

FORM A

1.	Name of the Company	Swarnsarita Gems Limited
2.	Annual financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un- qualified
4.	Frequency of Audit observation	Not Applicable
5.	To be signed by	
	<ul style="list-style-type: none"> Mr. Mahendra M. Chordia Managing Director 	<i>Mahendra M. Chordia</i>
	<ul style="list-style-type: none"> Mr. Sanket Dangi Chief Financial Officer 	<i>Sanket</i>
	<ul style="list-style-type: none"> Mr. Suresh Anchaliya Membership No. 044960 Auditor of the Company 	<i>Suresh</i>
	<ul style="list-style-type: none"> Mr. Ashok Surana Audit Committee Chairman 	<i>Ashok</i>

SWARNSARITA GEMS LIMITED

CIN No.: L36911MH1992PLC068283 | Email: info@swarnsarita.com | Web: www.swarnsarita.com

Ground Floor, 17/19, Dhanji Street, Mumbai-400 003. Tel.: +91 22 4359 0000 | Fax: +91 22 4359 0010

Production Facility: 419, Hill View Industrial Estate, Behind R City, LBS Marg, Ghatkopar (West), Mumbai-400 086. Tel.: +91 22 2500 4500

204, Shails Mall, 4th Lane, C. G. Road, Ahmedabad-380 007. Tel.: +91 79 2640 5556

Office # 4 A, 3rd Floor, Mansarovar, Opp. Vardaan Market, 3B, Camac Street, Kolkatta (W.B.) - 700 016. Tel.: +91 33 4006 3366, 6500 3366



SWARN SARITA
world class jewellery

23rd

Annual Report 2015 - 2016

Board of Directors



Mr. Mahendra Chordia
Managing Director

Mr. Rajendra Chordia
Executive Director
(Resigned w.e.f. 18.03.2015)

Mr. Sunil Jain
Executive Director

Mrs. Asha Chordia
Additional Whole time Director

Mr. Ashok Surana
Independent Director

Mr. Sunderlal Bothra
Independent Director

Mr. Vishal Nolkha
Independent Director

Chief Financial Officer
Mr. Sanket Dangi

Company Secretary
Ms. Khushbu Gupta

Statutory Auditors
Suresh Anchaliya & Co.

BANKERS

UNION BANK OF INDIA

Zaveri Bazar Branch,
Mumbai-400002.

STATE BANK OF INDIA

SME Backbay Reclamation Branch,
Mittal Court, "B" Wing, Ground Floor,
Nariman Point, Mumbai- 400021.

REGISTERED OFFICE

17/19, Dhanji Street,
Ground Floor,
Mumbai-400 003.

REGISTRAR & SHARE TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road,
Safed Pool, Andheri (East),
Mumbai-400 072.

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NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of **SWARNSARITA GEMS LIMITED** will be held at Agrasen Bhavan, 90 feet Road, Garodiya Nagar, Ghatkopar (East), Mumbai-400077 on **Wednesday, 23rd September, 2015** at **10.00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the standalone and consolidated Audited Financial Statements as at 31st March, 2015 together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sunil Jain, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 139 and other applicable provision of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Suresh Anchaliya & Co., Chartered Accountants, Mumbai (Regn. 112492W) be and are hereby re- appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held for the Financial Year ended 2019 (subject to ratification of their appointment at the next AGM), at such remuneration and out of pocket expenses, as may be decided by the Audit Committee of the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mrs. Asha Chordia [DIN: 00175804], who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th November, 2014 and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member of the Company proposing her appointment as a Director of the Company and who has consented, if appointed, to act as a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."
"RESOLVED FURTHER THAT in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the appointment of Mrs. Asha Chordia [DIN: 00175804] as a Whole-time Director, designated as Executive Director of the Company, for a period of 5 (five) years with effect from November 14, 2014 and ending of November 13, 2019 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Mrs. Asha Chordia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."
"RESOLVED LASTLY THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient and any Director of the Company be and is hereby authorized to do such acts, matters, deeds and things as may be necessary and incidental to give effect to this resolution including filing of relevant e-Form(s) with the Registrar of Companies, Maharashtra at Mumbai under the Ministry of Corporate Affairs."
5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), approval of the Company be and is hereby accorded to the revision in the remuneration of Mr. Sunil Jain (DIN: 00175748) being Whole-time Director, designated as Executive Director of the Company, from existing limit of ₹ 5,00,000/- (Rupees Five Lacs) per annum to increased limit of ₹19,00,000/- (Rupees Nineteen Lacs) per annum for the remaining period of his tenure which expires on 29th May 2020 with the rest of the terms and conditions of his appointment as such remaining the same as approved by the Members of the Company at their 20th Annual General Meeting, subject to the same not exceeding the limits as specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."
"RESOLVED FURTHER THAT the Board of Directors (which term shall include any Committee(s) of the Board) be and is hereby authorized to sign and execute such forms, papers, documents, deeds and instrument and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient by them for the purpose of giving effect to this resolution."
6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 94 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act and the rules and regulations as may be prescribed under the Act, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for keeping the Register and Index of members of the Company along with share transfer books and copies of all the Annual Returns prepared by the Company under Companies Act, 2013 together with copies of all certificates and documents required to be annexed or any one or more of them be kept at a place other than the registered office of the Company at the Company's main administrative office, situated at 419, Hill View Industrial Estate, Behind R City Mall, LBS Marg, Ghatkopar (West), Mumbai - 400086.
"RESOLVED FURTHER THAT the Board of Directors (which term shall include any Committee(s) of the Board) be and is

hereby authorized to sign and execute such forms, papers, documents, deeds and instrument and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient by them for the purpose of giving effect to this resolution."

Place : Mumbai
Date : 22nd August, 2015

For and on behalf of the Board of Directors
Mahendra M. Chordia
Managing Director
DIN: 00175686

REGISTERED OFFICE:

17/19, Ground Floor, Dhanji Street,
Mumbai- 400 003. Maharashtra.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Managing Director, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
3. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. The Register of Members and Share Transfer Books will remain closed from Wednesday, 16th September, 2015 to Wednesday, 23rd September, 2015 (both days inclusive).
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & Public holidays between 12.00 p.m. to 2.00 p.m. up to the date of Annual General Meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. Members are requested to notify immediately any change in their address/bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at SHAREX DYNAMIC (INDIA) PRIVATE LIMITED, Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072 in respect of their physical share folios.
9. Members are requested to bring their copy of Annual Report to the Meeting along with their respective Attendance Slip sent herewith duly filled for attending the Meeting.
10. Since the securities of the Company are compulsorily tradable in electronic form, to ensure better investor service and elimination of risk of holding securities in physical form, it is requested that the members holding shares in physical form to get their shares dematerialized at the earliest.
11. Explanatory statement pursuant to section 102(1) of the Companies Act, 2013 is annexed for items of the Special Businesses in the Notice of AGM.
12. **Instructions for Voting through electronics means:**
- a. In compliance with provisions of Section 108 of the Companies Act, 2013 Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 23rd Annual General Meeting (AGM) by electronic means and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL):
The instructions for e-voting are as under:
 - (i) The voting period begins on Sunday, September 20, 2015 (9:00 am) and ends on Tuesday, September, 22, 2015 (5:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 16, 2015, may cast their vote electronically.
 - (ii) The shareholders should log on to the e-voting website during the voting period.
 - (iii) Click on "Shareholders" tab.
 - (iv) Now, select the "Swarnsarita Gems Limited" from the drop down menu and click on "SUBMIT"
 - (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID.
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (vi) Next enter the Image Verification as displayed and Click on Login.

- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 [Eight] digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Rajesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat amount or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Swarnsarita Gems Limited on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders & Custodians:
Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user. It should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) The voting rights of the members shall be in proportion to their of paid-up equity share capital of the Company as on relevant date of September 16, 2015.
- (xxii) Mr. Deep Shukla, has been appointed as the scrutinizer to scrutinize the e-voting process in fair and transparent manner.
- (xxiii) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- (xxiv) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.swarnsarita.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchange.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item No. 4:

Mrs. Asha Chordia (**DIN: 00175804**) was appointed as an Additional Director of the Company w.e.f. 14th November, 2014, and subsequently as the Whole time Director of the Company for a period of five years.

Mrs. Asha Chordia (**DIN: 00175804**), aged 45 years is proposed as an Executive Director of our Company. She has good experience of over 15 years in the field of Gold and Diamond industry. Taking into consideration such vast experience and knowledge which shall be beneficial to the progress and growth of the Company, it is proposed to appoint Mrs. Asha Chordia as an Executive Director of the Company. The rest of the terms and conditions as approved by the Members at their 23rd Annual General Meeting remains the same.

The details of remuneration as approved by the Remuneration Committee are as given below:

CATEGORY	PARTICULARS
Basic Salary	Up to maximum ₹ 10,00,000/- (Rupees Ten Lacs Only) per annum based on merit and taking into account the Company's Performance.
Perquisites and Allowances	<p>Category A Medical Reimbursement: Medical expenses actually incurred for self and family shall be reimbursed by the Company under the Mediclaim Policy.</p> <p>Leave Travel Concession: Company shall provide leave travel fare for the Chairman and his family once a year, anywhere in India as per the Rules applicable to the Company and as per Income Tax Rules.</p> <p>Category B The Company shall contribute toward provident Funds/Superannuation Fund/ Annuity Fund, as agreed upon, provided that such contributions either singly or put together shall not exceed the tax free limit prescribed under the IT Act. The Company shall pay Gratuity, as agreed upon, at the rate not exceeding half month's salary for each completed year of service. Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per Company rules. The perquisites under this category shall not be included in the computation of ceiling on remuneration.</p> <p>Category C The Executive Director shall be entitled to reimbursement of all expenses incurred in connection with the business of the Company. Reimbursement of all expenses incurred in connection with the business of the Company. Reimbursement of entertainment expenses actually and properly incurred on Company's business shall be reimbursed to the Whole time Director.</p>
Sitting Fees	The Executive Director shall not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof. She shall, however be reimbursed the actual travelling, lodging and boarding expenses incurred by her for attending meeting of the Board of Directors and the Committees thereof.
Minimum Remuneration	The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and subject further to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Whole Time Directors of the Company taken together. Provided however that in the event of absence or inadequacy of profit, the Whole time Director shall be entitled to remuneration mentioned under above and perquisites as above within the minimum remuneration specified in Schedule of the Companies Act, 2013. However, Whole time Director shall not be paid any sitting fees for attending the Board or Committee meetings.
Liable to retire by rotation	The office of the whole time Director shall be liable to determination to retirement of Directors by rotation.

Except Mr. Mahendra M Chordia (Husband) and Mrs. Asha Chordia (being herself), no other Director of the Company may be deemed to be concerned or interested in passing of said resolution.

Your Directors recommend the said Resolution for your approval.

Item No. 5:

Mr. Sunil Jain, aged 41 years was appointed as a Whole time Director of the Company. He is from Commerce background and has good experience of over 20 years in the field of Gold and Diamond industry. Taking into consideration such vast experience and knowledge which shall be beneficial to the progress and growth of the Company, it is proposed to reward Mr. Sunil Jain with increase in his upper limit of remuneration from existing limit of ₹ 5,00,000/- (Rupees Five Lacs) per annum to increased limit of ₹19,00,000/- (Rupees Nineteen Lacs) per annum for the remaining period of his tenure which expires on 29th May 2020 with the rest of the terms and conditions of his appointment as such remaining the same as approved by the Members of the Company at their 20th Annual General Meeting, subject to the same not exceeding the limits as specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

Except Mr. Sunil Jain (being himself), no other Director of the Company may be deemed to be concerned or interested in passing of said Resolution.

Your Directors recommend the said Resolution for your approval.

Item No. 6:

Under the provisions of Section 94 of the Companies Act, 2013 certain documents such as the Register and index of member of the Company along with share transfer books and copies of all the Annual Returns prepared by the Company under Companies Act, 2013 together with copies of all certificates and documents required to be maintained at the registered office of the Company unless a special resolution is passed in a general meeting authorizing the keeping of the register at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total member entered in the register of members reside.

