/01/2019 Transfer	5200	0.127	16200	0.394
	18/01/2019 Transfer	4680	0.114	20880	0.508
	08/02/2019 Transfer	615	0.015	21495	0.523
	15/02/2019 Transfer	1260	0.031	22755	0.554
	22/02/2019 Transfer	390	0.009	23145	0.564
	c) At the End of the Year			23145	0.564
5	GOBINDSINGH DHAWDA				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	14/09/2018 Transfer	5000	0.122	5000	0.122
	11/01/2019 Transfer	15000	0.365	20000	0.487
	29/03/2019 Transfer	6810	0.166	26810	0.653
	c) At the End of the Year			26810	0.653
6	INDRA KUMAR BAGRI				
	a) At the Beginning of the Year	20185	0.492		
	b) Changes during the year				
	Date Reason				
	22/06/2018 Transfer	-300	0.007	19885	0.484
	30/06/2018 Transfer	2475	0.060	22360	0.544
	20/07/2018 Transfer	1200	0.029	23560	0.574
	17/08/2018 Transfer	-430	0.010	23130	0.563
	14/09/2018 Transfer	-1800	0.044	21330	0.519
	26/10/2018 Transfer	-2000	0.049	19330	0.471
	28/12/2018 Transfer	-1000	0.024	18330	0.446
	11/01/2019 Transfer	-2000	0.049	16330	0.398
	18/01/2019 Transfer	450	0.011	16780	0.409
	25/01/2019 Transfer	-200	0.005	16580	0.404
	15/02/2019 Transfer	-250	0.006	16330	0.398
	c) At the End of the Year			16330	0.398
7	INDRA SINGH & SONS P.LTD.				
	a) At the Beginning of the Year	19800	0.482		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19800	0.482
8	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	28/12/2018 Transfer	408396	9.944	408396	9.944
	c) At the End of the Year			408396	9.944
9	LIFE INSURANCE CORPORATION OF INDIA				
	a) At the Beginning of the Year	101475	2.471		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			101475	2.471

Auckland International Limited

(₹.in.Lakhs)

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
10	MAHENDRA GIRDHARILAL				
	a) At the Beginning of the Year	30180	0.735		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			30180	0.735
11	MANIDEVI KANODIA				
	a) At the Beginning of the Year	25457	0.620		
	b) Changes during the year				
	Date Reason				
	24/12/2018 Transfer	-25457	0.620	0	0.000
	c) At the End of the Year			0	0.000
12	SIPRA ROY				
	a) At the Beginning of the Year	17325	0.422		
	b) Changes during the year				
	Date Reason				
	24/12/2018 Transfer	-17325	0.422	0	0.000
	c) At the End of the Year			0	0.000
13	THE ORIENTAL INSURANCE COMPANY LIMITED				
	a) At the Beginning of the Year	19800	0.482		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			19800	0.482
	TOTAL	304008	7.403	713247	17.367

(v) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	For Each of the Directors and 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 i.e. 01.04.2018	1230	0.030	-	-
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 Directors and KMP's shareholding between 01.04.2018 to 31.03.2019.			
3.	At the end of the year i.e. 31.03.2019	1230	0.030	-	-

Auckland International Limited

(₹.in.Lakhs)

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (₹ in lakhs)

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1479.61	-	-	1479.61
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	1479.61	-	-	1479.61
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	832.41	-	-	832.41
Net Change	832.41	-	-	832.41
Indebtedness at the end of the financial year				
i) Principal Amount	647.25	-	-	647.25
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	647.25	-	-	647.25

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/MTD/Manager Shri H S Bayed, Whole Time Director (₹)	Name of MD/MTD/Manager Shri S C Bhutoria, General Manager (₹)	Total Amount (₹)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12	12	24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5	4	9
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	17	16	33
	Ceiling as per the Act	The remuneration is within the limits prescribed under the Companies Act, 2013		

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

B. Remuneration to other directors:

Sl.No.	Particulars of Remuneration	Name of Directors				TotalAmount
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: (₹ in lakhs)

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	4	12	16
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1	4	5
	(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	5	16	21

*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	There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	There were no penalties, punishment or compounding of offences during the year ended March 31, 2019.				
Punishment					
Compounding					

Annexure B' to the Director's Report

Information under 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	Following steps were taken for conservation of energy during the year:	
		(i)	Energy Conservation devices and reflectors have been installed and a number of old Motors have been replaced during the year.
		(ii)	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.
		(iii)	The location of HT Motors has been changed wherever possible to save them from heat and moisture.
		(iv)	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.
		(v)	Capacitors have been installed to control Power Factor.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	(vi)	Rooftop Solar Power generation system of the capacity of 500KW 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. Surplus generation is being taken back by the CESC Ltd. The Company has installed Rooftop Solar Power generation system of the capacity of 250KW during the year.
		Impact of Steps Taken: Reduction in power consumption and increase in power factor thereby increasing productivity	
		Your directors are pleased to acknowledge that the Company has installed and successful commissioned roof top Solar Power Project 250 Kwp grid connected SPV power plant on turnkey basis at the factory premises. The power so generated is consumed by the jute mill for its manufacturing & domestic purposes. Further the Company has entered into an agreement with M/s. Auckland Jute Co. Limited & M/s. H C Commercial Limited and is accordingly providing solar power generated from Solar Units installed at our rooftop at ₹ 6/- per unit. The CESC Ltd., vide an agreement, is buying back the surplus units of power generated from the solar panels.	
(iii)	the capital investment on energy conservation equipments	During the year under review, there was no capital investment on energy conservation equipments. All energy conservation measures were consumable in nature.	

(B) TECHNOLOGY ABSORPTION:

(i)	the efforts made towards technology absorption	The Company continues to implement state of the art technologies to augment productivity and quality of its products. However, the Company's operations do not require significant import of technology.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Improvement in quality and production and minimization of energy wastage.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	No technology has been imported during the last three years.
	(a) the details of technology imported	
	(b) the year of import	
	(c) whether the technology has 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	The Research and Development Projects are being pursued in house & in conjunction with IJIRA/Jute Board for development of value added items having combinations of jute blended with other natural and manmade fibre and improvement of end products including linen yarn.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year under review, the Company has not manufactured Jute goods which were exported through shippers.

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, 2019

H. S Bayed
(DIN-00425481)
Executive Director

M.C Singhi
(DIN-00407278)
Director

Annexure 'C' to the Director's Report**STATEMENT OF DISCLOSURE OF REMUNERATION PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19:

Name of Director	Designation	Ratio to median remuneration
Shri Bimal Singh Rampuria	Non-Executive Director	-
Shri Bijay Singh Baid	Non-Executive Director	-
Shri Hirendra Singh Bayed	Executive Director	8.35:1
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 2018-19:

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	-
Shri Hirendra Singh Bayed	Executive Director	11.11
Shri Hrishikesh Tapadar	Non-Executive Independent Director	-
Shri Mool Chand Singhi	Non-Executive Independent Director	-
Smt. Sangeeta Ghose	Company Secretary	20.00
Shri Subhas Chand Bhutoria	CFO & General Manager	5.88

c) The percentage increase in the median remuneration of employees in the financial year 2018-19: 4.40%

d) The number of permanent employees on the rolls of Company: (as on 31st March, 2019): 2100

e) 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 2018-19 was around 4.40%. The increase in the managerial remuneration for the year under review was 10%. Average increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel depends upon the factors like industry standards, individual performance etc. during the year. There was no exceptional increase in the managerial remuneration which remains within the limits approved by the members and the ceilings prescribed under the Companies Act, 2013.

f) 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.

Annexure 'D' to the Director's Report**FORM NO. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019**

[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
(CIN: L36934WB1977PLC031184)

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, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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, 2019 according to the applicable 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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time **(Not Applicable to the Company during the Period under Audit);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/guidelines/circulars issued by SEBI from time to time, to the extent applicable; and

- (vi) The company operates in the **Jute Industry** and apart from the fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company and are duly complied with:

- a) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987;
- b) The Jute Manufactures Cess Act, 1983 and the rules made thereunder;
- c) The Essential Commodities Act, 1955;
- d) The National Jute Board Act, 2008.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii. The Listing Agreement entered into by the Company with CSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices had been 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

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 during the audit period the Company has not passed any Special Resolution in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

GAUTAM DUGAR
PRACTICING COMPANY SECRETARY
FCS No.: 7139
C P No.: 6243

Place: KOLKATA
Date: 5th July, 2019

Annexure 'E' to the Director's Report**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Pursuant to regulation 34(2)(e) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the disclosure under specific heads are given in the following paragraphs which continue to be followed in the regular course of business of the Company over the years in discussion amongst the Directors and other Senior Management Personnel.

a) Industry Structure and Developments:

During the present operating cycle, the demand for 'B' Twill bags from the Government Procurement Agencies continued to be decent, in fact Jute Industry could not fulfil the demand on several occasions as per the delivery schedule mainly because of bunching of orders by the Procurement Agencies and lower capacity utilisation resulting from shortage of manpower. It is therefore imperative that the Industry body as well as Procurement Agencies should work out a suitable production / supply plan so that in future placement of orders by the Procurement Agencies are reasonably spread throughout the year instead of bunching at a particular time and manufacturing mills could plan their production accordingly so that such complaint can be minimised.

Furthermore, during the year under review, by a passing of a notification, the compulsory packing norms for food grains and sugar under Jute Packaging Materials (Compulsory use for Packing Commodities) Act, 1987 (JPMA) stands at the 100% & 20% of production of food grains & sugar respectively. The said notification is valid up to 30th June, 2019.