In view of the enabling provisions of Companies Act, 2013 it is proposed to keep the aforementioned Registers and documents at the Company's main administrative office, situated at 419, Hill View Industrial estate, Behind R City Mall, LBS Marg, Ghatkopar (West), Mumbai - 400086.

Your Directors recommend the said Resolution for your approval.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 22nd August, 2015

Mahendra M. Chordia
Managing Director
DIN: 00175686

REGISTERED OFFICE:

17/19, Ground Floor, Dhanji Street,
Mumbai- 400 003. Maharashtra.

Details of Directors seeking appointment/re-appointment at the Annual General Meeting
(In pursuance of Clause 49 of the Listing Agreement)

Names of Directors	Age	Nature of expertise	Qualification	Other Directorships	Membership in the committees of other Public Companies	Share Holding
Mrs. Asha Chordia	45	15 years' experience in Gold & Diamond Jewellery	S.S.C	1	NIL	NIL
Mr. Sunil Jain	41	20 years' experience in Gold & Diamond Jewellery	H.S.C	1	NIL	NIL

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting their 23rd Annual Report on the Audited Statement of Accounts for the Financial Year ended March 31, 2015.

1. FINANCIAL RESULTS

Amt. in ₹

	Consolidated		Standalone	
Particulars	2014-2015	2013-2014	2014-2015	2013-2014
Gross Income	2437728547	1723329597	2431461302	1718325655
Profit Before Interest and Depreciation	81268669	40025208	79339344	35083641
Finance Charges	32853087	13160412	32853087	8074204
Provision for Depreciation	1349696	835041	1185836	671181
Net Profit Before Tax	47065886	26029755	45300421	26338256
Provision for Tax	15103188	5232783	14351626	5232783
Net Profit After Tax	31962698	20796971	30948795	21105473
Balance of Profit brought forward	399090482	378293511	399615142	378509670
Balance available for appropriation	0	0	0	0
Proposed Dividend on Equity Shares	0	0	0	0
Tax on proposed Dividend	0	0	0	0
Transfer to General Reserve	0	0	0	0
Surplus carried to Balance Sheet	431053180	399090482	430563937	399615143

2. Brief description of the Company's working during the year/State of Company's affair

The consolidate total income increased from ₹ 17,23,32,959/- to ₹ 2,43,77,28,547/- increase of 41.45% over the previous financial year. The consolidated Net Profit after Tax increase from ₹ 2,07,96,971/- to ₹ 3,19,62,698/-, a growth of 53.69% over the previous financial year. The detailed analysis of the consolidated results forms part of the Management Discussion & Analysis Report provided separately as part of the Annual Report.

The standalone total income increase from ₹ 1,71,83,25,655/- to ₹ 2,43,14,61,302/- an increase of 41.50% over the previous financial year. The standalone Profit After Tax increase from ₹ 2,11,05,473/- to ₹ 3,09,48,795/- an increase of 46.64% over the previous financial year.

3. DIVIDEND

Your Directors do not recommend any dividend for the financial year ended March 31, 2015 in view to conserve the resources of the Company for any future expansion programme.

4. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on 31st March, 2015 is ₹ 20,87,68,000/- comprising of 20876800 shares of ₹ 10/- each. During the year under review, the Company has not issued any equity shares.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Sunil Jain, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for reappointment.

During the year, Mrs. Asha Chordia was appointed as an Additional Director designated as Executive Director, of the Company. Further, Mr. Rajendra Chordia has resigned as Director of the Company w.e.f. 18th March, 2015.

Ms. Khushbu Gupta has been appointed as the Company Secretary of the Company w.e.f. 29th May, 2015. and Mr. Sanket Dangi has been appointed as the Chief Financial Officer of the Company w.e.f. 05th July, 2015.

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors 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 and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. PARTICULARS OF MANAGERIAL REMUNERATION

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is enclosed as **Annexure I** and forms part of this Report.

8. NUMBER OF BOARD MEETINGS

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, Six (6) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

9. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The Directors expressed satisfaction with the evaluation process. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

10. INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as Independent Director, under the provisions of section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

11. NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained in the Corporate Governance Report.

12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on March 31, 2015, your Company has one subsidiary.

13. STATUTORY AUDITORS' AND AUDITORS' REPORT

M/s Suresh Anchaliya & co., Chartered Accountants, who are the statutory auditors of the Company, hold office until the conclusion of the ensuing AGM to be held for the Financial Year ended 2019 and are eligible for re-appointment. As required by the provision of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM.

AUDITORS' REPORT:

The Board has duly reviewed the statutory Auditors' Report on the Accounts. The observations and comments appearing in the Auditors' Report are self-explanatory and do not call for any further explanations/comments/clarification by the Board.

14. SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made there under, M/s. Deep Shukla & Associates, Practicing Company Secretaries have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as **Annexure V** to this report.

Explanation under Section 134(3)(f)(ii) of the Companies Act, 2013:

Appointment of Company Secretary:

The Board of Directors, after extensive search of suitable candidate, was in a position to appoint a Company Secretary in the whole time in employment w.e.f. 29th May 2015.

Appointment of Chief Financial Officer:

The appointment of Chief Financial Officer of the Company was made w.e.f. 12th August 2015 as no suitable candidate was available as per the appointment criteria of the Company.

15. INTERNAL AUDIT & CONTROLS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal Control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observation and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Further, M/s. Hiran & Associates, Chartered Accountants issued their Internal Audit Report for the financial year ended 31st March 2015.

16. EMPLOYEES' STOCK OPTION PLAN

The Company has not provided stock options to any employee of the Company.

17. VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.swarnsarita.com. The employees of the Company are made aware of the said policy at the time of joining the Company.

18. RISK MANAGEMENT POLICY

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board annually to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

19. EXTRACT OF ANNUAL RETURN:

The details forming part of the Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as **Annexure II** and forms part of this Report.

20. DEPOSITS

The Company has not accepted nor renewed any fixed deposits during the FY 2014-2015.

21. LOANS, INVESTMENTS & GUARANTEES

Particulars of loan given, investments made, guaranttes given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to the standalone financial statement. (Please refer to Note Nos. 3, 8 & 10 to the standalone financial statement).

22. RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 shall be disclosed in Form No. AOC-2.As **Annexure III**.

23. CORPORATE GOVERNANCE CERTIFICATE

A Report on Corporate Governance alongwith a certificate from the Auditors of the Company regarding the compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement forms a part of this Annual Report.

24. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, which gives a detailed state of affairs of the Company's operations form a part of this Annual Report.

25. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

As the Company is not covered in the list of industries required to furnish information in form "A" relating to Conservation of Energy, the same is not given. Even though its operations are not energy-intensive, significant measures are taken to reduce energy consumption by using energy – efficient equipment. The Company regularly reviews power consumption and thereby achieve cost savings.

However, as a part of the Company's conservation of energy programme, the management has appealed to all the employees/workers to conserve energy. The management has set up an on-going process for optimum utilization of machines. The measures taken have resulted in saving in cost of production, power consumption and processing time.

RESEARCH AND DEVELOPMENT (R&D)

R & D is focused on the development of new products both for export and domestic markets. Due emphasis is placed on improving quality standards with enhanced customer satisfaction. This was primarily achieved through process improvements, control on systems, reduction of waste and energy conservation. Effective use of tools and small group activities with the technological support resulted in controlling the variations in process, maximizing the productivity and minimizing the cost of production.

TECHNOLOGY ABSORPTION

Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

FOREIGN EXCHANGE

The Company has transaction in foreign currencies are normally recorded at the average exchange rate prevailing during the period of transaction.

FOREIGN CURRENCY TRANSACTIONS:-

Particulars	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Remittance in Foreign Exchange	Nil	Nil
Earning in Foreign Exchange	74,46,07,665/-	Nil
Export Sales	73,36,37,670/-	Nil

26. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred a sum of ₹ 2,34,999/- to Investor Education & Protection Fund, the amount which was due and payable and remained unclaimed and unpaid for a period of seven years, for the F.Y. 2006-2007 as provided under the Companies Act, 2013. So far a total sum of ₹ 2,34,999/- has been transferred to the fund.

27. GENERAL

During the year under review, no revision was made in the financial statement of the Company.

During the year ended 31st March, 2015, there were no cases filed/reported pursuant to the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

28. HUMAN RESOURCES

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

29. ACKNOWLEDGEMENT

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, cooperation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For Swarnsarita Gems Limited

Mahendra M. Chordia
Managing Director
DIN: 00175686

Sunil Jain
Executive Director
DIN: 00175748

Annexure I

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and
- The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary of the Company in the financial year 2014-15

Name & Designation	Remuneration of each Director & KMP for Financial Year 2014-15 (₹)	% increase in remuneration in the Financial Year 2014-15	Ratio of remuneration of each Directors to median remuneration of employees
A. Directors			
Mr. Mahendra M Chordia, MD	25,00,000	66.67%	13.42
Mr. Sunil Jain, ED	5,00,000	4.17%	2.68
Mr. Ashok Surana, I-NED	-	-	-
Mr. Sunderlal Bothra, I-NED	-	-	-
Mr. Rajendra Chordia* **ED	5,00,000	NA**	2.68
Mr. Vishal Nolkha, I-NED	-	-	-
Mrs. Asha Chordia**** ED	-	-	-
B. Key Managerial Personnel			
Mr. Mahendra M Chordia, MD	25,00,000	66.67%	13.42

MD - Managing Director, I-NED - Independent, Non-Executive Director, ED- Executive Director.

Notes:

- ** The Company had not paid Remuneration to Mr. Rajendra Chordia during the financial Year 2013-2014 and also Mr. Rajendra Chordia ceased to be Directors w.e.f. March 18th, 2015,
- Median remuneration of all the employees of the Company for the financial year 2014-15 is ₹ 1,86,250/-.

- The percentage increase in the median remuneration of employees in the financial year 2014-15

	Financial Year 2014 - 15 (₹)	Financial Year 2013 - 14 (₹)	Decrease (%)
Median remuneration of all employees	1,86,250	1,97,500	5.7

Note: The calculation of % decrease in the median remuneration has been done based on comparable employees.

- The number of permanent employees on the rolls of Company.

There were 16 (Sixteen) permanent employees on the rolls of Company as on March 31, 2015.

- The explanation on performance of the Company.

Profit before Tax increased by 72% and Profit after Tax increased by 46.64% in financial year 2014-15.

- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

The total remuneration of Key Managerial Personnel (KMPs) increased from ₹ 19,80,000 in the Financial Year 2013-14 to ₹ 35,00,000 in the Financial Year 2014-15, an increase of 76.76 %, whereas Profit before Tax increased by 72 % and Profit After Tax increased by 46.64% in financial year 2014-2015. The increase in the total remuneration of KMPs was based on the overall performance of the Company and the individual performance of the concerned employee during the previous Financial Year.

- Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year.

- The market capitalization as on March 31, 2015 was ₹ 6,00,122,880/- crore (₹ 8,07,457,000/- crore as on March 31, 2014).
- Price Earning ratio of the equity shares of the Company was 19.46 as at March 31, 2015 and 38.37 as at March 31, 2014.

- viii. **Average percentile decrease 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.**

Average percentile decrease in the salaries of employee other than the MD in the Financial Year 2014-15 was 5.7% and the increase in the salary of the MD was 66.67%.

- ix. **The comparison of the each remuneration of Key Managerial Personnel against the performance of the Company during the Financial Year 2014-15 is as under:**

	Remuneration of each KMP for FY 2014-15	% increase remuneration in FY 2014-15	Comparison of remuneration of the KMPs against the performance of the Company
Mahendra M. Chordia	25,00,000	66.67	% Profit Before Tax increased by 72% and Profit After Tax increased by 46.64% in financial year 2014-15

Note: The increase in the total remuneration of the KMPs is based on the overall performance of the Company and the individual performance of the concerned employee during the previous Financial Year. For MD, the Nomination & Remuneration Committee awarded a onetime market correction in remuneration, as explained in clause (viii) above

- x. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.**

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

- xi. **Affirmation that the remuneration is as per the Remuneration Policy of the Company**

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

Annexure II

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2015
[Pursuant to Section 92(3) of the Companies act, 2013 read with
[The Companies (Management and Administration) Rules, 2014] FORM NO. MGT-9

A. REGISTRATION AND OTHER DETAILS:

CIN:-	L36911MH1992PLC068283
Registration Date:	25.08.1992
Name of the Company:	Swarnsarita Gems Ltd.
Category/Sub-Category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office and contact details:	17/19 GROUND FLOOR, DHANJI STREET, MUMBAI-400003.
Whether listed company	LISTED
Name, Address and Contact details of Registrar and Transfer Agent, if any	SHAREX DYNAMIC (INDIA) PRIVATE LIMITED ADD: LUTHRA IND PREMISES, UNIT-1, SAFEED POOL, ANDHERI KURLA ROAD, and ANDHERI EAST, MUMBAI-400072.

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service% to total turnover of the company	% to total turnover of the company
a.	Manufacturing of Gold Jewellery	32111	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held
a	SWARNSARITA REALTY PRIVATE LIMITED	U45400MH2012PTC232896	Subsidiary	100%

D. SHARE HOLDING PATTERN

i) Category-wise Share Holding										
Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2014				% of Total Shares	No. of Shares held at the end of the year 31/03/2015				% Change during the year
	Demat	Physical	Total			Demat	Physical	Total	% of Total Shares	
A. PROMOTER'S										
(1) INDIAN										
(a) Individual	0	0	0			0	0	0		0
(b) Central Govt.										
(c) State Govt(s).	0	0	0			0	0	0		0
(d) Bodies Corp.	7128761	0	7128761	34.147		7128761	0	7128761	34.147	0
(e) FIINS / BANKS.	0	0	0			0	0	0		0
(f) Any Other		0					0			0
Sub-total (A) (1):-	7128761	0	7128761	34.147		7128761	0	7128761	34.147	0
(2) FOREIGN										
(a) Individual NRI / For Ind	0	0	0			0	0	0		0

(b) Other Individual									
(c) Bodies Corporates	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(f) Any Other Specify	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	7128761	0	7128761	34.147	7128761	0	7128761	34.147	0
(B) (1) PUBLIC SHAREHOLDING									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks/FI	0	0	0	0	0	0	0	0	0
(c) Central Govt.									
(d) State Govt.	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

2. Non-Institutions									
(a) BODIES CORP.									
(i) Indian	3652108	2300	3654408	17.505	3994049	2300	3996349	19.143	1.638
(ii) Overseas									
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1258368	637225	1895593	9.08	1233588	630725	1864313	8.93	-0.15
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7394096	0	7394096	35.418	7787291	0	7787291	37.301	1.883
(c) Other (specify)									
Non Resident Indians	9100	90700	99800	0.478	9675	90200	99875	0.478	0
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals		0				0			0
Clearing Members	704142	0	704142	3.373	211	0	211	0.001	-3.372

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Trusts		0				0			0
Foreign Boodies - D R		0				0			0
Sub-total (B)(2):-	13017814	730225	13748039	65.854	13024814	723225	13748039	65.853	-0.001
Total Public Shareholding (B)=(B) (1)+ (B)(2)	13017814	730225	13748039	65.854	13024814	723225	13748039	65.853	-0.001
C. Shares held by Custodian for GDRs & ADRs									0
Grand Total (A+B+C)	20146575	730225	20876800	100.00	20153575	723225	20876800	100.00	-0.001

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015			
		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	% change in share holding during the year
1	SWARN SARITA JEWELLERS PVT LTD	7128761	34.147	8.977	7128761	34.147	24.567	-

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

SI No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015			
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
	N.A.							

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

SI. No	Name	No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
1	LGNC LIMITED	97000	0.465	01/04/2014				
				30/06/2014	500145	Transfer	597145	2.86
				04/07/2014	33000	Transfer	630145	3.018
				17/09/2014	53000	Transfer	683145	3.272
				30/09/2014	54000	Transfer	737145	3.531
	Closing Balance			31/03/2015	-		737145	3.531
2	EMERGING CAPITAL ADVISORS LIMITED	144152	0.69	01/04/2014				
				04/04/2014	1744	Transfer	145896	0.699
				25/04/2014	107336	Transfer	253232	1.213
				09/05/2014	13601	Transfer	266833	1.278
				23/05/2014	41399	Transfer	308232	1.476
				30/05/2014	25800	Transfer	334032	1.6
				06/06/2014	31000	Transfer	365032	1.749

					13/06/2014	10000	Transfer	375032	1.796
					20/06/2014	10000	Transfer	385032	1.844
					30/06/2014	38044	Transfer	346988	1.662
					11/07/2014	6500	Transfer	353488	1.693
					18/07/2014	6500	Transfer	359988	1.724
					25/07/2014	150000	Transfer	509988	2.443
					01/08/2014	3700	Transfer	513688	2.461
					22/08/2014	8130	Transfer	521818	2.5
					29/08/2014	2370	Transfer	524188	2.511
					05/09/2014	8389	Transfer	532577	2.551
					12/09/2014	14395	Transfer	546972	2.62
					17/09/2014	2057	Transfer	549029	2.63
					30/09/2014	30000	Transfer	519029	2.486
					10/10/2014	100000	Transfer	619029	2.965
					24/10/2014	15000	Transfer	634029	3.037
					21/11/2014	51000	Transfer	685029	3.281
					30/01/2015	10000	Transfer	675029	3.233
					06/02/2015	30000	Transfer	645029	3.09
					13/02/2015	200000	Transfer	445029	2.132
					27/02/2015	20000	Transfer	465029	2.227
					06/03/2015	16350	Transfer	448679	2.149
					13/03/2015	77000	Transfer	371679	1.78
		Closing Balance			31/03/2015	-		371679	1.78
	3	GRACEUNITED REAL ESTATE PRIVATE LIM	1115178	5.342	01/04/2014				
					02/05/2014	20000	Transfer	1095178	5.246
					15/08/2014	25000	Transfer	1070178	5.126
					22/08/2014	43000	Transfer	1027178	4.92
					29/08/2014	1300	Transfer	1025878	4.914
					31/12/2014	1338	Transfer	1027216	4.92
					09/01/2015	20813	Transfer	1006403	4.821
					16/01/2015	183525	Transfer	822878	3.942
		Closing Balance			31/03/2015	-		822878	3.942
	4	ASHOKKUMAR S JAIN (HUF)	250000	1.198	01/04/2014				
		Closing Balance			31/03/2015	-		250000	1.198
	5	ASHOK SHANTILAL JAIN	250000	1.198	01/04/2014				
		Closing Balance			31/03/2015	-		250000	1.198
	6	SPARKLINE MERCANTILE COMPANY PVT LTD.	800000	3.832	01/04/2014				
					06/03/2015	80000	Transfer	720000	3.449
		Closing Balance			31/03/2015	-		720000	3.449
	7	SPARKLE SECURITIES SOLUTIONS PVT LTD.	567588	2.719	01/04/2014				
					04/04/2014	332686	Transfer	900274	4.312
					11/04/2014	14000	Transfer	914274	4.379
					18/04/2014	64600	Transfer	978874	4.689
					02/05/2014	13425	Transfer	965449	4.625
					09/05/2014	60450	Transfer	1025899	4.914

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					16/05/2014	58275	Transfer	1084174	5.193
					23/05/2014	52500	Transfer	1031674	4.942
					30/05/2014	79826	Transfer	1111500	5.324
					06/06/2014	6677	Transfer	1104823	5.292
					13/06/2014	101000	Transfer	1003823	4.808
					20/06/2014	42400	Transfer	1046223	5.011
					30/06/2014	583385	Transfer	462838	2.217
					04/07/2014	37000	Transfer	499838	2.394
					11/07/2014	48870	Transfer	548708	2.628
					18/07/2014	33100	Transfer	581808	2.787
					25/07/2014	1900	Transfer	583708	2.796
					01/08/2014	10001	Transfer	593709	2.844
					15/08/2014	10500	Transfer	604209	2.894
					22/08/2014	499	Transfer	604708	2.897
					29/08/2014	27310	Transfer	577398	2.766
					05/09/2014	164300	Transfer	741698	3.553
					12/09/2014	42000	Transfer	783698	3.754
					17/09/2014	20000	Transfer	763698	3.658
					19/09/2014	10000	Transfer	753698	3.61
					30/09/2014	420804	Transfer	332894	1.595
					10/10/2014	32000	Transfer	300894	1.441
					24/10/2014	52800	Transfer	353694	1.694
					31/10/2014	51440	Transfer	405134	1.941
					07/11/2014	24099	Transfer	429233	2.056
					14/11/2014	196343	Transfer	232890	1.116
					21/11/2014	92450	Transfer	140440	0.673
					28/11/2014	12828	Transfer	153268	0.734
					05/12/2014	750	Transfer	154018	0.738
					12/12/2014	24350	Transfer	178368	0.854
					19/12/2014	493	Transfer	178861	0.857
					31/12/2014	80058	Transfer	258919	1.24
					02/01/2015	515	Transfer	259434	1.243
					09/01/2015	14700	Transfer	274134	1.313
					16/01/2015	72811	Transfer	346945	1.662
					23/01/2015	197917	Transfer	544862	2.61
					30/01/2015	7507	Transfer	552369	2.646
					06/02/2015	20000	Transfer	572369	2.742
					13/02/2015	42769	Transfer	615138	2.947
					20/02/2015	148091	Transfer	467047	2.237
					27/02/2015	80683	Transfer	386364	1.851
					06/03/2015	17376	Transfer	403740	1.934
					20/03/2015	30000	Transfer	373740	1.79
					27/03/2015	70278	Transfer	444018	2.127
		Closing Balance			31/03/2015	12500	Transfer	456518	2.187
	8	SHIVAJIRAO S JONDHALE	15000	0.072	25/04/2014				
					02/05/2014	12000	Transfer	3000	0.014
					09/05/2014	50000	Transfer	53000	0.254
					16/05/2014	40000	Transfer	93000	0.445
					12/12/2014	2000	Transfer	91000	0.436
					20/02/2015	200000	Transfer	291000	1.394

					13/03/2015	10000	Transfer	301000	1.442
					20/03/2015	29000	Transfer	330000	1.581
		Closing Balance			31/03/2015	-		330000	1.581
	9	CHAMPALAL CHOUHAN	400000	1.916	01/04/2014				
		Closing Balance			31/03/2015	-		400000	1.916
	10	VIMLAASHOKKUMAR JAIN	250000	1.198	01/04/2014				
		Closing Balance			31/03/2015	-		250000	1.198

(v) Shareholding of Directors and Key Managerial Personnel:

				Shareholding at the beginning of the year 01/04/2014		Cumulative Shareholding during the year 31/03/2015	
Sl. No				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		At the beginning of the year		0	0.000	0	0.000
		At the End of the year		0.000	0	0	0.000

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	149,050,026.000	0.000	0.000	149,050,026.000
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		0.000	0.000	
Change in Indebtedness during the financial year				
• Addition	334,442,101.000	0.000	0.000	334,442,101.000
• Reduction				
Net Change	334,442,101.000	0.000	0.000	
Indebtedness at the end of the financial year				
i) Principal Amount	483,492,127.000	0.000	0.000	483,492,127.000
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i+ii+iii)	483,492,127.000			

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MD	WTD	
1	Gross salary	2,500,000.000	500,000.000	3,000,000.000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			0.000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.000	0.000	0.000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.000	0.000	
		0.000	0.000	0.000
2	Stock Option	0.000	0.000	0.000
3	Sweat Equity	0.000	0.000	0.000

4	Commission	0.000	0.000	0.000
	- as % of profit	0.000	0.000	0.000
	- others, specify...	0.000	0.000	0.000
5	Others, please specify	0.000	0.000	0.000
	Total (A)	0.000	0.000	0.000
	Ceiling as per the Act	(Being 5% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)		

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of Directors/Manager	Total Amount
	1. Independent Directors	Not Applicable	
	• Fees for attending board/committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
	2. Other Non-Executive Directors		
	• Fees 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/WT

	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
	Others, please specify				
	Total				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishments/compounding of offences for the year ended 31st March, 2015

Place: Mumbai

Date : August 22, 2015

Annexure - III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Swarnsarita Gems Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2014-2015.