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

- The Demand for 'B' Twill bags from the Government Agencies for packaging of food grains is estimated to be strong consequently there is an opportunity for the Jute Industry to enhance the production as much as possible & fulfil the demand.
- With the signing of tripartite agreement, minimum wages have increased significantly from Rs. 257 to Rs. 370 per day. Due to introduction of an attendance allowance, the hike in wages is likely to help in better availability of workforce in the ensuing year.
- Our Government has taken substantial steps like announcing financial help and incentives for modernization & technological up-gradation schemes for the Jute Industry which helps to curtail manufacturing costs by installing high efficiency power saving machineries.

Threats, Risks & Concerns:

The Company has a risk management committee, whose composition and role is stated in corporate governance report annexed to this report. However, following are the major threats, risks & concerns faced by the Jute Industry:

- Continuation of compulsory Jute packaging order for food grains which is extended every year is a key component at this stage;
- The jute industry is not only losing the market shares in the overseas market to Bangladesh but Bangladesh is also dumping its jute goods in India at the cost of market share of Indian Jute Mills.
- Difficulty in getting migrant labours from nearby states for running the mills is resulting in lower capacity utilization causing further increase in cost of production per unit;
- Multiple and aggressive trade unions are one of the major problems faced by the industry at present time;

c) Segment-wise or Product-wise Performance:

Your Company is engaged in single business segment i.e. manufacturing and sale of Jute Goods. Hence, disclosure requirements as required by Ind AS -108 are not applicable in respect of business segment.

d) Outlook:

The weather conditions for growth of raw jute crop in the forthcoming jute season is expected to be better than the previous season and with reasonable carry forward stock from previous year, going forward prices of raw jute is likely to be soft with adownward bias compared to the previous year. Notwithstanding the adverse condition of the jute market, your Directors continue their emphasis on the 'Quality' of jute products. The Demand for 'B' Twill jute bags for packaging of food grains by the Government Procurement Agencies continues to be good and as per present indications it is estimated to be good throughout the year.

In consideration of the above factors it is hoped that performance of Jute Industry including your Company may be better this year, barring unforeseen circumstances.

e) Internal Control Systems & their Adequacy:

Your Company has in place 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 from unauthorized use, preventing revenue leakage, recording & providing reliable financial and operational information and compliance with various statutory provisions and promoting operational efficiency by cost control.

In compliance with Section 138 of the Companies Act, 2013, the Company has also engaged the services of Shri S. Roy Chowdhury, Chartered Accountant, as the Internal Auditor of the Company 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 requisite improvements are given effect to on a regular basis.

f) Financial performance vis-à-vis Operational Performances:

During the year under review, the financial performance with reference to the operational performance of the Company is as under:-

PARTICULARS	2018-19 (₹ In lakh)	2017-18 (₹ In lakh)
Revenue from operations	15610.13	14875.70
Cost of Materials consumed	8990.87	8096.83
Change in Inventories (Increase)/Decrease	49.44	(143.10)
Finance Costs	78.85	106.35
Total comprehensive income	466.76	305.41

g) Development in Human Resource & Industrial Relations:

The Indian Jute industry is extensively labour intensive in nature. 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. The Company has initiated programmes for skill development and production handling with the help and under the guidance of the trainers and project coordinators associated with the Department of Jute and Fibre Technology, Institute of Jute Technology, a unit of University of Calcutta as well Government of West Bengal.

The Company's proposal for building up a super specialty Hospital for the employees and needy local residents and for the purpose a piece of Land measuring about 30 Katta (21600 Sq. ft. approx.) has been earmarked and handed over to the Bhatpara Municipality.

Industrial relations remained harmonious during the year under review. Shortage of labour continues to remain an area of concern. The Company is working on all possible measures to overcome the issue of availability of skilled workers. As on March 31, 2019, the Company had employee strength of around **2100**.

h) Cautionary Statement:

The statements made under this section of the report are based on the prevailing position in the jute industry and market conditions. Thus, certain statements in this report may be construed as forward looking statements which have been made as required by laws and regulations, as applicable. There are several factors, which would be beyond the control of management and as such, may affect the actual results, which could be different from that envisaged.

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.

REPORT ON CORPORATE GOVERNANCE:**Annexure 'F' to the Director's Report**

In compliance with Regulation 34(3) and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as "SEBI Listing Regulations"], a Report on Corporate Governance for the Financial Year 2018-19 is presented below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:-

Your Company's approach and commitment to ethical Corporate Governance remains unchanged in its 41 years of existence. The underlying principles and core values still guide the Company in all its executive decision making processes.

Your Company has adopted a Code of Conduct for its directors and senior management to keep up the spirit of good corporate governance principles which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). These codes are available on the Company's website.

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

2. BOARD OF DIRECTORS:-**a. Composition of the Board:**

During the year ended 31st March, 2019, the composition of the Board of directors is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations. During the year, the Board comprised of 5 Directors which includes 2 Non Executive Independent Directors, 2 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 regulations. The profiles of Directors can be found on <http://www.aucklandjute.com/about-us/management/>.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience in business, finance, audit, law, corporate governance and corporate management which enables the Board to discharge its responsibilities and provide effective leadership to the business. The skills and expertise available with the Board are adequate within the context and needs of the business of the Company.

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

During the year under review, none of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 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, 2019, are given herein below:-

Sl. No.	Name of Director	Category	Attendance		Directorships in other companies	No. of Membership/ Chairmanship of Board/ Committee of other Limited Companies
			No. of Board Meetings attended	At last AGM		
1.	Shri M.C Singhi	Non-Executive Independent	9	Yes	1	Nil
2.	Shri B.S Rampuria	Non- Executive	8	No	9	Nil
3.	Shri H.S Bayed	Executive	9	Yes	1	Nil
4.	Shri H. Tapadar	Non-Executive Independent	8	Yes	1	Nil
5.	Shri B.S Baid	Non-Executive	9	Yes	2	Nil
6.	Smt Bimla Devi Baid (resigned on 14.07.2018)	Non-Executive	2	No	-	Nil

Notes:

- The Directors of the Company do not serve as Independent Directors in more than seven listed Companies.
- During the year under review, there has been no resignation/appointment of Director on the Board of the Company. However, the Board at its meeting held on 14th July, 2018 accepted the resignation of the woman director of the Company, Mrs. Bimla Devi Baid.
- Committee Positions in other companies relate to Chairmanship/Membership of Audit and Stakeholder's Relationship Committees only.

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

During the year under review, the Board met 9 times on 12th April, 2018, 30th May, 2018, 14th July, 2018, 13th August, 2018, 10th October, 2018, 15th November, 2018, 10th January, 2019, 14th February, 2019 and 26th March, 2019. The Annual General Meeting for the year ended 31st March, 2018 was held on 28th September, 2018. The requisite quorum was present for all the meetings.

e. Independent Directors' Meeting:

During the year 2018-19, a separate meeting of the Independent Directors without the presence of the non-Independent Directors and senior management members was held on 1st March, 2019, in accordance with the provisions of "Schedule IV-Code for Independent Directors" of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations, 2015. Both the independent Directors were present at the meeting. The Independent Directors, inter-alia, reviewed -

- ♦ the performance of non-independent directors and the entire board of directors of the Company as a whole;
- ♦ the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties;
- ♦ the familiarization program for independent directors of the Company.

f. Details of Familiarisation programme to Independent Directors:

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates, business model of the Company. The Board was also regularly apprised of all regulatory and policy changes. However, the familiarisation programme will be imparted as and when considered necessary by the Board.

g. Disclosure of Relationships Between Directors Inter-Se:

During the year under review, no director is, inter se, related to any other director on the Board.

h. Number of shares and convertible instruments held by non-executive directors:

Mr. Mool Chand Singhi, Non-Executive Independent Director and Mr. Bimal Singh Rampuria, Non-Executive Director holds 480 and 189 ordinary equity shares of the Company respectively.

3. COMMITTEES OF THE BOARD:-

The constitution, terms of reference and the functioning of the existing Committees of the Board is explained below. Each of these Committees demonstrates the highest levels of integrity and has the requisite expertise to handle issues relevant to their field. Your Company has formed four Committees of the Board as required under Companies Act, 2013 and SEBI Listing Regulations, 2015 namely, Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee and Risk Management Committee. Minutes of the Committee Meetings are circulated and placed before the Board of Directors in the subsequent Board Meeting for their noting. Detailed terms of reference, composition, meetings and other information of each of the Committees of the Board is produced herein below:

I. AUDIT COMMITTEE:

The Audit Committee constituted by the Board in terms of the requirements of Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations acts as an interface between the Statutory Auditors and Internal Auditors, the Management and the Board of Directors. The Audit Committee of the Company meets every quarter, *inter alia*, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

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

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- compliance with Listing and legal requirements concerning financial statements;
- review of quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 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.;
- review performance of statutory and internal auditors;
- reviewing of the Statement of Related Party transactions as submitted by the Management;
- monitoring the end use of funds raised through public offers and related matters;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the statement of uses / application of funds;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems.

b) Composition, Names of Members and Chairman:

During the financial year ended 31st March, 2019 the Audit Committee comprised of the following members:

Name of Committee Member	Category	Designation
Shri Mool Chand Singhi	Non-Executive Independent Director	Chairman
Shri Bimal Singh Rampuria	Non-Executive Director	Member
Shri Hirendra Singh Bayed	Executive Director	Member
Shri Hrishikesh 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 essential inputs.

Chairman:

Shri M.C Singhi, Non-executive Independent Director is the Chairman of the Audit Committee. The Chairman of the Audit Committee attended the last Annual General Meeting ("AGM") held on 28th September, 2018.