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	1. Swarnsarita Reality Private Limited-wholly owned subsidiary Company. 2. Mahendra M. Chordia - Key Managerial Personnel. 3. Swarnsarita Jewellers Private Limited - Associate Company.
b)	Nature of contracts/arrangements/transaction	Purchase, Rent
c)	Duration of the contracts/arrangements/transaction	Rent: From 01/04/2014 to 31/03/2015 Purchase of fixed Assets: 01/01/2015
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	29 th March, 2014
f)	Amount paid as advances, if any	NIL

For Swarnsarita Gems Limited

Mahendra M. Chordia
Managing Director
DIN: 00175686

Sunil Jain
Executive Director
DIN: 00175748

Place: Mumbai
Date: 22nd August, 2015

Annexure - IV

Statement of Particulars of employees pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Name	Designation/ Nature of Duties	Remuneration Received [₹]	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held
1	2	3	4	5	6	7	8	9
N.A								

Note:

As per the provisions specified in Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 none of the employees of the Company are in receipt of remuneration exceeding ₹ 60,00,000/- per annum, if employed for whole of the year or ₹ 5,00,000/- per month, if employed for part of the year.

ANNEXURE V

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2015

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

To

The Members

SWARNSARITA GEMS LIMITED

17/19, Ground Floor

Dhanji Street

Mumbai- 400003.

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;(to the extent as may be applicable, taking into consideration the business operations of the Company);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
 - (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 Audit Period**); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not Applicable to the Company during the Audit Period**);
- (vi) There were no other specific laws applicable to the Company, taking into consideration the business operations of the Company. I have also examined compliance with the applicable clauses of the following:
 - (a) Secretarial Standards issued by The Institute of Company Secretaries of India (**Not Applicable to the Company during the audit period**)
 - (b) The Listing Agreements entered into by the Company with the Stock Exchanges viz BSE Ltd (BSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except appointment of Company Secretary and Chief Financial Officer.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and the Committee Meetings were carried out unanimously as recorded in the minutes of the Board of Directors and minutes of the Committee Meetings as the case may be.

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 there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

**For DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES**

**Place: Mumbai
Date: 22nd August, 2015**

**DEEP SHUKLA
(Proprietor)
FCS: 5652
CP NO.5364**

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To

The Members

SWARNSARITA GEMS LIMITED

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For: DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES**

**Place: Mumbai
Date: 22nd August, 2015**

**DEEP SHUKLA
(Proprietor)
FCS: 5652
CP NO.5364**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

❖ **FORWARD-LOOKING STATEMENTS**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

❖ **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Gem & Jewellery Export Promotion Council (GJEPC) announced the annual performance for the Indian Gem & Jewellery sector, declaring a contribution of US\$39898.81 million to India's coffers in terms of foreign exchange earnings. In the year 2014-15, the G&J industry successfully battled several economic issues including the downturn in China, the political and terrorist unrest in Middle east, declining European market and the suffering Russian Ruble, which had a direct and adverse impact on the G & J exports that saw survive in these trying, owing to the significant actions taken towards divesting in the USA and UAE to boost export trade from India.

GJEPC's thrust areas in alignment with the "Make in India" campaign will mainly include implementation of the much awaited turnover taxation system for Indian Diamond Industry and implementation of Special Notified Zone in Bharat Diamond Bourse to facilitate smooth movement of rough diamonds on consignment basis by RBI approved overseas diamond miners, in year 1. In the mid-term, GJEPC will champion the mission to further industry growth and strongly establish India as a global diamond trading hub. This includes skill and talent development, working with the GOI to commission exploration programmers and surveys to ascertain availability of rough diamonds and colored gemstones in India. The Government of India may spearhead initiatives to legalize current mining activity through and appropriate licensing framework and develop a regulatory framework for new mining and exploration.

❖ **BUSINESS OVERVIEW**

The Sales during the year 2014-15 are higher at ₹ 2,43,14,61,302 as compared to ₹ 1,71,83,25,655 in the previous year on account of economic recession resulting in award of lesser number of contracts.

❖ **MARKETING**

The Company is setting up a good marketing team to enter to increased turnover.

❖ **SWOT**

Our strength is our determination and team work, weakness is the low equity base, opportunities are multiples and threats are the vibrations in the economy and government policies.

The financial highlights are as under: -

₹

Sales for the year 2014-2015	2,43,14,61,302
Provision for taxation	1,43,51,626
Profit after tax	3,09,48,795
Paid up equity share capital as on 31 st Mar' 2015	20,87,68,000

❖ **INTERNAL CONTROL**

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's Audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective.

❖ **OUTLOOK**

Vipul Shah, chairman of GJEPC noted that India and Russia are natural diamond partners given Indian's position as a major diamond polishing hub and Russia's investment in mining and exploration. "The visit of H.E. Vladimir Putin, President of Russia to India during the World Diamond Conference is of great significance and we are hopeful that the government of India will accept our proposals for direct sourcing and a special notified Zone in India and will announce the revised structure at this forum," Shah said.

The Gem & Jewellery Export Promotion Council continued with its various initiatives aimed at promoting international as well as domestic trade in India. Some of the initiatives included India International Jewellery week (IIJW), India International Jewellery Show (IIJS), India Pavillions at global exhibitions including the latest initiatives of Beijing International Jewellery Fair 2015 in China and Vicenza Oro Dubai 2015, Smart Jewellery Show 2015 in Chicago, Budget recommendations to the Government of India and regular industry reports.

❖ **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

❖ **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

Provisional gross export of Gold jewellery for the period April 14 – March 15 at US\$ 9852.18 million (₹ 60198.63 crores) shows growth of 17.77% (18.64% ₹ term) over the comparative figure of US\$ 8365.68 million (₹ 50738.85 crores) for April 13 – March 14. Provisional gross export of Silver Jewellery for the period April 14 – March 15 at US\$ 2054.52 million (₹ 12583.73 crores) shows growth of 39.29% (41.41% ₹ term) over the comparative figure of US\$ 1475.02 million (₹ 8898.78 crores) for April 13 – March 2014. This growth stands testimony to the design and manufacturing excellence of the Indian G & J sector and a true reflection of PM Modi's 'Made in India' vision.

The Gem & Jewellery Export Promotion Council continued with its various initiatives aimed at promoting international as well as domestic trade in India. Some of the initiatives included India International Jewellery Week (IIJW), India International Jewellery Show (IIJS), India Pavillions at global exhibitions including the latest initiatives of Beijing International Jewellery Fair 2015 in China and Vicenza Oro Dubai 2015, Smart Jewellery Show 2015 in Chicago, Budget recommendations to the Government of India and regular industry reports. Please refer annexure for detailed calendar of G&J events.

❖ **RISKS AND CONCERNS**

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

❖ **CAUTIONARY STATEMENT**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is not merely the compliance of a set of regulatory laws and regulations but is a set of good and transparent practices that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. It goes beyond building and strengthening the trust and integrity of the Company by ensuring conformity with the globally accepted best governance practices. The Securities and Exchange Board of India (SEBI) observes keen vigilance over governance and fulfillment of these regulations in letter and spirit, which entails surety towards sustainable development of the Company, enhancing stakeholders' value eventually.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At SWARNSARITA GEMS LTD., ("the Company"), the adherence to the Corporate Governance practices not only justifies the legal obedience of the laws but dwells deeper, conforming to the ethical leadership and stability. It is the sense of good governance that our leaders portray which trickles down to the wider management and is further maintained across the entire functioning of the Company. Your Company envisages the importance of building trust and integrity through transparent and accountable communication with the internal and external stakeholders as well as the customers of the Company. This involves keeping the stakeholders of the Company updated on a timely basis about the development, the plans and the performance of the Company with a view to establish the long term affiliations. The Company keeps itself abreast with the best governance practices on the global front, at the same time conforming to the recent amendments.

The Board of Directors fully supports and endorses the Corporate Governance practices in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange and the Voluntary Corporate Governance Guidelines to ensure good Corporate Governance practices across the Company in letter and in spirit. The Company has complied with all the mandatory requirements of the said clause and listed below is the status with regard to the same

BOARD OF DIRECTORS

The Board of Directors ("the Board") of your Company provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board plays a crucial role of piloting the Company towards enhancement of the short and long term value interests of the stakeholders. The Board comprises of the members distinguished in various fields such as management, finance, law, marketing, technology and strategic planning. This provides reliability to the Company's functioning and the Board ensures a critical examination of the strategies and operational planning mechanisms adopted by the management across the globe.

The Company has an optimum combination of Directors on the Board and is in conformity with Clause 49 of the Listing Agreement. As on March 31, 2015, the Board comprised of 6 (Six) Directors of which 3 (Three) are Non-Executive Independent Directors and 3 (Three) are Executive Directors.

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. During the Financial Year 2014-2015, 6 (Six) Board Meetings were held on May 22, 2014, August 9, 2014, September 4, 2014, November 14, 2014, February 14, 2015 and March 10, 2015. Time gap between any two meetings was not more than 120 days.

Details of the composition, category of the Directors, their attendance at the Board Meetings held during the year & Annual General Meeting (AGM) held on September 22, 2014, Directorships and Committee Memberships are as under:

Name of the Director	Category	No. of Board Meetings Attended during the year	No. of Equity Shares held as on March 31, 2015	Attendance at previous AGM Held on August 02, 2014 (Y-Yes, N-No)	Directorships in other Public Companies as on March 31, 2015***	Committee Chairmanships/ Memberships in other Public Companies as on 31.03.2015****	
						Chairmanship	membership
Mr. Mahendra M Chordia	Executive	6	NA	Yes	4	-	-
Mr. Sunil Jain	Executive	6	NA	Yes	1	-	-
Mr. Ashok Surana	Non Executive Independent	6	NA	Yes	1	-	-

Name of the Director	Category	No. of Board Meetings Attended during the year	No. of Equity Shares held as on March 31, 2015	Attendance at previous AGM Held on August 02, 2014 (Y-Yes, N-No)	Directorships in other Public Companies as on March 31, 2015***	Committee Chairmanships/ Memberships in other Public Companies as on 31.03.2015****	
						Chairmanship	membership
Mr. Sunder Lal Bothra	Non-Executive Independent	6	NA	Yes	2	1	1
Mr. Rajendra Chordia*	Executive	5	NA	Yes	2	0	0
Mr. Vishal Nolkha	Non-Executive Independent	6	NA	Yes	0	0	0
Mrs. Asha Chordia**	Additional Director	2	NA	No	1	0	0

* Resigned as Director w.e.f. 18th March, 2015.

**Appointment as an Additional Director w.e.f. 14th November, 2014.

*** The Directorships of other Indian Public Limited Companies only have been considered. Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies have not been considered.

**** Memberships/Chairmanships in Audit Committee and Stakeholders Relationship Committee only of other Indian Public Limited Companies have been considered.

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

The particulars of Directors, who are proposed to be re-appointed at the ensuing AGM, are given in the Notice convening the AGM.

COMMITTEES OF BOARD OF DIRECTORS AUDIT COMMITTEE

The Audit Committee comprises of experts specializing in accounting / financial management. During the Financial Year 2014-2015, **4 (Four)** meetings of the Audit Committee were held on May 22, 2014, August 9, 2014, November 14, 2014 and February 14, 2015. The time gap between any two meetings was not more than 4 months and the Company has complied with all the requirements as mentioned under the Listing Agreement and the Companies Act, 2013.

Details of the composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Ashok Surana	Chairman & Non-Executive Independent	4
Mr. Vishal Nolkha	Non-Executive Independent	4
Mr. Mahendra M Chordia	Executive Non Independent	4

The terms of reference of the Audit Committee were enlarged by the Board in order to cover the matters specified under revised Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. This Committee has powers and roles comprising of Financial Reporting and disclosure, recommendation of appointment/removal of Auditors, reviewing of company's results, evaluation of Independent Directors performances, and all such and terms of reference as enumerated on the company's website at www.swarnsarita.com.

NOMINATION AND REMUNERATION COMMITTEE

The Compensation cum Board Governance Committee was renamed as Nomination and Remuneration Committee and its role and terms of reference were enlarged by the Board on. The Committee's constitution and terms of reference are in compliance with provisions of section 178 of the Companies Act, 2013, Clause 49 of the Listing Agreement and the Securities and Exchange Board of India (Share Based Employee Benefits Regulations, 2014), as amended from time to time.

During the Financial Year 2014-2015, 4 (Four) meetings of the Committee were held on May 22, 2014, August 9, 2014, November 14, 2014 and February 14, 2015.

Details of composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Ashok Surana	Chairman & Non-Executive Independent	4
Mr. Vishal Nolkha	Non-Executive Independent	4
*Mr. Mahendra M Chordia	Executive Non Independent	3
**Mr. Sunder Lal Bothra	Non-Executive Independent	1

*Resigned w.e.f. 14/02/2015

**Appointed w.e.f. 14/02/2015

The terms of reference of the Nomination & Remuneration Committee were enlarged by the Board in order to cover the matters specified under revised Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013. This Committee has powers to recommend/ approve remuneration, Identification of Persons who are qualified to become director, Recommend to the board their appointment and removal, approve remuneration of Non-Executive Directors and all such and terms of reference as enumerated on the company's website at www.swarnsarita.com.

Remuneration Policy for Key Managerial Personnel and other Employees of the Company

The Company's Remuneration Policy for Key Managerial Personnel and Other employees is driven by the success and the performance of the Company and the individual & industry benchmarks and is decided by the Nomination and Remuneration Committee. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a mix of fixed/variable pay, benefits and performance related pay.

Remuneration Policy for Key Managerial Personnel and Other Employees

Introduction

The purpose of this policy is to define the remuneration policy for employees at all levels.

Terms & References

In this Policy, the following terms shall have the following meanings:

"Board" means the Board of Directors of the Company

"Director" means Directors appointed to the Board of Directors of the Company.

"Key Managerial Personnel" means

- (i) The chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other officer as may be prescribed under the Companies Act, 2013 and appointed as such by the Board

"Nomination and Remuneration Committee" means the Committee constituted by the Board of Directors of the Company in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

GOVERNANCE STRUCTURE

a) Annual Hike & Increment

- Managing Director and Whole Time Director (if any) – to be approved by Nomination & Remuneration Committee within the overall limit approved by the shareholders in the General Meeting and ceiling on Managerial Remuneration as stated in the Companies Act, 2013 and Rules framed thereunder.
- KMPs-To be approved by Nomination & Remuneration Committee.
- Job based and skill based differentiation – move from level based to position based.

b) Annual Variable Pay

- Variable Pay Principles as formulated and communicated by Corporate HR
- Variable Pay Pool & Payout to be approved by Nomination & Remuneration Committee

c) Long Term Incentive Plan

- Other senior positions- Critical and key employees
- All Grants to be approved by Nomination and Remuneration Committee
- Granted quarterly basis for New joiners and Annual review for existing employees.

d) Promotions

- To be approved by a Committee considering tenure and performance and potential.

Remuneration of the Managing Director

The Remuneration Committee of the Board is authorized to decide the remuneration of the Managing Director (“MD”) subject to the approval of the Members and the Central Government, if required. The details of remuneration of the Mahendra M. Chordia, MD for the year ended March 31, 2015 are as under:

(Amount in ₹)

Salary & Allowances	Performance Bonus	Retirals @	Perquisites #	Total
25,00,000	0	0	0	25,00,000

STAKEHOLDERS RELATIONSHIP COMMITTEE

During the Financial Year 2014-2015, 7 (Seven) meetings of the Committee were held on June 25, 2014, August 14, 2014, November 03, 2014, November 14, 2014, December 11, 2014, February 12, 2015 and February 14, 2015.

The details of composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Ashok Surana	Chairman & Non-Executive Independent	7
Mr. Vishal Nolkha	Non-Executive Independent	7
Mr. Mahendra Chordia	ExecutiveNon Independent	7

The Shareholders’/Investors’ Grievance Committee was renamed as Stakeholders Relationship Committee and its terms of reference were enlarged by the Board to be in line with Section 178 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement. The Committee reviews Shareholder’s/Investor’s complaints like non-receipt of Annual Report, physical transfer/transmission/transposition, split/consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The total numbers of complaints received during the year were 5, all of which were resolved and there was no pending complaint as on March 31, 2015.

GENERAL BODY MEETINGS

Venue, day, date and time of last three AGMs:

Financial Year	Date of the AGM	Location	Time	Special Resolution passed
2011-12	18 th September 2012	Indian Merchant Chamber, Kilachand Conference Room, IMC Building, IMC Marg, Churchgate, Mumbai-400020.	11.00 A.M	NIL
2012-13	19 th September 2013	Indian Merchant Chamber, Kilachand Conference Room, IMC Building, IMC Marg, Churchgate, Mumbai-400020.	11.30 A.M	NIL
2013-14	22 th September 2014	Indian Merchant Chamber, Kilachand Conference Room, IMC Building, IMC Marg, Churchgate, Mumbai-400020.	11.30 A.M	6

TRAINING FOR BOARD MEMBERS

Pursuant to clause 49(II) (B) (7) of the Listing Agreement, the Company has put in place a system to familiarize its Independent Directors with the Company, their roles, rights & responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Presentation was made for the newly appointed Independent Directors to make them aware of their roles & duties and Code for Independent Directors, Code of Conduct for Non-Executive Directors and Code of Conduct for Prevention of Insider Trading as issued by the Company are also shared with them at the time of their appointment/ re-appointment. Further, presentations are also made from time to time at the Board and its Committee meetings, on quarterly basis, covering the business & financial performance of the Company & its subsidiaries, quarterly/annual financial results, revenue and capital budget, review of Internal Audit findings etc.

The details of such familiarization programmes are disclosed on the Company's website at the link www.swarnsarita.com

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The performance of individual Directors including the Chairman of the Board was evaluated on parameters such as attendance and participation in the Meetings, preparedness for the meetings, understanding of the Company & the external environment in which it operates, contribution to strategic direction, raising of valid concerns to the Board, constructive contribution to issues, active participation at meetings and engaging with & challenging the management team without confronting or obstructing the proceeding of the Board and its Committee meetings of which the Director is a member. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at its meeting. The Directors expressed their satisfaction with the evaluation process.

DISCLOSURES

i. Related Party Transactions

The transactions with related parties as per Accounting Standard AS-18 are set out in Notes to accounts under *Note no. 23* forming part of financial statements. All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the relevant Accounting Standards (AS18) have been made in the Notes to the Financial Statements.

ii. Disclosures from Senior Management

In Compliance with Clause 49 (VIII) (D) (2) of the Listing Agreement, disclosures from Senior Management are obtained on quarterly basis to the effect that they have not entered into any material, financial and commercial transactions, where they have personal interest that may have potential conflict with the interest of the Company at large.

iii. Compliances by the Company

The Company has complied with the requirements of the Regulatory Authorities on matters related to the capital market and no penalties/strictures have been imposed against the Company by the Stock Exchange or SEBI or any other Regulatory Authority on any matter related to capital market during the last three years.

iv. Whistle Blower Policy/ Vigil Mechanism

The Company has adopted a Whistle Blower Policy to provide a vigil mechanism to directors, employees, agents, consultants, vendors and business partners to disclose instances of wrong doing in the workplace. The object of this Whistle Blower Policy is to encourage individuals to disclose and protect such individuals in the event of a disclosure. The Company is keen on demonstrating the right values and ethical, moral and legal business practices in every field of activity within the scope of its work. The objective of this policy is to provide a vigil mechanism and framework to promote responsible whistle blowing and ensure effective remedial action and also protect the interest of the whistle blower as guided by legal principles. This policy is intended to:

- a. Encourage and enable directors, employees, agents, consultants, vendors and business partners to raise issues or concerns, which are either unacceptable or patently against the stated objectives, law or ethics, within the Company.
- b. Ensure that directors, employees, agents, consultants, vendors and business partners can raise issues or concerns without fear of victimization, subsequent discrimination or disadvantage thereof.

- c. Reassure the whistle blower(s) that they will be protected from possible reprisals or victimization if they have made disclosure/s in good faith.
- d. Ensure that where any wrong doing by the Company or any of its directors, employees, agents, consultants, vendors or business partners is identified and reported to the Company under this policy, it will be dealt with expeditiously and thoroughly investigated and remedied. The Company will further examine the means of ensuring how such wrong doing can be prevented in future and will take corrective action accordingly.

The policy also provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No person has been denied access to the Audit Committee. All complaints received under the said policy are reviewed by the Audit Committee at its meeting held every quarter. In staying true to our values of Strength, Performance and Passion and in line with Company's vision of being one of the most respected companies in India; the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

v. **Managing Director Certification**

Certification on financial statements pursuant to Clause 49(V) of the Listing Agreement has been obtained from the Managing Director of the Company. Extract of the same is given at the end of this Report.

vi. **Code of Conduct for Directors and Senior Management**

The Board has laid down Codes of Conduct for Executive Directors & Senior Management and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the MD in this regard is given at the end of this Report. The Code of Conduct is available on website of the Company at the link www.swarnsarita.com

vii. **Code of Conduct for Prohibition of Insider Trading**

The Company has framed Swarnsarita Gems Limited's Code of Conduct for Prohibition of Insider Trading' pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, which is applicable to its Directors, Officers, and Designated Employees. The Code includes provisions relating to disclosures, opening and closure of Trading Window and Pre-Clearance of trades procedure. In compliance with SEBI Regulations the Company sends intimations to Stock Exchange from time to time.

viii. **Subsidiary Companies**

As on March 31, 2015, the Company has 1 (One) wholly owned Indian subsidiary company.

ix. **Risk Management & Internal Control**

The Company has implemented a comprehensive 'Enterprise Risk Management' framework in order to anticipate, identify, measure, mitigate, monitor and report the risks to meet the strategic business objectives, details of which are given in the Risk Management section under 'Management Discussion and Analysis Report' which forms part of this Annual Report. The Company has a competent in-House Internal Audit team which prepares and executes a vigorous Audit Plan covering various functions such as operations, finance, human resources, administration, legal and business development etc. across different geographies. The team presents their key audit findings of every quarter to the Audit Committee. The management updates the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

x. **Sexual Harassment Policy**

The Company has an anti-sexual harassment policy to promote a protective work environment. The complaints received by the Sexual Harassment Committee with details of action taken thereon are reviewed by the Audit Committee at its meeting held every quarter. The Company has a zero tolerance policy towards such complaints and the same is conveyed to the employees at the time of induction.

xi. **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report forms part of this Annual Report.

xii. **Independent Directors**

The Independent Directors of the Company have the option and freedom to meet and interact with the Company's Management as and when they deem it necessary. They are provided with necessary resources and support to enable them to analyze the information/data provided by the Management and help them to perform their role effectively.

xiii. **Share Reconciliation Audit**

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

xiv. **Mandatory Requirements of Clause 49**

The Company has complied with all applicable mandatory requirements of Clause 49 of the Listing Agreement.

xv. **Non-Mandatory Requirements of Clause 49**

The Company has adopted the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the Listing Agreement:

a) **Shareholders' Rights**

The Company follows a practice of e-mailing the quarterly & annual financial statements to all shareholders, who have provided their e-mail addresses to the Depositories through their respective Depository Participants. The announcement of quarterly results is followed by media briefings. The financial results of the Company are normally published in Free Press Journal and Navshakti newspapers which have wide circulation.

b) **Audit Qualifications**

The Company adopts best practices to ensure unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year ended March 31, 2015.

MEANS OF COMMUNICATION

The announcement of quarterly and annual financial results to the Stock Exchanges is followed by media call and earnings conference calls. The quarterly and annual consolidated financial results are normally published in Free Press Journal (English) and Navshakti (Marathi) newspapers. The following information is promptly uploaded on the Company's website viz. www.swarnsarita.com

- Standalone and consolidated financial results, investors' presentations, press release, fact sheet and transcript of earnings conference calls.
- Shareholding pattern (clause 35 of Listing Agreement) and Corporate Governance compliance reports (clause 49 of the Listing Agreement) filed with Stock Exchanges on a quarterly basis.