Secretary:

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

c) Meetings and attendance during the year:

During the Financial Year 2018-19, the Audit Committee met four times. The maximum gap between two Meetings was not more than 120 days. The Committee met on (i) 16th May, 2018 (ii) 3rd August, 2018 (iii) 8th November, 2018 (iv) 4th February, 2019. The requisite quorum was present at all 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	4	4
Shri B.S Rampuria	Member	4	3
Shri H.S Bayed	Member	4	4
Shri H. Tapadar	Member	4	3

II. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Board is constituted pursuant to Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

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 Regulation 19 of the SEBI Listing Regulations, 2015. The terms of reference inter alia include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

b) Composition, name of members and Chairperson:

During the financial year ended on 31st March, 2019, 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 Committee. The Company Secretary acts as the Secretary to the Committee.

c) Attendance during the year:

During the year under review one meeting of the Committee was held on 16th May, 2018 which was attended by all the members of the Committee.

d) Remuneration Policy:

The Board of Directors of the Company has adopted a Nomination and Remuneration Policy for the Directors and Key Managerial Personnel (KMPs) of the Company pursuant to the provisions of Section 178 of the Companies Act, 2013 read with rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations. The Policy provides for criteria and qualifications for appointment of Directors and KMPs remuneration paid / payable to them, Board diversity etc. The policy is displayed on the Company's website viz. <http://aucklandjute.com/data/documents/Directors-Remuneration-Policy.pdf>.

i. Remuneration to Executive Director:-

The appointment and remuneration of Executive Director is governed by the recommendation of the Nomination & Remuneration Committee, resolutions passed by the Board of Directors and Shareholders of the Company. Whereas the payment of remuneration to such director is governed by the agreement executed between him and the Company. The remuneration package of the Whole-time Director cum Executive Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. The particulars of remuneration paid to Executive Director for the year ended March 31, 2019 is as under:

Name of the Director	Remuneration (₹)	Commission (₹)	Perquisites (₹)	Service Contract
Shri H S Bayed- Executive Director	11,75,663	-	6,58,889	3 years from 14 th August, 2019 to 13 th August, 2022 (The appointment of Shri H S Bayed is placed at the ensuing Annual General Meeting for approval of the Shareholders.)

ii. Remuneration to Non-Executive Director:-

During the year ended March 31, 2019, no sitting fees were paid to the Non-Executive and Independent Directors of the Company. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

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

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	—	—	—	—
Shri H.S Bayed	Executive	—	17	1	18
Shri H. Tapadar	Non-Executive/Independent	—	—	—	—
Shri B S Baid	Non- Executive	—	—	—	—
Smt Bimla Devi Baid (resigned on 14.07.2018)	Non-Executive	—	—	—	—

NOTES:

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

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' relationship committee approves the transfer/transmission of shares, sub-division or consolidation of shares and issue of new/duplicate share certificates and related matters.

a) **Composition:** -

Shri B S Baid, a Non-Executive Independent director of the Company is the chairman of the stakeholder's relationship committee. The details of composition of stakeholder's relationship committee with names of members and chairperson are as follows:

Name of Committee Member	Category	Designation
Shri B S Baid	Non-Executive Director	Chairman
Shri H. Tapadar	Non-Executive Independent Director	Member
Shri M.C Singhi	Non-Executive Independent Director	Member

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

The Committee met 23 times during the year under review on 17th April, 2018, 28th May, 2018, 12th June, 2018, 2nd July, 2018, 16th July, 2018, 30th July, 2018, 10th August, 2018, 21st August, 2018, 1st September, 2018, 11th September, 2018, 31st October, 2018, 20th November, 2018, 5th December, 2018, 7th December, 2018, 17th December, 2018, 7th January, 2019, 21st January, 2019, 29th January, 2019, 12th February, 2019, 1st March, 2019, 15th March, 2019, 26th March, 2019 and 30th March, 2019. 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, Directors of the Company and Ms. S. Ghose, Company secretary of the Company.

c) **Name and Designation of Compliance Officer:** -

In terms of the requirements under SEBI Listing Regulations, 2015, Ms. Sangeeta Ghose, Company Secretary of the Company is designated as the Compliance Officer of the Company. E-mail Id of Compliance Officer: cs@aucklandjute.com.

d) **Status of Investor's Complaints as On 31st March, 2019:** -

No. of complaints received during the year and dealt with: None
No. not solved to the satisfaction of shareholders: None
No. of complaints pending: None
No. of pending share transfers as on 31st March, 2019: None

IV. RISK MANAGEMENT COMMITTEE:

Pursuant to the Regulation 21 of SEBI (LODR)(Amendment) Regulations, 2018, the Board of Directors has voluntarily constituted "Risk Management Committee" in order to monitor and review risk management plan and practices of the Company.

During the year under review, the Committee met once on 18th March, 2019 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).

The Board has also framed a risk management policy which is available on the Company's website under the web link <http://aucklandjute.com/data/documents/Risk-Mgt-Policy.pdf>.

4. GENERAL BODY MEETINGS: -

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

Financial year	Date of AGM	Venue	Time
2017-18	28 th September, 2018	Auckland Jute Mills, P.O. Jagatdal, 24 Parganas (North), West Bengal-743125	10.00 A.M
2016-17	25 th September, 2017		10.00 A.M
2015-16	29 th September, 2016		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
2017-18	28 th September, 2018	Investment Of Surplus Funds Of The Company	Section 186
2016-17	25 th September, 2017	Re-Appointment of Manager	Sections 196, 197 and 203
2015-16	29 th September, 2016	Re-appointment of Whole Time Director	Section 196, 197 and 203

iii. No Extraordinary General Meeting (EGM) was held by the Company during the financial year ended March 31, 2019.

iv. No Resolution was passed during the financial year ended March 31, 2019 through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder.

v. The Company does not propose to conduct any Special Resolution through Postal Ballot under Section 110 of the Companies Act, 2013 and Rules framed thereunder on or before the forthcoming AGM.

5. MEANS OF COMMUNICATION:

a) **Quarterly Financial Results:**

Prior intimation of the Board Meeting to consider and approve Unaudited / Audited Financial Results of the Company is given to the Stock Exchange and also disseminated on the website of the Company. Further, in compliance with Regulation 33 of the SEBI Listing Regulations, 2015, the Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the Company are prepared and sent to the stock exchange immediately after it is approved by the Board of Directors subject to recommendation by the Audit Committee. The printed Annual Reports are dispatched to every shareholder of the Company in the permitted mode.

b) **Publication of Results:**

The financial results are also published in one vernacular newspaper viz. "Kalantar" and one English newspaper viz. "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 Exchange.

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

Management Discussion and Analysis Report forms part of the Annual Report as Annexure E, which is posted to the shareholders of the Company.

d) **Website:**

The Company maintains a functional website: www.aucklandjute.com in terms of Regulation 46 of the SEBI Listing Regulations, 2015 and also disseminates the required information on its website in compliance with the said regulation.

6. **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. However, during the period under review, no such complaint was placed by any member of the Company on the SCORES platform.

7. **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:**

The 41st Annual General Meeting (AGM) of the Company will be held at Auckland Jute Mills, P.O. Jagatdal, 24 Parganas (North), West Bengal-743125 on Friday, September 27, 2019 at 10:00 A.M.

c) **Financial year:**

Financial Calendar [Current Financial Year 2018-19]	(Tentative Dates)
First Quarter Financial Results (June 30)	By 14 th August, 2019
Second Quarter Financial Results (September 30)	By 14 th November, 2019
Third Quarter Financial Results (December 31)	By 14 th February, 2020
Fourth Quarter & Annual Audited Financial Results of the current Financial Year (March 31)	By 30 th May, 2020

d) **Date of Book closure:**

Saturday, 21st September, 2019 to Friday, 27th September, 2019 (both days inclusive)

e) **Dividend payment date:**

No dividend has been recommended for the year ended 31st March, 2019.

f) **Listing on Stock Exchange(s) & 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 ISIN No. allotted by NSDL & CDSL: INE907C01022.	10011027

The annual listing Fees have been paid to the said Stock Exchange for the Financial Year 2018-19.

g) **Market Price Data:**

There were no transactions in the equity shares of the Company listed at The Calcutta Stock Exchange Ltd.

h) **Stock Performance:**

The Stock performance vis-à-vis the broad based indices cannot be determined considering the fact that the Equity shares of the Company are very sparsely traded in the Stock Market.

i) **Registrar and Transfer Agents:**

The Company has engaged the services of M/s. Niche Technologies Private Limited for processing the transfers, transmission, sub-division, consolidation, splitting of shares, etc. and to process the Members' requests for dematerialization and / or re-materialization of shares. Their address for communication is as under:-

Niche Technologies Private Limited
3A, Auckland Place 7th Floor, Room No. 7A & 7B, Kolkata-700017
Email: nichetechpl@nicetechpl.com

j) **Share Transfer System:**

The Board has delegated the powers of share operations to the Stakeholder's Relationship Committee. 89% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. The shareholders are therefore requested to kindly note that physical documents, viz. Demat Request Forms (DRF) and share certificates, etc. should be sent by their Depository Participants (DP's) directly to the Share Transfer Agents.

Share Transfer Forms (SH-4) for shares held in physical mode which are received by the Company are promptly processed and share certificate duly endorsed are issued within 30 days of the date of lodgment subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in practice, a half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with stock exchanges.

Transfer of physical shares has been discontinued from 1st April, 2019 in line with Circular No. SEBI/LADNRO/GN/2018/24 dated 8th June, 2018 & Press Note No. PR No. 12/2019 dated 27th March, 2019 issued by Securities and Exchange Board of India other than transfer of documents re-lodged for registration to remove the deficiencies raised prior to such deadline. Pursuant thereto, the Company has sent letters/reminders to those shareholders holding shares in physical form advising them to dematerialise their holding.

Members holding shares in physical form are requested to dematerialise their holdings at the earliest as it will not be possible to transfer shares held in physical mode as per extension of the deadline announced by SEBI.

k) **Distribution of shareholding:**

(A) The distribution of shareholdings, including the shares in dematerialized form, as on 31st March, 2019 is given here under:

Break-up of Equity shares held	No. of Shareholders/Folios	% of Shareholders	No. of Shares	% of Shareholding
1-500	664	74.19	86,111	2.10
501-1000	104	11.62	83,137	2.02
1001-5000	79	8.83	1,77,370	4.32
5001-10000	11	1.23	77,056	1.88
10001-50000	14	1.56	2,74,241	6.68
50001-100000	11	1.23	7,50,726	18.28
100001-And Above	12	1.34	26,58,179	64.73
TOTAL	895	100.00	4106820	100.00

(B) **Shareholding Pattern as on 31st March, 2019:**

Category	No. of Shares held	Percentage of Shareholding
A) Promoter's Holding		
1. Promoters	2950947	71.855
- Indian Promoters	-	-
- Foreign Promoters	-	-
2. Persons acting in concert	-	-
Total (A)	2950947	71.855
B) Non-Promoter's Holding		
1. Institutional Investors	-	-
a) Mutual Funds and UTI	-	-
b) Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/Non-Government Institutions)	155556	3.788
c) FIIs	-	-
Sub-Total	155556	3.788

Category	No. of Shares held	Percentage of Shareholding
2. Others		
a) Private Corporate Bodies	48017	1.169
b) Indian Public	540894	13.171
c) NRIs/OCBs	-	-
d) GDRs	-	-
e) Clearing Members	300	0.007
f) IEPF Authority	411106	10.010
Sub-Total	1000317	24.357
Total (B)	1155873	28.145
Grand Total (A+B)	4106820	100.00

l) Reconciliation of Share Capital Audit:

As stipulated by SEBI, pursuant to the provisions of Regulation 40(9) of the Listing Regulations, a Practicing Company Secretary Conducts Audit of the Share Operations System of the Company maintained at the office of the RTA.

Further a qualified practicing Company Secretary also carries out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

m) Dematerialization of shares and liquidity:

We have established connectivity with both depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to our shares under the Depository system is INE907C01022.

As on 31st March, 2019, 36,69,608 Equity Shares of ₹ 10/- each (89% of the total paid-up share capital) were held in dematerialized form. The balance 11% paid-up share capital is held in physical mode and these shareholders are requested to dematerialize their shares in their own interests to avail the benefits of holding shares in dematerialized mode.

n) Outstanding GDRs:

Your Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2019, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

o) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company has not undertaken any such activities during the period under consideration.

p) 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.

q) Address for correspondence:

Share Department	OR	Niche Technologies Pvt. Ltd.
Auckland International Limited		3A, Auckland Place 7th Floor, Room No. 7A & 7B,
P O Jagatdal, 24 Parganas (North),		Kolkata-700017
West Bengal - 743125		

8. **OTHER DISCLOSURES:-**

In terms of the statutory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relevant Board policies have been formulated which are available on our website under the weblink <http://www.aucklandjute.com/investors/board-policies/>. The policies are periodically reviewed and updated as per compliance requirement by the Board as detailed hereunder:-

Particulars	Regulations	Details	Website link for details/policy
a) Materially Significant Related Party Transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	All transactions were entered with related party in the ordinary course of business and at arm's length price with prior omnibus approval of the audit committee in line with the policy on related party transaction of the Company. There are no materially significant related party transactions between the Company and its promoters, directors or their relatives etc. that may have potential conflict with the interests of Company at large. Disclosures as required under IND AS-24 have been made in Note No.33 to the financial statements for the financial year ended 31 st March, 2019.	http://aucklandjute.com/data/documents/POLICY-ON-RPT.pdf
b) Compliances by the Company	Schedule V (C) 10(b) to the SEBI Listing Regulations	During the last three years, no penalty or stricture have been imposed on the Company by CSE Limited or SEBI or any other statutory authority for non-compliance of any matter related to the capital markets.	N/A
c) Vigil Mechanism/ Whistle Blower Policy	Regulation 22 of SEBI Listing Regulations	The Company has a well laid out Vigil Mechanism / Whistle Blower policy in terms of Section 177 of the Companies Act, 2013 read with Regulation 22 of SEBI Listing Regulations, 2015. Details regarding the same have been discussed in the Directors Report. 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. Further it is also affirmed that no personnel has been denied access to the Audit Committee.	http://aucklandjute.com/data/documents/Vigil-Mechanism-WBP.pdf
d) Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted a Policy on Determination of Materiality for Disclosures.	http://aucklandjute.com/data/documents/POLICY-FOR-DETERMINATION-OF-MATERIALITY.pdf
e) Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted a Policy on Archival and Preservation of Documents.	http://aucklandjute.com/data/documents/Insider-Trading-Policy.pdf
f) Status of compliance of Non-Mandatory requirements of SEBI Listing	Schedule V (C) 10(d) to the SEBI Listing Regulations	The Company has complied with all the mandatory requirements of SEBI Listing Regulations, 2015 and has also adopted the other non-mandatory requirements of the regulations to the extent and in the manner as	N/A

Regulations, 2015		stated under the appropriate headings under the Report on Corporate Governance.	
g) CEO / CFO certification	Regulation 34(3) of SEBI Listing Regulations	The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015 and such certificate forms part of the Annual Report.	N/A
h) Code Of Conduct	Regulation 17 of SEBI Listing Regulations	The members of the board and senior management personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2019.	http://aucklandjute.com/investors/code-conduct/
i) Accounting Treatment	Schedule V (B)(2) to the SEBI Listing Regulations	The financial statements of the Company have been prepared in accordance with the provisions under Sections 129, 133 and Schedule II to the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.	N/A

The above report has been placed before the Board at its Meeting held on 14th August, 2019 and the same was approved by the Board.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS

PLACE: KOLKATA
DATED: 14th August, 2019

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

Shri M.C Singhi
(DIN-00407278)
Director

DECLARATION ON COMPLIANCE WITH COMPANY'S CODE OF CONDUCT AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of
Auckland International Limited,

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Auckland International Limited's Code of Business Conduct and Ethics for the financial year ended March 31, 2019.

For Auckland International Limited

Place: KOLKATA
Dated: 14th August, 2019

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

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATION, 2015

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

We do hereby certify to the Board that pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, 2015, we have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2019 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 which shall be disclosed to the auditors and the audit committee;
- there are no significant changes in internal control over financial reporting during the year;
- there are no significant changes in accounting policies during the year;
- there are no instances of fraud during the year.

FOR AUCKLAND INTERNATIONAL LIMITED

Place: KOLKATA
Dated: 14th August, 2019

H S BAYED
Executive Director & CEO

S C BHUTORIA
CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
Auckland International Limited
P O Jagatdal24 Parganas North Jagatdal WB 743125

I have examined the relevant registers, records, forms, returns and disclosure received from the Directors of Auckland International Limited having CIN: L36934WB1977PLC031184 and having registered office at P O Jagatdal24 Parganas North Jagatdal WB 743125 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para – C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, West Bengal or any such other Statutory Authority

Sl. No.	Name of the Director	DIN	Date of appointment in Company
1.	BIMAL SINGH RAMPURIA	00350906	02/04/2004
2.	MOOLCHAND SINGHI	00407278	31/10/2003
3.	HRISHIKESH TAPADAR	00409477	01/08/2012
4.	HIRENDRA SINGH BAYED	00425481	31/07/2008
5.	BIJAY BAID SINGH	01517268	31/07/2014

Ensuring the eligibility for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

GAUTAM DUGAR
PRACTICING COMPANY SECRETARY
FCS No.: 7139
C P No.: 6243

Place: KOLKATA
Date: 14th August, 2019

AUDITOR'S CERTIFICATE

Auditor's Certificate regarding compliance of conditions of Corporate Governance under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, 2015

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, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 regulations, as applicable.

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.

64/55B, Belgachia Road,
Belgachia, Kolkata-700037

For **Khandelwal Ray & Co.**
Chartered Accountants
Firm Registration No. 302035E

Dated: 14th August, 2019

(Pinaki Sarkar)
Partner
Membership No. 051449

INDEPENDENT AUDITOR'S REPORT
To The Members of AUCKLAND INTERNATIONAL LIMITED
Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Auckland International Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profits and total comprehensive Income, changes in equity and its cash flows for the year ended on that date,

Basis for Qualified Opinion

We report that 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 29) Unprovided Liability on this account as on 31st March 2019 as determined by actuarial valuation amounts to ₹ 54.18 lakhs.

The effect of the forgoing to the extent determinable is that the Profit and Reserve & Surplus are overstated by ₹ 54.18 lakhs during the year and liability under long term provision is under stated to the same amount.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical beliefs that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance 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 the financial statements that give a true and fair view of the financial position, financial performance (including total comprehensive income), changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.

Misstatements can arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (here in after referred to as the "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure "A", a statement on the matters specified in the 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 books.
- c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account. According to information and explanations given to us there was no material Other Comprehensive Income of the Company during the year under report.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except Ind AS 19 as stated above.

- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. 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, as amended, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note no. 34 in Notes 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. However, there was no delay in transferring the said amount made during the year.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid only to its Executive director during the year is in accordance with the provisions of section 197 of the Act.

For KHADELWAL RAY & CO.
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road
Kolkata 700037
The 14th day of August, 2019.