GENERAL SHAREHOLDER INFORMATION

i. **Annual General Meeting**

Day, Date & Time	Wednesday, September 23, 2015 at 10.00 A.M
Venue	Agrasen Bhavan, 90 Feet Road, Garodiya Nagar, Ghatkopar East-400077.

ii. **Financial year**

April 1 to March 31

Financial Calendar (Tentative) – Financial Year 2015-16

1st Quarter	First/ Second week of August 2015
2nd Quarter	First/ Second week of November 2015
3rd Quarter	First/ Second week of February 2015
4th Quarter	Second / Third week of May 2015

iii. **Dates of Book Closure (both days inclusive)**

Wednesday, September 16, 2015 to Wednesday, September 23, 2015

iv. **Dividend**

With the view to conserve cash reserves to meet current financial obligation of the Company, the Directors of your Company do not recommend any dividend for financial year 2014-2015.

v. **Listing on Stock Exchange and Payment of Listing Fees**

The equity shares of the Company are listed on the BSE Limited. Annual Listing fees for the Financial Year 2015-2016 were paid by the Company to BSE in time.

vi. **Custodian Fees to Depositories**

The Company has paid fees for year ended 2015-2016 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in time.

vii. **(a) Stock Code / Symbol**

BSE	526365
ISIN in (NSDL and CDSL)	INE967A01012
Corporate Identity Number (CIN)	L36911MH1992PLC068283

viii. **Market Price Data**

The market price data i.e. monthly high and low prices of the Company's shares on BSE are given below:

Year	Month	High (In ₹)	Low (In ₹)	No. of Shares
2014	April	44.75	36.25	8,80,970
	May	47.00	38.05	11,47,384
	June	46.50	31.55	13,90,896
	July	45.00	34.05	12,18,617
	August	49.95	37.00	15,98,957
	September	49.90	35.20	18,45,040
	October	39.90	32.55	20,44,800
	November	49.00	35.05	12,82,414
	December	44.00	32.40	11,73,131
2015	January	40.70	26.00	20,29,477
	February	33.50	26.55	20,59,607
	March	38.55	27.20	25,70,887

viii. **Registrar & Transfer Agent**

Sharex Dynamic (India) Private Limited

Luthra Indus. Estate, 1st Floor,
Safed Pool, Andheri-Kurla Road,
Mumbai: 400 072.
Tel. Nos.: 022-28515606, 28515644
Fax No. : 022-228512885;
Web Site: www.sharexindia.com

ix. **Share Transfer System**

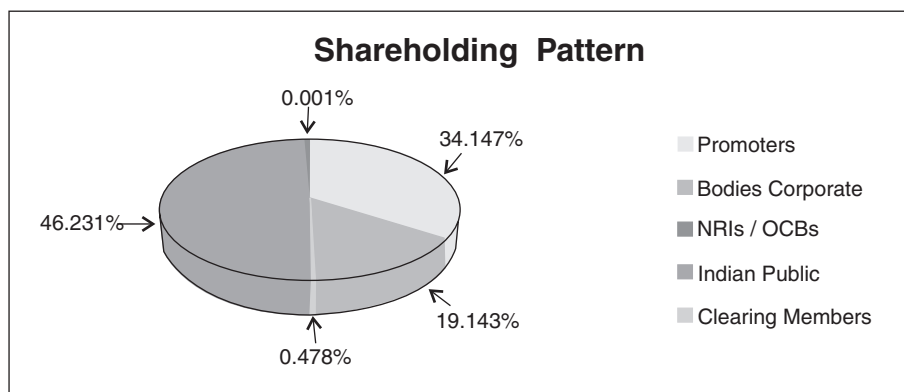
Shares sent for transfer in physical to Sharex (India) Private Limited (R&T Agents), are registered and returned with a period of 30 days from the date of receipt, if the documents are in order. The Stakeholders Relationship Committee meets to consider and approve the share transfer proposal. All requests for dematerialization of shares are processed by the Company and Sharex (India) Private Limited within 21 days.

X. Distribution of shareholding as on March 31, 2015

Share Holding (Nominal Value) ₹	Shareholders		Nominal Capital	
	No.	%	No.	%
Upto 5,000	7979	92.85	9992820.00	4.79
5,001-10,000	246	2.86	1968360.00	.94
10,001-20,000	118	1.37	1847950.00	.89
20,001-30,000	48	.56	1268540.00	.61
30,001-40,000	21	.24	753040.00	.36
40,001-50,000	24	.28	1149860.00	.55
50,001-1,00,000	44	.51	3084720.00	1.48
100,001 and above	113	1.32	188702710.00	90.39
TOTAL	8593	100.00	208768000.00	100.00

xi. Shareholding Pattern as on 31st March, 2015.

Category	No. of Shares held	% of holding
Promoters	7128761	34.147
Financial Institutions, Insurance Companies, Banks and Mutual Funds, etc.	Nil	-
Foreign Institutional Investors	Nil	-
Bodies Corporate	3996349	19.143
NRI's / OCBs	99875	0.478
Indian Public	9651604	46.231
Clearing Members	211	0.001
Total	20876800	100.00



xii. Dematerialization of Shares and Liquidity

Trading in the Company's shares is permitted only in dematerialized form. The Company has established connectivity with both the Depositories viz. CDSL through its Registrar & Share Transfer Agents, whereby the investors have the option to dematerialize their shares with either of the depositories. The Company obtains a certificate from a Practicing Company Secretary every quarter, which confirms that total issued capital of the Company is in agreement with total number of shares in dematerialized form with CDSL and shares in physical form.

Shares held in dematerialized and physical form as on March 31, 2015

	No. of Share Capital	% to Total Share Capital
Dematerialized Form		
NSDL	6484391	31.06
CDSL	13669184	65.48
Physical Form	723225	3.46
Total	20876800	100



xiii. Address for Correspondence

Swarnsarita Gems Limited
17/19, Ground Floor, Dhanji Street, Mumbai- 400 003
Tel: +91-22-4359 0000
Fax: +91-22-4359 0010
Email id: info@swarnsarita.com
Website: www.swarnsarita.com

Place : Mumbai
Dated: August 22, 2015

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of
Swarnsarita Gems Limited

I have examined the compliance of the conditions of Corporate Governance by Swarnsarita Gems Limited having its Registered Office at 17/19, Ground Floor Dhanji Street, Mumbai 400 003, for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the said Company with the Stock exchanges viz BSE Ltd(BSE).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In my opinion and to the best of my information and according to the explanations give to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement. I further 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.

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.: 112492W

Suresh Anchaliya
Partner
Membership No.: 044960

Place: Mumbai
Date : 22nd August, 2015

CERTIFICATION FROM THE MANAGING DIRECTOR AND CFO

In terms of clause 49 IX of the Listing Agreement with the BSE, we hereby certify as under:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of our knowledge and belief:
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have valued the effectiveness of internal control systems of systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

There have been no

- i. Significant changes in internal control over financial reporting during the year;
- ii. Significant changes in accounting policies during the year;
- iii. Instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Swarnsarita Gems Limited

Mahendra M. Chordia
Managing Director
DIN: 00175686

Sanket Dangi
CFO

Place: Mumbai

Date : 22nd August, 2015



DECLARATION BY THE MANAGING DIRECTOR ON 'CODE OF CONDUCT'

I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the Code of Conduct as applicable to them.

Mahendra M. Chordia
Managing Director
DIN: 00175686

Place: Mumbai
Date : 22nd August, 2015

INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF SWARNSARITA GEMS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SWARNSARITA GEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2015**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2015, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
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, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations on its financial position in its financial statements.
 - ii. The Company does not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Following is the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Date of declaration of dividend	Date of Transfer to the Bank Account	Due date of funds to be transferred to Investor Education and Protection	Actual date of transfer to Investor Education and Protection
21 st September 2007	29 th September 2007	28 th October 2014	28 th May 2015

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. :112492W

Suresh Anchaliya
Partner
M.No. : 044960

Date : 29th May, 2015
Place: Mumbai

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (ii) (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) The Company has granted loan to its wholly owned subsidiary Company "Swarnsarita Realty Private Limited" covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (a) In the case of the loans granted to its wholly owned subsidiary Company "Swarnsarita Realty Private Limited" listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii) (a) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (b) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit we have not observed continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Investor Education Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has not been transferred to such fund within time.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of dues to financial institution or bank.
- (x) On the basis of records examined by us and information provided by the management, we are of the opinion that the Company has not given guarantees for loans taken by other from banks or financial institutions.
- (xi) The Company does not have any term loan outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.: 112492W

Suresh Anchaliya
Partner
M.No. : 044960

Date : 29th May, 2015
Place: Mumbai

Balance Sheet as at 31st March, 2015

(Amount in ₹)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholder's Funds</u>			
Share Capital	1	208376000	208376000
Reserves and Surplus	2	578964369	548121372
<u>Current Liabilities</u>			
Short Term Borrowings	3	483492127	149050026
Trade Payables	4	54138060	295502899
Other Current Liabilities	5	10485472	1421662
Short-Term Provisions	6	14288560	5269693
TOTAL		1349744588	1207741652
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Fixed Assets	7		
(i) Tangible Assets		4379850	3093777
(ii) Intangible Assets Under Development		36000	36000
Non - Current - Investment	8	99049184	100000000
Deffered Tax Assets	9	326143	226182
<u>Current Assets</u>			
Current Investments	10	7505201	7505201
Inventories	11	520323816	407034426
Trade Receivables	12	374765570	447029844
Cash and Cash Equivalents	13	139585228	42248534
Short - Term Loans and Advances	14	202711794	199042332
Other Current Assets	15	1061802	1525356
TOTAL		1349744588	1207741652

Significant Accounting Policies and Notes on Financial Statement

1 to 23

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai

Date: 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain

Managing Director
Executive Directors

Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Directors

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

(Amount in ₹)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
Income			
Revenue from Operations	16	2397465030	1702844645
Other Income	17	33996272	15481010
Total Revenue		2431461302	1718325655
Expenditure			
Cost of Materials Consumed and Purchases	18	2406466194	1750089094
Changes in Inventories of Finished Goods and Stock - In - Trade	19	(78303790)	(82801365)
Employee Benefit Expenses	20	7772733	5736500
Financial Costs	21	32853087	8074204.00
Depreciation and Amortization Expenses		1185836	671181
Other Administrative Expenses	22	16186822	10217785
Total Expenses		2386160882	1691987399
Profit Before Exceptional Items and Tax		45300421	26338256
Exceptional Items		-	-
Profit Before Tax		45300421	26338256
Tax Expenses:			
(1) Current Tax		14288560	5269692
(2) Tax for Earliar Period		163,027	0
(3) Deferred Tax		(99961)	(36909)
Profit/(Loss) For The Period		30948795	21105473
Earning Per Equity Share:			
(1) Basic		1.48	1.01
(2) Diluted		1.48	1.01

Significant Accounting Policies and Notes on Financial Statement

1 to 23

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai

Date : 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain

Managing Director
Executive Directors

Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Directors

Cash Flow Statement for the year ended 31st March, 2015

PARTICULARS	For the year ended 31st March, 2015	(Amount in ₹) For the year ended 31st March, 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax And Extraordinary Items	45300421	26338255
Adjustment for :		
Depreciation	1185836	671181
Interest (Net)	(57378338)	(23465356)
Loss on Sale of Car	-	-
Operating Profit Before Working Capital And Receivables	(10892081)	3544080
Adjustment for :		
(Increase) / Decrease in Trade and Other Receivables	72264274	(301546435)
(Increase) / Decrease in Inventories	(113289390)	(26733958)
(Increase)/Decrease in Other Current Assets	(3205908)	8,244,843.00
(Increase)/Decrease in non current investment	950816	0
Increase / (Decrease) in Trade Payables and other liabilities	(223282162)	190522436
Cash Generated From Operations	(277454451)	(125969034)
Income Tax Paid	14451587	5269692
Cash Flow Before Extra-Ordinary Items	(291906038)	(131238726)
Extra-Ordinary Items	-	-
Net Cash From Operating Activities	(a) (291906038)	(131238726)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	-	0
Purchase of Fixed Assests	(2577707)	(123681)
Purchase/Sale of Investments	0	(7500000)
Interest Received	24525251	15391152
Net Cash Used In Investment Activities	(b) 21947544	7767471
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	32853087	8074204
Proceeds from issue of Share Capital	-	0
Money Received against Share Warrant	-	0
Short Term Borrowing and others	334442101	149050026
Dividend Paid/Adjustment	-	0
Net Cash Used In Financing Activities	(c) 367295188	157124230
Net Increase In Cash And Cash Equivalents (a) + (b) + (c)	97336694	33652975
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	42248534	8595559
Cash And Cash Equivalents As At The End of the Year	139585228	42248534
Net Increase / (Decrease) As Disclosed Above	97336694	33652975