Pinaki Sarkar
Partner
Membership no. 051449

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other legal and Regulatory Requirements' section of our report to the Members of Auckland International Limited of even date)

We report that:

- i) In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
 - (b) There is a regular program of physical verification of the fixed assets by the management, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No material discrepancies have been noticed in respect of the assets physically verified during the year as compared to book records.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) Physical verification of inventory has been conducted at periodical intervals during the year by the management and in our opinion the frequency of verification is reasonable. According to the information and explanation given to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.
- iii) The Company has not granted any loans during the year to the parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans and investments made.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public during the year. Accordingly, clause 3(v)(a), 3(v)(b) and 3(v)(c) of the Order are not applicable to the Company.
- vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Order made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013. We are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we are of the opinion that the Company is regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other materials tatutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

c) The following statutory dues on account of Value Added Tax, Central Sales Tax, and Excise Duty were not deposited on account of dispute as on 31st March, 2019 :-

Name of the Statute	Nature of dues	Amount (Rupees in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	8.11	75-76, 80-81, 94-95, 01-02, 04-05, 08-09, 10-11, 11-12 & 13-14.	Joint Commissioner/ Deputy Commissioner (Appeals)
West Bengal Sales Tax Act, 1954	Sales Tax	9.54	74-75, 80-81, 81-82, 01-02 & 04-05	Appellate Tribunal/ Asst. Commissioner/ Deputy Commissioner (Appeals)
West Bengal VAT Act, 2003	VAT	9.72	05-06, 06-07, 10-11, 11-12 & 13-14	Revision Board/ Addl. Commissioner

- viii) According to the information and explanations given and on the basis of records examined by us, we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not taken loan from any financial institution, government or raised any money through issue of debentures.
- ix) The Company had raised money during the year by way of term loans and the same has been applied for the purpose for which it was raised. The Company did not raise any money by way of initial public offer or further public offer (including debentures) during the year.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KHANDELWAL RAY & CO.
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road
Kolkata 700 037
The 14th day of August 2019.

Pinaki Sarkar
Partner
Membership no. 051449

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other legal and Regulatory Requirements' section of our report to the Members of Auckland International Limited of even date)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Auckland International Limited (the Company) as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting, criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that we reoperating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over financial reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL RAY & CO.
Chartered Accountants
(Registration No. 302035E)

64/55 B, Belgachia Road
Kolkata 700 037
The 14th day of August, 2019.

Pinaki Sarkar
Partner
Membership no. 051449

Balance Sheet as at March 31, 2019

Particulars	Note No.	31-Mar-19	31-Mar-18
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	02	1437.86	1302.58
(b) Other Intangible Assets	03	4.08	4.07
(c) Financial assets			
- Investments	04	562.95	1034.79
(d) Other Assets	05	9.68	9.68
Total non-current assets		2014.57	2351.12
(2) Current assets			
(a) Inventories	06	2337.31	2502.62
(b) Financial assets			
(i) Trade receivables	07	912.46	916.36
(ii) Cash and cash equivalents	08	379.30	358.47
(iii) Bank balances other than (ii) above		0.00	0.00
(iv) Loan and Deposits	09	4.52	4.52
(c) Other Assets	10	877.27	571.17
Total current assets		4510.86	4353.14
Total assets		6525.43	6704.26
II EQUITY AND LIABILITIES			
1) Equity			
(a) Equity share capital	11	410.68	410.68
(b) Other equity	12	3728.55	3261.79
Total equity		4139.23	3672.47
2) Liabilities			
i) Non-current liabilities			
(a) Provisions		0.00	0.00
(b) Deferred tax liabilities (net)	13	96.19	84.83
(c) Other liabilities (Deferred Govt. Grant)	14	65.02	57.90
Total non-current liabilities		161.21	142.73
ii) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	648.48	1479.61
(ii) Trade payables	16	109.10	123.98
(iii) Other financial liabilities	17	1126.11	1110.37
(b) Provisions	18	341.30	175.10
Total current liabilities		2224.99	2889.06
Total liabilities		2386.20	3031.79
Total equity and liabilities		6525.43	6704.26
Significant accounting policies			

The accompanying notes are an integral part of the financial statement. As per our report of even date.

For Khandelwal Ray & Co.

Chartered Accountants

Pinaki Sarkar
Partner
Membership No.051449
Firm Registration No.302035E
Place: Kolkata
Dated: 14th August, 2019

H. Tapadar M.C. Singhi B. S. Rampuria
Directors
H. S. Bayed S. C. Bhutoria
Executive Director Chief Finance Officer

B. S. Baid
S. Ghose
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2019

Particulars	Note No.	31-Mar-19	31-Mar-18
I Revenue from operations			
Sale of products manufactured	19	15610.13	14875.70
II Other income	20	118.09	224.96
III Total income (I+II)		15728.22	15100.66
IV Expenses:			
Cost of materials consumed	21	8990.87	8096.83
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	22	49.44	(143.10)
Employee benefits expense	23	3660.24	4193.82
Finance costs	24	78.85	106.35
Depreciation and amortization expense		86.98	83.26
Other expenses	25	2283.14	2184.92
Total expenses		15149.52	14522.08
V Profit before exceptional items and tax (III-IV)		578.70	578.58
VI Exceptional items		2.05	0.07
VII Profit/(loss) before tax (V-VI)		580.75	578.51
VIII Tax expense/(benefit):			
Current tax		166.20	175.10
Deferred tax		(11.27)	15.49
		154.93	190.59
IX Profit/(loss) for the year (VII-VIII)		425.82	387.92
X Other Comprehensive income			
Other Comprehensive income not to be reclassified to profit or loss in subsequent periods:			
a) Re-measurements loss of the defined benefit plans		0.00	0.00
Income tax effect		0.00	0.00
b) Net (loss)/gain on investment in equity shares/units accounted at Fair Value.		(62.79)	(33.50)
Income tax effect			
Other Comprehensive income to be reclassified to profit or loss in subsequent periods:		19.14	11.08
a) Net (loss)/gain on investment in debt securities accounted at Fair Value		126.36	(89.78)
Income tax effect		(41.77)	29.69
b) Change in Foreign Currency Translation Reserve		0.00	0.00
XI Total comprehensive income / (loss) (IX + X)		466.76	305.41
XII Earning per equity share of Re. 10/- each			
Basic		10.37	9.45
Diluted		10.37	9.45
Significant accounting policies			

The accompanying notes are an integral part of the financial statement. As per our report of even date.

For Khandelwal Ray & Co.

Chartered Accountants

Pinaki Sarkar
Partner
Membership No.051449
Firm Registration No.302035E
Place: Kolkata
Dated: 14th August, 2019

H. Tapadar M. C. Singhi B. S. Rampuria
Directors
H. S. Bayed S. C. Bhutoria
Executive Director Chief Finance Officer

B. S. Baid
S. Ghose
Company Secretary

Statement of Cash Flow for the year ended March 31,2019

Particulars	For the year ended	
	31-Mar-19	31-Mar-18
(A)Cash Flow from Operating activities		
Net Profit before tax	580.75	578.51
Adjustment for:		
Depreciation and Amortisation	86.98	83.26
Net (Profit)/ Loss on Sale of Investment	3.60	(88.24)
Loss/(Profit) on Fixed Assets sold/discarded(net)	(2.27)	2.17
Dividend Income	(2.39)	(2.70)
Interest Expense	68.17	91.03
Interest Income	(93.25)	(114.59)
Operating profit before working capital changes	641.59	549.44
(Increase)/in Trade Receivables (net of provision)	3.90	(415.41)
(Increase)/decrease in Inventories	165.31	(732.88)
(Increase)/decrease in Loans,Other Financial Assets	0.00	400.00
(Increase)/decrease in other Non-Current Assets	0.00	0.32
(Increase)/decrease in other Current Assets	(123.23)	128.22
(Increase)/decrease in Trade Payable	(14.88)	(37.89)
(Increase)/decrease in Other Financial Liabilities	15.74	121.86
(Increase)/decrease in Provision (net)	0.00	(141.03)
Cash generated from operations	46.84	(676.81)
Direct Taxes Paid (net of refunds and interest thereon)	(182.87)	(128.98)
Net Cash from operating activities	505.56	(256.35)
(B) Cash Flow from Investing activities:		
Purchase of Fixed Assets	(220.62)	(99.02)
Sale of Fixed Assets	0.63	0.44
Acquisition of Shares/units		
Redemption of units		
Purchase of Investments	(113.54)	(530.92)
Sale of Investments	645.34	258.08
Interest Received	93.25	114.59
Dividend Received	2.39	2.70
Net Cash used in investing activities	407.45	(254.13)
(C) Cash Flow from Financing activities:		
Proceeds from Short term Borrowing (net)	(831.13)	604.95
Proceeds from Unsecured Loan	0.00	(15.00)
Interest Paid	(68.17)	(91.04)
Deferred Govt. Grant	7.12	(8.15)
Net Cash used in financing activities	(892.18)	490.76
Net Increase/(Decrease) in Cash and cash equivalents	20.83	(19.72)
Cash and cash equivalents - Opening Balance	358.47	378.19
Cash and cash equivalents - Closing Balance	379.30	358.47

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.

The accompanying notes are an integral part of the financial statement.As per our report of even date.

For Khandelwal Ray & Co.

Chartered Accountants

Pinaki Sarkar
Partner
Membership No.051449
Firm Registration No.302035E
Place: Kolkata
Dated: 14th August, 2019

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

H. S. Bayed S. C. Bhutoria S. Ghose
Executive Director Chief Finance Officer Company Secretary

Statement of Changes in Equity for the year ended March 31, 2019

A) Equity Share Capital		
Equity Shares of INR 10 each issued,subscribed and fully paid	Number	Amount
On April 1,2018	4106820	410.68
Changes in equity share capital during the year	0	0.00
Balance at March 31,2019	4106820	410.68
B) Other Equity		
Particulars	Note No.	31-Mar-19 31-Mar-18

RESERVES AND SURPLUS

General Reserve

As per last Balance Sheet 119.09 119.09

Capital Redemption Reserve

As per last Balance Sheet 40.62 40.62

Retained Earnings

As per last Balance Sheet 3080.67 2752.76

Add: Amount Transferred from Capital Reserve(Revaluation)

Add: Net Profit after tax transferred from Statement of Profit & Loss Account 510.41 327.91

Balance at the end of year 3591.08 3080.67

Total 3750.79 3240.38

Other Comprehensive Income (OCI)

As per last Balance Sheet 21.41 43.86

Add: Movement in OCI (Net) during the year (43.65) (22.45)

OCI Balance at the end of the year (22.24) 21.41

Balance at the end of year 3728.55 3261.79

Significant accounting policies

The accompanying notes are an integral part of the financial statement.As per our report of even date.

For Khandelwal Ray & Co.

Chartered Accountants

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

Partner
Membership No.053181
Firm Registration No.051449

Place: Kolkata H. S. Bayed S. C. Bhutoria S. Ghose
Executive Director Chief Finance Officer Company Secretary

Dated: 14th August, 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1 CORPORATE INFORMATION

Auckland International Limited ("the Company") is a public limited company, incorporated under the provisions of the Companies Act, 1956. Its registered office is located at Auckland Jute Mills in Jagatdal, District North 24 Parganas, West Bengal -743125.

Its shares are listed on the Calcutta Stock Exchange. The Company is the manufacturer of jute products such as Hessian Cloth of various qualities, Double Warp Canvas, Odderless Cloth, Sacking Cloth & Bags and Yarn of different counts. Its manufacturing facilities are located at Jagatdal in North 24 Parganas district of the state of West Bengal.

2 BASIS OF ACCOUNTING**2.1 Compliance with Indian Accounting Standards (Ind AS)**

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

2.2 Historical Cost Convention:

The financial statements have been prepared on the historical cost convention.

2.3 Functional and presentation currency:

The financial statements have been presented in Indian Rupee, which is also Company's functional currency. All financial information presented in Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period prospectively in which the results are known/materialised.

2.5 Current and non-current classification:

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

3 SIGNIFICANT ACCOUNTING POLICIES**3.1 Inventories:**

Items of raw materials are valued at cost or net realizable value, whichever is lower. Cost for stores and spares is determined on weighted average basis. Cost includes cost of purchase, non-refundable taxes and other costs incurred in bringing the goods to their present location and condition. The cost of process stock and finished goods comprises of materials, direct labour, other direct costs and related production overheads and taxes as applicable. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Adequate provision is made for obsolete and slow-moving stocks, wherever necessary.

3.2 Cash and Cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

3.3 Income Tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or on other comprehensive income.

(i) Current Tax:

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, wherever appropriate, on the basis of amounts expected to be paid to the tax authorities

(ii) Deferred Tax:

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the balance sheet date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as deferred tax in the Statement of Profit and Loss. The credit available under the Income Tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent it is probable that future taxable profit will be available against which these tax credit can be utilised. Such an asset is reviewed at each Balance Sheet date.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

3.4 Property, Plant and Equipment:**i) Current Assets**

Freehold land is carried at historical cost. All other items of plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation on property, plant and equipment is provided on the straight-line method as per the estimated useful life. The useful lives have been determined based on as prescribed under schedule II of the Companies Act, 2013.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period

ii) Intangible assets:

Computer Software are stated at cost, less accumulated amortization and impairments, if any.

Computer Software which are capitalised are amortised over a period of 6 years on straight-line basis.

The estimated amortisation method, useful life and residual value are reviewed at the end of each reporting period, with effect of any changes in the estimate being accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

3.5 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

The Company recognises revenue when the amount of revenue can be reliably measured. It is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

a) Sale of Goods:

Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

b) Dividend

Dividend income from investments is recognised when the Company's right to receive payment has been established.

c) Government Grants:

Government grants (capital incentives) are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions as and when received.

Government grants relating to the purchase of plant and equipment are included in liabilities as deferred income and are credited to the Statement of Profit and Loss in a systematic basis over the expected life of the related assets and presented within other income.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

3.6 Employee benefits:**(i) Short-term Employee Benefits:**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These liabilities are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method by the actuary and disclosed in the accounts.

Accumulated leave are not generally allowed to be encashed as a matter of policy of the Company. However, in exceptional cases at the discretion of the management leave encashment is granted and the same is accounted for as and when paid.

(iii) Defined benefit plan:**a) Gratuity Obligations:**

Liability on account of Gratuity for employees already retired and not covered under the group gratuity scheme are accounted for on payment basis in the year of retirement.

The liability or asset in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method.

The Company has created a Trust for payment of gratuity and taken up a policy under group gratuity scheme of LIC for this purpose. The annual contribution to the LIC as premium is charged to Statement of Profit & Loss.

b) Defined contribution plans:

The Company contributes towards Provident Fund, Pension Scheme and Employees' State Insurance Scheme are defined contribution schemes and are charged to the statement of profit and loss of the year. Liability in respect thereof is determined on the basis of contribution required to be made under the statutes / rules. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

3.7 Borrowing Cost:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of funds.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

3.8 Financial Instruments:**Initial recognition:**

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and loss are recognized immediately in the Statement of Profit and Loss.

a. Investment and other financial assets:**Classification:**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of Profit and Loss), and
- those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income.

b. Subsequent measurement:**Debt Instruments:**

Subsequent measurement of debt instruments depends on the Company business model for managing the assets and cash flows characteristic. There are three measurement categories into which the group classifies its debt instruments.

- Amortised Cost: Assets that are held for the collection of contractual cash flow where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive Income (FVOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Changes in fair value of instrument is taken to other comprehensive income which are reclassified to Statement of Profit and Loss.
- Fair Value through Profit and loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through Profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit and loss is recognised in the Statement of Profit and Loss. Interest income from these financial assets is included in other income.

c. Equity instruments:

All investments in equity instruments other than subsidiary companies, associate and joint venture companies are measured at fair value and the Company initially recognises, irrevocably to measure the same at FVOCI.

Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

d. Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of such receivables.

e. De-recognition of financial assets:

A financial assets is de-recognised only when

- The Company has transferred the right to receive cash flows from the financial assets, or
- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such case, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

f. Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

g. Financial liabilities:**Classification as debt or equity:**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

h. Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at the fair value.

i. Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through Profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

j. De-recognition:

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires. All instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

k. Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.9. Provisions and contingencies:

Provisions are recognised when there is a present obligation (legal and constructive) as a result of a past event, it is probable that cash outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate can be made of the amount of the obligation. When a provision is measured using cash flow estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. A Contingent asset is disclosed, where an inflow of economic benefits is probable.

3.10. Earnings Per Share**i. Basic earnings per share:**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to the ordinary shareholders of the Company by the weighted average number of equity shares outstanding during the period.

ii. Diluted earnings per share:

Diluted earnings per share is calculated by dividing the net profit or loss for the period attributable to the ordinary shareholders of the Company by the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential ordinary shares.

3.11. Rounding Rounding Off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

NOTE 02**Property, Plant and Equipment**

Particulars	Gross Block			Depreciation				Net Block		
	As at 01.04.18	Additions	Sales	As at 31.03.19	As at 01.04.18	For the year	Sales/ Adj	Upto 31.03.19	As at 31.03.19	As at 31.03.18
Land & Building	717.43	0.00	0.01	717.42	174.80	2.64	0.00	177.44	539.98	542.63
Plant & machinery	2405.44	217.49	7.04	2615.89	1773.13	69.36	(6.84)	1835.65	780.24	632.31
Furniture & Fixtures	10.94	0.41	1.70	9.65	7.20	1.38	(1.62)	6.96	2.69	3.74
Vehicles & Trolleys	59.14	0.00	0.00	59.14	45.37	4.34	0.00	49.71	9.43	13.77
Laboratory Equipments	1.36	0.00	0.00	1.36	0.99	0.08	0.00	1.07	0.29	0.37
EDP Machines	8.50	2.17	0.58	10.09	7.63	1.28	(2.52)	6.39	3.70	0.87
Renewal Energy Devices	116.25	0.00	0.00	116.25	7.36	7.36	0.00	14.72	101.53	108.89
Current Year	3319.06	220.07	9.33	3529.80	2016.48	86.44	(10.98)	2091.94	1437.86	1302.58
Previous Year	3234.49	95.99	11.42	3319.06	1942.11	83.18	(8.81)	2016.48	1302.58	1292.38

Note : The Fixed Assets are hypothecated with Canara Bank for availing drawing limit.

NOTE 03**Intangible Assets**

Particulars	Gross Block			Depreciation				Net Block		
	As at 01.04.18	Additions	Sales	As at 31.03.19	As at 01.04.18	For the year	Sales/Adj	Upto 31.03.19	As at 31.03.19	As at 31.03.18
Software	25.52	0.55	0.00	26.07	21.45	0.54	0.00	21.99	4.08	4.07
Current Year	25.52	0.55	0.00	26.07	21.45	0.54	0.00	21.99	4.08	4.07
Previous Year	22.49	3.03	0.00	25.52	21.37	0.08	0.00	21.45	4.07	1.12

NOTE 04**Investment**

Particulars	Nature of Investment (Fully Paid)	As at 31.03.19	As at 31.03.18	As at 31.03.19	As at 31.03.18
		Nos.	Nos.	₹. (in lakh)	₹. (in lakh)

1 Investments at fair value through Other Comprehensive Income**A. Investment in Equity Shares - Quoted**

HDFC Bank Limited	Equity	500	0	11.62	0.00
NHPC Limited	Equity	35799	35799	8.88	9.92
Power Grid Corporation of India Ltd.	Equity	23268	23268	46.29	44.97
State Bank of India	Equity	20628	20628	66.42	51.55
Sun pharmaceutical Industries Ltd.	Equity	1484	1484	7.16	7.35
Tech Mahindra Limited.	Equity	200	0	1.57	0.00

B. Investment in Equity Shares - Unquoted

Metropolitan Stock Exchange Ltd.	Equity	200000	200000	2.00	2.00
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C. Investment in Mutual Fund - Quoted

Reliance ETF Liquid BeEs	Units	0.996	0.996	0.01	0.01
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2 Investments at fair value through Profit & Loss**Investment in Bond & Debentures -Quoted**