Note : All figures in brackets are outflows

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain

Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Managing Director
Executive Directors

Directors

Place: Mumbai

Date: 29th May, 2015

Note No. 1

SHAREHOLDER'S FUND

EQUITY SHARE CAPITAL

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

Equity Shares Fully Paid at ₹ 10/- each

Note No. 2

(Amount in ₹)

RESERVE AND SURPLUS

43

Notes to Financial Statement for the Year ended 31st March, 2015

Note No. 3

(Amount in ₹)

As at 31.03.2015 As at 31.03.2014

Short Term Borrowings

Secured

Union Bank of India (CC A/c)	300896995	149,050,026
SBI Gold Loan/CC A/c	114701133	-
Union Bank of India (Gold Loan)	67893999	-
	483492127	149,050,026

The Cash Credit facility and Gold Loan from the Union Bank of India is secured by hypothecation of Stock and book debts upto 90 days , collaterally secured by the equitable mortgage of property of directors, personal guarantee given by the directors of the company and Corporate gurantee of Swarnsarita Realty Private Limited and Swarnsarita Jewellers Private Limited.

The Cash Credit facility and Gold Loan from the State Bank of India is secured by first hypothecation charge over entire current assets of the Company, present and future on pari pasu basis with other working capital landers, collaterally secured by the equitable mortgage of property of directors, personal guarantee given by the directors of the company and Corporate gurantee of Swarnsarita Realty Private Limited and Swarnsarita Jewellers Private Limited and Sankalp Erectors and Builders Private Limited.

Note No. 4

Trade Payables

(Amount in ₹)

Micro, Small and Medium Enterprises	-	-
Others	54138060	295502899
	54138060	295502899

Note No. 5

Other Current Liability

Other Payables	10485472	1421662
	10485472	1421662

Note: - Other Payables include Statutory Dues and Payable for Expenses

Note No. 6

Short - Term Provision

Provision for Income Tax	14288560	5269692
	14288560	5269692

Note No. 7

FIXED ASSETS

(Amount in ₹)

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 01.04.2014	Addition during the year	Deduction/ Writtenoff During the Year	As On 31.03.2015	As On 01.04.2014	Depreciation during the year	Depreciation Adjustments	Total As On 31.03.2015	As On 31.03.2015	As On 01.04.2014
	<u>Tangible Assets</u>										
1	Mettler Balances	300103	134544	196	434451	176557	58273	-	234830	199621	123546
2	Motor Cars	6147993	1633226	0	7781219	3607659	864632	-	4472291	3308928	2540334
3	Office Equipments	194834	185000	4480	375354	68441	48537	-	116978	258376	126393
4	Computers	433295	291323	101122	623496	129791	209242	-	339033	284463	303504
5	Furniture & Fixtures	32972	0	0	32972	32972	0	-	32972	0	0
6	Plant & Machinery	0	333614	0	333614	0	5152	-	5152	328462	0
	Sub-Total	7109197	2577707	105798	9581106	4015420	1185836	-	5201256	4379850	3093777
	Previous year total	6985516	123681	0	7109197	3344239	671181	0	4015420	3093777	3641277
	<u>Intangible Assets Under Development</u>									36000	36000

Notes to Financial Statement for the Year ended 31st March, 2015

	As at 31.03.2015	As at 31.03.2014
Note No. 8		(Amount in ₹)
<u>Non - Current Investment</u>		
<u>Investment in Unquoted Equity Shares of Subsidiary Company</u>	No. of Shares	Amount
<u>Un - Quoted, Fully Paid Up</u>		
Swarnsarita Realty Pvt Ltd	10000000	100000000
Investment in Partnership Firm Swarnsarita Gold & Diamonds	(950816)	0
	99049184	100000000
Note No. 9		(Amount in ₹)
<u>Deferred Tax Assets</u>		
Related to Fixed Assets	326143	226182
	326143	226182
Note No. 10		(Amount in ₹)
<u>Current Investment</u>		
<u>Investment in Equity Shares (Quoted, Fully Paid Up)</u>	No. of Shares	Amount
SJ Corporation Limited of ₹ 1 each	400	5201
<u>Investment in Mutual Fund</u>		
Union KBC Mutual Fund	7500000	7,500,000
	7505201	7505201
Market value of quoted shares	25120	25200
	As at 31.03.2015	As at 31.03.2014
Note No. 11		(Amount in ₹)
<u>Inventories</u>		
Raw Materials	50276445	15290845
Finished Goods	470047371	391743581
	520323816	407034426
Note No. 12		
<u>Trade Receivables</u>		
For period exceeding 6 months	7832379	7804076
For period upto 6 months	366933191	439225767
	374765570	447029843
Note No. 13		
<u>Cash and Cash Equivalent</u>		
Balances with Banks	139019045	41702563
Cash on hand	566183	545971
	139585228	42248534
Note No. 14		
<u>Short Term Loans and Advances</u>		
<u>(Unsecured and Considered Good)</u>		
Security Deposits	3000	170315
Direct Tax Refundable	1405496	1405496
Advance Income Tax	8984716	4194359
Indirect Tax Refundable	9323685	2259857
Other amount recoverable in cash or kind *	182994897	191012306
	202711794	199042332

*Other amount recoverable include advances to creditors, wholly owned subsidiary company and others parties

Note No. 15

Other Current Assets

Job Work Charges Receivable
Advance For Expenses

As at 31.03.2015 **As at 31.03.2014**
(Amount in ₹)

0	1525356
1061802	0
1061802	1525356

Note No. 16

Revenue From Operation

Sale of Goods
Labour Charges Received
Less: Excise Duty/VAT/Service Tax

2310437075	1690341798
87027955	12502847
0	0
2397465030	1702844645

Note No. 17

Other Income

Interest Income
Miscellaneous Income
Income/(Loss) from Partnership Firm

24525251	15391152
10421837	89858
(950816)	0
33996272	15481010

Note No. 18

Cost of Material Consumed

Particulars

Purchase of Goods
Labour Charges
Add:- Opening Stock
Raw Material

2304308933	1643221307
137142861	50800380
15290845	71358252
2456742639	1765379939

Less:- Closing Stock

Raw Material
Raw Material Consumed

50276445	15290845
2406466194	1750089094

Note No. 19

(Increase)/Decrease in Inventory

Opening Balance of Inventory
Less: Closing Balance of Inventory

391743581	308942216
(470047371)	(391743581)
(78303790)	(82801365)

Note No. 20

Employees Benefit Expenses

Salaries and Wages
Staff Welfare Expenses

7663000	5736500
109733	0
7772733	5736500

Note No. 21

Finance Cost

Interest Expenses

32853087	8074204
32853087	8074204

Note No. 22

Other Expenses

	As at 31st March 2015	As at 31st March 2014 (Amount in ₹)
Administrative Expenses	26941	19583
Advertising Expenses	1671904	1045033
Auditor Remuneration	456000	449440
Bank Charges	1188104	80820
Commission on Sale	856768	0
Motor Car Expenses	223997	18280
Computer Repair & Maintainance	163180	104800
Connectivity Charges	120287	104148
Conveyance Expenses	280390	34350
Depository Charges	122218	79776
Designing Expenses	14925	0
Donation	645000	2000
Electricity Expenses	338725	153088
Exhibition Charges	292765	0
Export Expenses	1268769	0
Franking Charges	180660	665110
Frieght Charges	915554	945133
Insurance	872754	427828
Interest for Late Payment TDS	9303	8100
Interest on Income Tax	0	11577
Listing Fees	112360	67416
IGI Certification Charges	590313	151785
Membership Fees	37096	110113
Office Expesnes	153686	91092
Packing Materilal & Threads	135550	0
Postage Expenses	67607	84740
Printing and Stationery	357507	204446
Processing Fee on CC	2410817	1472660
Professional Fees	287100	478290
Repair & Maintainance - others	8803	15308
ROC Fees	7500	7000
Rent	1138356	2600000
Sundry Expenses	24065	104276
Provision for Prposed Dividend	0	196
Security Service Charges	68040	0
Telephone Expenses	236812	169418
Travelling Expenses	902966	511978
	16186822	10217785

Note No. 23:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT

A. SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statement :-

The financial statements are prepared on going concern assumption and under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles and provision of the Companies Act, 2013.

2. Use of Estimates:-

The preparation of financial statement requires the management of the Company to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statement of and reported amounts of income and expenses during the period. Examples of such estimate includes provision for doubtful debts, future obligation, employees retirement benefit plans, provision for income taxes, useful lives of fixed assets and intangible assets. Contingencies are recorded when it is probable that a liability will be incurred and the amount can be reasonably estimated. Actual results may differ from such estimates.

3. Fixed Assets:-

All fixed assets are valued at cost (including adjustment on revaluation) less accumulated depreciation. Cost of acquisition is inclusive of freight, duties and other incidental expenses incurred during construction period and exclusive of cenvat credit availed thereon.

4. Depreciation:-

Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act, 2013.

5. Inventories:-

a. Finished Goods : -

- i. Gold and Diamond Jewellery is valued at cost on weighted average method
- ii. Other goods are valued at cost or net realizable value whichever is lower.

b. Raw Materials: -

- i. Gold and other precious metal is valued at weighted average method
- ii. Loose diamonds are valued at weighted average cost method

6. Provision for Current and Deferred Tax:-

Provision for current tax made after taking into consideration benefits admissible under the provisions of the Income-Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

7. Revenue Recognition:-

In appropriate circumstance, revenue is recognized when no significant uncertainty as to determination or realization exists. Turnover includes sale of goods net of VAT and sales tax.

8. Investment:-

Current Investment is valued at Cost or Market value whichever lower, computed category wise. Long Term Investment are stated at cost. Provision of diminution in the value of long term investment is made only if the such a decline is other than temporary.

9. Contingent Liability:-

These are disclosed by way of notes on the Balance Sheet date. Provision is made wherever applicable for those contingencies which are likely to materialize into liabilities after the year end till the finalization of accounts and have material effect on the position stated in Balance Sheet.

10. Impairment:-

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of assets net selling price and value in use. In assessing value in use, the estimated future cash flow expected from the continuing use of the assets and from its disposal is discounted to their present value using a pre-tax discount rate that reflects

the current market assessments of time value of money and risks specific to the assets. Reversal of impairment loss is recognized immediately as income in the Profit and Loss Statement

11. Earning Per Share:-

The earning considered in ascertaining EPS comprise the Net Profit after Tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

12. Gold Loan:

- (i) Transactions of purchase of gold under Gold Loan Scheme of the banks where the final rate of gold is settled on the subsequent date to the date of transactions are normally recorded at the prevailing rate of gold and exchange rate on the date of transaction as per performa invoice provided by the suppliers of the gold.
- (ii) Difference arise in the value of purchases as compared to the value as per performa invoice on the date of settlement of transaction is transferred to the purchase cost as plus or minus as the case may be.
- (iii) Monetary item of gold loan denominated in foreign currency at the year end are translated at the year end rate of exchange of the foreign currency and the year end rate of gold on the London Metal Exchange as certified by the seller bank of the gold and difference so arrived is taken to the cost of purchase of goods.