Punjab State Inds Devpt Corp	Bonds	1	1	1.00	1.00
Punjab State Inds Devpt Corp	Bonds	8	8	8.00	8.00
West Bengal Infrastructure Devt Fin Corp	Bonds	1	1	10.00	10.00
National Highways Authority of India	Bonds	0	50000	0.00	500.00
IFCI Ltd	Bonds	40	40	400.00	400.00
Aggregate amount of quoted investment		281430	331230	562.95	1034.79

NOTE 05**Other non-current assets**

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

	31-Mar-19	31-Mar-18
	9.68	9.68
Total	9.68	9.68

NOTE 06**Inventories**

As certified by the Management		
Stores and Spare Parts	144.88	193.15
Raw Jute	1418.30	1485.90
Jute-in-process	187.47	176.94
Finished Goods	586.66	646.63
Total	2337.31	2502.62

Auckland International Limited

(₹.in.Lakhs)

	31-Mar-19	31-Mar-18
NOTE 07		
Trade receivable		
(Unsecured -considered good unless otherwise stated)		
a) Debts outstanding for a period exceeding six months		
Considered good	<u>36.27</u>	<u>0.00</u>
	<u>36.27</u>	<u>0.00</u>
b) Other debts		
Considered good	<u>876.19</u>	<u>916.36</u>
Considered doubtful	<u>0.00</u>	<u>0.00</u>
	<u>876.19</u>	<u>916.36</u>
Total	<u>912.46</u>	<u>916.36</u>
NOTE 08		
Cash and Cash equivalents		
Balance with Banks		
In current and deposit accounts	<u>10.17</u>	<u>0.36</u>
Cash in hand	<u>5.42</u>	<u>5.79</u>
	<u>15.59</u>	<u>6.15</u>
Fixed deposits with Bank more than twelve months maturity	<u>31.65</u>	<u>31.65</u>
Fixed deposit with Bank (more than 3 months maturity) held as margin money against guarantee	<u>332.06</u>	<u>317.94</u>
Balance with Bank in unpaid dividend account	<u>0.00</u>	<u>2.73</u>
	<u>363.71</u>	<u>352.32</u>
Total	<u>379.30</u>	<u>358.47</u>
NOTE 09		
Short-term loans and advances		
(Unsecured considered good unless otherwise stated)		
- Intercompany Loans	<u>0.00</u>	<u>0.00</u>
- Deposits	<u>4.52</u>	<u>4.52</u>
Total	<u>4.52</u>	<u>4.52</u>
NOTE 10		
Other current assets		
(Unsecured considered good unless otherwise stated)		
value to be recovered		
- Employees	<u>57.52</u>	<u>59.37</u>
- Suppliers	<u>26.04</u>	<u>51.57</u>
- Interest Receivable	<u>30.96</u>	<u>60.72</u>
- Others	<u>343.39</u>	<u>205.57</u>
Prepaid expenses	<u>9.66</u>	<u>3.31</u>
Income tax advances	<u>409.70</u>	<u>190.63</u>
Total	<u>877.27</u>	<u>571.17</u>
NOTE 11		
SHARE CAPITAL		
Authorised:		
7500000 Equity Shares of Rs.10/- each	<u>750.00</u>	<u>750.00</u>
50000 Preference Shares of Rs.100/- each	<u>50.00</u>	<u>50.00</u>
Total	<u>800.00</u>	<u>800.00</u>
Issued, Subscribed & Paid up		
4106820 Equity Shares of Rs.10/- each fully paid up	<u>410.68</u>	<u>410.68</u>
Total	<u>410.68</u>	<u>410.68</u>

Auckland International Limited

(₹.in.Lakhs)

	As at 31 March 2019	As at 31 March 2018
	Nos.	Amount
Notes:		
a) Reconciliation of Number of Shares		
Equity Shares of Rs.10/-each		
At beginning of the year	<u>4106820</u>	<u>410.68</u>
Changes during the year	<u>0.00</u>	<u>0.00</u>
At the end of the year	<u>4106820</u>	<u>410.68</u>
b) The Company has not issued any Shares during the year.		
c) 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.		
d) 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
Jai Kumar Kankaria	317900	7.74
Padmavati Tradelink Limited	282628	6.88
Divya Dugar (Kankaria)	253575	6.17
e) The Company has not issued shares for a consideration other than cash or bonus shares during the immediately preceding 5 years.		
NOTE 12	31-Mar-19	31-Mar-18
OTHER EQUITY		
General Reserve		
As per last Balance Sheet	<u>119.09</u>	<u>119.09</u>
Capital Redemption Reserve		
(Created on Redemption of Preference Shares)		
As per last Balance Sheet	<u>40.62</u>	<u>40.62</u>
Retained Earning		
As per last Balance Sheet	<u>3080.67</u>	<u>2752.76</u>
Add: Amount Transferred from Capital Reserve(Revaluation)		
Add: Net Profit after tax transferred from Statement of Profit & Loss Account	<u>510.41</u>	<u>327.91</u>
Balance at the end of year	<u>3591.08</u>	<u>3080.67</u>
Total	<u>3750.79</u>	<u>3240.38</u>
Other Comprehensive Income		
OCI reserve includes net gain/Loss on fair value of Investments	<u>(22.24)</u>	<u>21.41</u>
Total	<u>3728.55</u>	<u>3261.79</u>
NOTE 13		
Deferred tax liabilities		
As per last Balance Sheet	<u>84.83</u>	<u>110.09</u>
Deferred Income tax Liability	<u>11.36</u>	<u>(25.26)</u>
Total	<u>96.19</u>	<u>84.83</u>
Reconciliation of statutory rate of tax and effective rate of tax:		
Profit for the year before tax:	<u>580.75</u>	<u>578.51</u>
Statutory income tax rate applicable	<u>27.82%</u>	<u>33.063%</u>
Tax expense at applicable tax rate	<u>161.56</u>	<u>191.27</u>
Adjustments:		
Weighted Deduction allowed	<u>0.03</u>	<u>(0.58)</u>
Weighted Deduction allowed for tax purpose	<u>0.01</u>	<u>(0.10)</u>
Weighted Deduction allowed	<u>0.46</u>	<u>(17.46)</u>
Weighted Deduction allowed for tax purpose	<u>0.10</u>	<u>(1.75)</u>
Income from Sale of Fixed Assets	<u>(0.30)</u>	<u>0.00</u>
Income from Sale of Fixed Assets to tax purpose	<u>(0.08)</u>	<u>0.00</u>
Deduction in respect of House Properties	<u>0.00</u>	<u>(0.67)</u>
Deduction in respect of House Properties for tax purpose	<u>0.00</u>	<u>(0.22)</u>
Long Term Loss From Mutual Funds	<u>0.00</u>	<u>0.00</u>
Long Term Loss From Mutual Funds of tax purpose	<u>0.00</u>	<u>0.00</u>
Non-deductible expenses/Income Tax of earlier year	<u>44.10</u>	<u>62.47</u>
Non-deductible expenses for tax purposes	<u>12.27</u>	<u>20.66</u>
Increase in the value of closing stock	<u>0.00</u>	<u>2.28</u>
Non-deductible expenses for tax purposes	<u>0.00</u>	<u>0.75</u>
Dividend Income/Capital Gain-exempt	<u>(2.39)</u>	<u>(72.90)</u>
Dividend Income/Capital Gain-exempt for tax purposes	<u>(0.66)</u>	<u>(24.10)</u>
Various allowances claimed under Income Tax Act,1961	<u>(25.16)</u>	<u>(35.14)</u>
Tax impact of claim	<u>(7.00)</u>	<u>(11.62)</u>
Effect of Depreciation	<u>0.18</u>	<u>0.96</u>
Tax impact of Depreciation	<u>0.05</u>	<u>0.32</u>
At India's statutory income tax rate	<u>166.24</u>	<u>175.21</u>
Effective rate of tax as % of PBT	<u>28.63</u>	<u>30.29</u>

Auckland International Limited

(₹.in.Lakhs)

	31-Mar-19	31-Mar-18
NOTE 14		
Deferred Government Grant		
Deferred Government Grants (Note 34 (f))	65.02	57.90
Total	65.02	57.90
NOTE 15		
Short-term borrowings		
Loans payable on demand		
Working Capital Facilities		
-From Banks (Secured)	648.48	1479.61
-From Others (Unsecured)	0.00	0.00
Total	648.48	1479.61
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 16		
Trade payables		
- Micro, Small & Medium Enterprises	0.00	0.00
- Others	109.10	123.98
Total	109.10	123.98
NOTE 17		
Other current liabilities		
Unpaid Dividends	0.00	2.73
Employees Benefits Payable	283.66	282.59
Advances from Customers & other payables	593.02	475.22
Provision for expenses	215.18	249.42
Deposit received	5.00	5.23
Statutory dues payable	29.25	95.18
Total	1126.11	1110.37
NOTE 18		
Short-term provisions		
Provision for Income Taxes	341.30	175.10
Total	341.30	175.10
NOTE 19		
Revenue from operations		
Gunny	15570.55	14676.48
Yarn	39.58	199.22
Total	15610.13	14875.70
NOTE 20		
Other Income		
Profit on sale of fixed assets	0.30	0.00
Profit on sale of Investment	0.00	88.24
Interest	93.25	114.59
Miscellaneous Income	22.15	17.18
Dividend	2.39	2.70
Rent	0.00	2.25
Total	118.09	224.96
NOTE 21		
Cost of Material Consumed		
Opening Stock		
Raw Jute & Yarn	1485.90	956.83
Purchase		
Raw Jute & Yarn	8923.27	8625.90
Closing Stock		
Raw Jute & Yarn	1418.30	1485.90
Total	8990.87	8096.83

Auckland International Limited

(₹.in.Lakhs)

	31-Mar-19	31-Mar-18
NOTE 22		
Change in Inventories		
Opening Stock		
Jute in process	176.94	219.67
Finished Goods	646.63	460.80
	823.57	680.47
Closing Stock		
Jute in process	187.47	176.94
Finished Goods	586.66	646.63
	774.13	823.57
Total (Increase)/ Decrease	49.44	(143.10)
NOTE 23		
Employee benefits expenses		
Salaries and wages	3292.79	3810.26
Contribution to provident and other funds	334.64	354.53
Staff welfare expenses	32.81	29.03
Total	3660.24	4193.82
NOTE 24		
Finance Costs		
Interest on loans	68.17	91.04
Other borrowing costs		
Processing fees	10.68	15.31
Total	78.85	106.35
NOTE 25		
Other expenses		
Stores and spares consumed	454.12	428.64
Power & fuel	841.88	896.38
Sewing & processing charges	28.75	10.35
	1324.75	1335.37
Repairs and maintenance		
Building	30.80	64.91
Machinery	352.71	249.60
Other Assets	10.96	12.59
	394.47	327.10
Insurance charges	107.51	111.29
Rent	6.00	6.00
Rates & taxes	36.45	47.33
Brokerage & commission	48.19	56.00
Shipping & delivery	96.50	62.47
Cess duty	0.00	2.61
Miscellaneous expenses	267.01	234.63
Sundry balances written off	0.00	0.00
	561.66	520.33
Auditor's remuneration		
As audit fees	0.60	0.55
For Tax audit, Certification etc.	0.67	0.55
Reimbursement of expenses	0.15	0.13
Other audit fees	0.84	0.89
	2.26	2.12
Total	2283.14	2184.92
NOTE 26		
CONTINGENT LIABILITIES NOT PROVIDED FOR IN THE ACCOUNTS	31-Mar-19	31-Mar-18
a) Sales Tax (pending appeal) (to the extent declaration forms not received)	9.54	9.54
VAT (pending appeal) (to the extent declaration forms not received)	9.72	9.72
CST(pending appeal)(to the extent declaration forms not received)	8.11	8.11
b) Employees State Insurance –Not acknowledged as debt	10.60	10.60
c) Outstanding Bank Guarantee	212.00	212.00

Auckland International Limited

(₹.in.Lakhs)

NOTE 27	31-Mar-19	31-Mar-18
Particulars of Sales & Stock		
a) Sale		
Gunny	15570.55	14676.48
Yam	39.58	199.22
b) Closing Stock		
Gunny	586.66	646.63

NOTE 28

Value of Imported and Indigenous raw material, Stores, spare parts and components consumed and the percentage of each to total consumption

	31-Mar-19		31-Mar-18	
Raw Material	₹ (in 000)	%	₹ (in 000)	%
Imported	0.00	0.00	45.75	0.57
Indigenous	8990.87	100.00	8051.08	99.43
Stores, spare parts and components				
Imported	0.00	0.00	0.00	0.00
Indigenous	823.10	100.00	704.59	100.00

NOTE 29**Employees Benefits**

Disclosure pursuant to Indian Accounting Standard-19 "Employee Benefits" as notified u/s 133 of the companies Act,2013

Defined Contribution Plans

The Company has during the year recognised an expense of ₹ 199.76 lakhs (F.Y. 2017-18 ₹ 213.38 lakhs) towards defined contribution plans the details of which are as follows :-

	31-Mar-19	31-Mar-18
Employer's Contribution to Provident Fund	₹ 38.70	₹ 40.24
Employer's Contribution to Employees Pension Scheme	₹ 161.06	₹ 173.14

Defined Benefit Plans:

Under IND AS19 necessary information as required to be disclosed in the fianacial statement by way of note could not be disclosed as the said information has not been furnished by the LIC in respect of the policy taken by the company under Group Gratuity Scheme. Company has paid on actual basis Rs. 9.52 towards gratuity payable to the employees retired during the financial year. No Liability has been provided in the books of account in respect of Leave Encashment of Rs.54.18 on the basis of actuarial valuation as mentioned above in consonance with the Company's policy of accounting.

NOTE 30

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

a) Current Tax		
Income Tax provision of ₹ 166.20 has been made on regular income		
b) Deferred Tax		
The major component of the Deferred Tax Liability to the extent recognized and outstanding at 31.3.2019:		
Deferred Tax Liability as on 01st April, 2018		84.83
Deferred Tax Liability :		
On differences between Book & Income Tax depreciation		(21.48)
Tax effect on Govt.Grant (Net)		10.21
Tax effect on change in value of Bonds (Net)		41.77
Tax effect on change in value of Equity Shares (Net)		(19.14)
Net Deferred Tax Liability as on 31st March 2019		96.19

NOTE 31

Earnings per Share:	31-Mar-19	31-Mar-18
Net profit/(Loss) available for Equity shareholders	425.82	387.92
Weighted average number of Equity shares outstanding	4106820	4106820
Basic and diluted earnings per share -		
In rupees of face value of Rs.10 each	10.37	9.45

NOTE 32

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

i) Salary	12.65	12.42
ii) Contribution to Provident Fund	1.18	1.07
iii) Perquisites	5.70	4.58

Auckland International Limited

(₹.in.Lakhs)

NOTE 33

Information given in accordance with the requirements of Ind AS-24 on Related Party Disclosures as notified in the Companies (Indian Accounting Standards) Rules 2015:

A List of Related Parties

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

B Transactions with Related Parties during the Financial Year and Outstanding Balances as on 31st March 2019

Nature of Transactions	Enterprises in which Key Management Personnel have significant influence	Item	Key Management Personnel
Interest Paid	8.39	b	
Purchase	41.73	b	
Remuneration to Key Management Personnels		a	39.43
Unsecured Loans			
Received during the year	558.00	b	
Paid during the year	558.00	b	
Balance Receivable	Nil	b	
Remuneration to relative & Others			3.10

NOTE 34

- a) The provision for impairment loss as required under Ind AS36 as notified in the Companies (Indian Accounting Standards) Rules 2015 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 ₹ **2.47** and Cash Discount ₹ **24.42**
- c) Dividend received from long term investment in Shares ₹ **2.39**
- d) Stock of Finished Goods includes Stock in transit ₹ **0.26** (Previous Year ₹ **0.22**)
- e) Salary & Wages under the head Employees Benefits Expenses include the expenditure incurred on account of Repairs & Maintenance of Building ₹ **10.55** Machinery ₹ **292.07** and Power & Fuel ₹ **12.05**
- f) The Company has received a grant in the earlier year from National Jute Board against installation of new machinery which has been treated as deferred income and the amount of ₹ 9.54 lakh has been allocated as income during the year in the same proportion to the Income Tax rate of depreciation of the related asset.
- g) Company has one reportable segment as indicated in Ind AS 108 as notified in the Companies (Indian Accounting Standards) Rules 2015.
- h) Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

Capital Management

The Company's policy focuses on maintenance of stable and strong capital base so as to maintain investors, creditors and market conditions to sustain future developments and growth of the business in order to maintain the capital base of the company as a going concern and the return on capital as well as dividend to the shareholders of the company.

Capital includes issued capital and all Equity Reserves and Debts obligation to third party. The Company monitors capital on the following bearing ratio.

	31-Mar-19	31-Mar-18
Total Equity	4139.23	3672.47
Total Debts	648.48	1479.61
Debt Equity Ratio %	15.67	40.29

Financial Risk Management

The Company's financial risk management is integral part of how to plan and execute its business strategies and its risk policies are monitored by the Board. The company's activities exposes it to varieties of risks such as credit risk, liquidity risk and market risks and accordingly frames its policies to minimise the adverse effects.

Credit Risk

- Credit risk is the risk that counter party will not meet its obligation to a financial loss of the company.
- The Company has its policies to limit its exposure to credit risk arising from outstanding receivables from the Customers, review its payment terms, credit limits of each customer periodically.

Liquidity Risk

•Liquidity risk is the risk that the company may face its obligation to timely repayments, its credit facilities.

The Company closely monitors its cash flow and ensuring timely collections of its receivables as well as movements of inventories.

The table below summarises the maturity profile of its liabilities

	31-Mar-19	31-Mar-18
Payable on demand within a year		
Borrowing – Secured	648.48	1479.61
Borrowing – Unsecured	0.00	0.00
Trade Payables	109.10	123.98
Other financial liabilities	1126.11	1110.37
Total - A	1883.69	2713.96
Payable in 1 to 5 Years	0.00	0.00
Total - B	0.00	0.00
Total – (A+B)	1883.69	2713.96

Market Risk

Market risk is the risk of fluctuation of fair value of its products. Since Company's business is manufacture of Jute products, adverse weather conditions, demand/supply gap and interest rate may effect its cash flow, so Company monitors and changes its exposures as well as sales strategies.

Interest Risk

The Company's interest are at fixed rate. Details are given below :-

	31-Mar-19	31-Mar-18
Secured loan - from Bank	9.70%	9.95%
Unsecured loan - Others	9%	9%

Fair Value Measurements**Fair Value Hierarchy**

Fair Value of the financial instruments is classified in various hierarchies based on the following three levels :

Level 1 :	Quoted prices (unadjusted) in active market for identical assets or liabilities
Level 2 :	The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3:	Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). The management considers that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on 31st March 2019. There were no transfers between Level 1, Level 2 and Level 3 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

Financial Assets measured at fair value- recurring fair value measurements as at 31st March 2019

	Level 1	Level 2	Level 3
Investment in Equity Instruments measured at FVOCI	141.94	0.00	2.00
Investment in Debt Securities measured at FVTPL	419.00	0.01	0.00
Total	560.94	0.01	2.00

In terms of the report of even date annexed

For Khandelwal Ray & Co.

Chartered Accountants

Pinaki Sarkar	H.Tapadar	M.C.Singhi	B.S.Rampuria	B.S.Baid
Partner			Directors	
Membership No.051449				
Firm Registration No.302035E				
Place: Kolkata	H.S.Bayed	S.C.Bhutoria	S.Ghose	
Dated: 14th August, 2019	Executive Director	Chief Finance Officer	Company Secretary	