13. Foreign Currency Transactions:-

- (i) Transactions in foreign currencies are normally recorded at the average exchange rate prevailing during the period of transaction.
- (ii) Monetary item denominated in foreign currencies at the year end and not covered by forward exchange contracts are translated at year end rates except where there is no virtual certainty of recovery of export proceeds, and those covered by forward exchange contracts are translated at the average rate ruling at the date of transaction as increased or decreased by the proportionate difference between the forward rate and exchange rate on the date of transaction, such difference having been recognized over the life of the contract.
- (iii) Any income or expenses on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.

(B) NOTES ON ACCOUNTS:-

1. Previous year figures have been regrouped, reworked, rearranged and reclassified whenever necessary.

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
2. Contingent Liabilities	Nil	Nil
3. Payment to Auditors:		
Statutory Audit Fees	300000	300000
Tax Audit Fees	90000	90000
Certification and Taxation Matters	10000	10000
Service Tax	49440	49440
Total	449440	449440

4. Deferred Tax:-

The Company has accounted for Deferred Taxation in respect of timing differences in accordance with the requirement of Accounting Standard 22 "Accounting for Taxes on Income". The Deferred Tax liability comprises the followings:

Particulars	As at 31 st March, 2015	As at 31 st March, 2014
Deferred Tax Assests		
On Account of Fixed Assets	326143	226182

5. Segment Reporting:-

The Company has been operating significantly in a single segment of Jewellery.

6. There are no delays in payments to Micro, Small and Medium Enterprises as required to be disclosed under "The Micro, Small and Medium Enterprises Development Act, 2006."
7. During the year the company has not been made any new investment.

8. Related Party Disclosure as per AS 18 (As identified by the Management):

Nature of Relationship	Name of Party
Where control Exists	Swarnsarita Realty Private Limited (100% Holdings)
	Swarnsarita Gold & Diamonds (45% Holdings)
Key Management Personnel	
Whole Time Directors	Mahendra M. Chordia
	Sunil Jain
	Rajendra M. Chordia (Resigned w.e.f. 18.03.2015)
	Asha M. Chordia (Appointed w.e.f. 14.11.2014)
Independent Directors	Vishal R. Nolkha
	Ashok Surana
	Sunderlal L. Bothra
Relatives of Key Management Personnel (Where transactions have been made)	Sunny Chordia
Related parties to Key Management Personnel (Where transactions have been made)	Swarnsarita Jewellers Private Limited

Related Party Transactions as per AS 18 (As identified by the management) (Amount in ₹)

Nature of Relationship	Transaction Details	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Where control Exists	Loan Made	12,15,81,019/-	8,81,37,588/-
Key Management Personnel	Director's Remuneration	35,00,000/-	19,80,000/-
	Rent	6,00,000/-	24,00,000/-
Relatives of Key Management Personnel	Salary	175,000/-	303000/-
Related parties to Key Management Personnel	Fixed Assets Purchased	3,75,315/-	Nil

9. Earning Per Share:-

The Earning per Share has been computed by dividing the profit after tax by number of Equity Shares outstanding.

Particulars	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Net profit available for equity shareholders	3,15,00,250/-	2,11,05,473/-
Weighted average number of equity shares	2,08,76,800	2,08,76,800
Basic and Diluted EPS	1.51	1.01

10. Foreign Currency Transactions:-

Particulars	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Remittance in Foreign Exchange	Nil	Nil
Earning in Foreign Exchange	74,46,07,665/-	Nil
Export Sales	73,36,37,670/-	Nil

11. Outstanding Balance of Debtors, Creditors and Others are subject to confirmation.

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai

Date : 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia	}	Managing Director
Asha M. Chordia		Executive Directors
Sunil Jain		
Ashok Surana	}	Directors
Sunderlal L. Bothra		
Vishal R. Nolkha		

INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF SWARNSARITA GEMS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SWARNSARITA GEMS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (The Holding Company and its subsidiaries together referred to as "the Group"), which comprising of the Consolidated Balance Sheet as at **31st March, 2015**, the Consolidated Statement of Profit and Loss, the Consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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, which have been used for the preparation of consolidated financial statements by the directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31/03/2015, and there consolidated Profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, based on the comments in the auditor's report of the Holding Company, Subsidiary Companies and associate companies and jointly controlled companies incorporated in India, we give in the Annexure a

statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report, to the extent applicable 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to the aforesaid consolidated financial accounts have been kept so far as it appear from our examination of those books and the reports.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statement.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the holding companies as on 31st March, 2015 taken on record by the Board of Directors of the Holding Companies and the report of the statutory auditors of its Subsidiary Companies and associate companies and jointly controlled companies incorporated in India, none of the directors of the group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i The Company does not have any pending litigations on its financial position in its financial statements.
 - ii The Company has did not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii Following is the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Date of declaration of dividend	Date of Transfer to the Bank Account	Due date of funds to be transferred to Investor Education and Protection	Actual date of transfer to Investor Education and Protection
21 st September 2007	29 th September 2007	28 th October 2014	28 th May 2015

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. :112492W

Date : 29th May, 2015
Place : Mumbai

Suresh Anchaliya
Partner
M.No. : 044960

Annexure to the Independent Auditors' Report

The annexure referred to in our Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended 31st March, 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (ii) (a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) The Holding Company has granted loan to its wholly owned subsidiary company "Swarnsarita Realty Private Limited" covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (a) In the case of the loans granted to its wholly owned subsidiary company "Swarnsarita Realty Private Limited" listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii) (a) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (b) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit we have not observed continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Investor education protection fund, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has not been transferred to such fund within time.
- (viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) The Company has not defaulted in repayment of dues to financial institution or bank.
- (x) On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.
- (xi) The Company does not have any term loan outstanding during the year.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. : 112492W

Suresh Anchaliya
Partner
M.No. : 044960

Date : 29th May, 2015
Place : Mumbai

Consolidated Balance Sheet as at 31st March, 2015

(Amount in ₹)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholder's Funds</u>			
Share Capital	1	208376000	208376000
Reserves and Surplus	2	579453611	547596712
<u>Current Liabilities</u>			
Short Term Borrowings	3	483492127	150400026
Trade Payables	4	54138060	295502899
Other Current Liabilities	5	12549785	2208372
Short-Term Provisions	6	15040123	5269693
TOTAL		1353049706	1209353702
<u>ASSETS</u>			
<u>Non-Current Assets</u>			
Fixed Assets	7		
(i) Tangible Assets		4379850	3093777
(ii) Intangible Assets Under Development		36000	36000
Non - Current - Investment	8	(950816)	0
Deferred Tax Assets	9	326143	226182
<u>Current Assets</u>			
Current Investments	10	7505201	7505201
Inventories	11	549447576	436158186
Trade Receivables	12	374765570	447029843
Cash and Cash Equivalents	13	139601668	42248890
Short - Term Loans and Advances	14	276548992	271038687
Other Current Assets	15	1389522	2016936
TOTAL		1353049706	1209353702

Significant Accounting Policies and Notes on Financial Statement

1 to 23

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai
Date: 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain

Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Managing Director
Executive Directors

Directors

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

(Amount In ₹)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
<u>Income</u>			
Revenue from Operations	16	2400887030	1702844645
Other Income	17	36841517	20484952
Total Revenue		2437728547	1723329597
<u>Expenditure</u>			
Cost of Materials Consumed and Purchases	18	2409797580	1751168854
Changes in Inventories of Finished Goods and stock - in - trade	19	(78303790)	(83881125)
Employee Benefit Expense	20	7977733	5736500
Financial Costs	21	32853087	13160412
Depreciation and Amortization Expenses		1349696	835041
Other Administrative Expenses	22	16988356	10280160
Total Expenses		2390662662	1697299842
Profit Before Exceptional Items and Tax		47065886	26029755
Exceptional Items		-	0
Profit Before Tax		47065886	26029755
<u>Tax Expenses:</u>			
(1) Current Tax		15040123	5269692
(2) Tax for Earlier Period		163,027	0
(3) Deferred Tax		(99961)	(36909)
Profit/(Loss) For The Period		31962697	20796971
Earning Per Equity Share:			
(1) Basic		1.53	1.00
(2) Diluted		1.53	1.00

Significant Accounting Policies and Notes on Financial Statement

1 to 23

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai

Date: 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain

Managing Director
Executive Directors

Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Directors

Consolidated Cash Flow Statement for the year ended 31st March, 2015

PARTICULARS	(Amount In ₹)	
	For the year ended 31 st March, 2015	For the year ended 31 st March, 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax And Extraordinary Items	47065886	26338255
Adjustment for :		
Depreciation	1185836	671181
Interest (Net)	(60223583)	(23465356)
Loss on Sale of Car	0	0
Operating Profit Before Working Capital And Receivables	(11971861)	3544080
Adjustment for :		
(Increase) / Decrease in Trade and Other Receivables	72264273	(301546435)
(Increase) / Decrease in Inventories	(113289390)	(26733958)
(Increase)/Decrease in Other Current Assets	(4882891)	8,244,843.00
(Increase)/Decrease in Other Non Current Investments	950816	0
Increase / (Decrease) in Trade Payables and other liabilities	(221252996)	190522436
Cash Generated From Operations	(278182050)	(125969034)
Income Tax Paid	15203150	5269692
Cash Flow Before Extra-Ordinary Items	(293385199)	(131238726)
Extra-Ordinary Items	0	0
Net Cash From Operating Activities	(a) (293385199)	(131238726)
B CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	0	0
Purchase of Fixed Assests	(2577707)	(123681)
Purchase/Sale of Investments	0	(7500000)
Interest Received	27370496	15391152
Net Cash Used In Investment Activities	(b) 24792789	7767471
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	32853087	8074204
Proceeds from issue of Share Capital	0	0
Money Received against Share Warrant	0	0
Short Term Borrowing and others	333092101	149050026
Dividend Paid/Adjustment	0	0
Net Cash Used In Financing Activities	(c) 365945188	157124230
Net Increase In Cash And Cash Equivalents (a) + (b) + (c)	97352778	33652975
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	42248890	8595559
Cash And Cash Equivalents As At The End of the Year	139601668	42248534
Net Increase / (Decrease) As Disclosed Above	97352778	33652975

Note : All figures in brackets are outflows

As per our report of even date

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

For and On behalf of the Board

Mahendra M. Chordia
Asha M. Chordia
Sunil Jain
Ashok Surana
Sunderlal L. Bothra
Vishal R. Nolkha

Managing Director
Executive Directors
Directors

Place: Mumbai
Date: 29th May, 2015

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

Note No. 1	(Amount In ₹)	
	As at 31.03.2015	As at 31.03.2014
<u>SHAREHOLDER FUND</u>		
<u>EQUITY SHARE CAPITAL</u>		
a) Authorised Share:		
2,20,00,000 Equity Shares of ₹ 10/- each	<u>220000000</u>	<u>220000000</u>
b) Issued, Subscribed and Paid up:		
2,08,76,800 Equity Shares of ₹ 10/- each Fully Paid-Up	<u>208768000</u>	<u>208768000</u>
Less : Call Money Due on Equity Shares	<u>(392000)</u>	<u>(392000)</u>
Total	<u>208376000</u>	<u>208376000</u>
c) Reconciliation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period		
Particulars		
Outstanding at the Beginning of the Reporting Year	20876800	20876800
Add: Issued During the year	-	-
Outstanding at the End of the Reporting Year	<u>20876800</u>	<u>20876800</u>
d) Terms / Right Attached to Equity Shares		
In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation		

e) **Details of Shareholders holding more than 5% share in the company**

Equity Shares Fully Paid at ₹ 10/- each

S.No.	Name	As at 31 st March, 2015		As at 31 st March, 2014	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	Swarnsarita Jewellers Pvt. Ltd.	7128761	34.15	7128761	34.15
2	Grace United Real Estate Pvt. Ltd.	822878	3.94	1115178	5.34

Note No. 2	(Amount In ₹)	
	As at 31.03.2015	As at 31.03.2014
<u>RESERVE AND SURPLUS</u>		
Particulars		
a) Capital Reserve		
Balance as per Last Financial Statement	6750000	6750000
Closing Balance	<u>6750000</u>	<u>6750000</u>
b) Securities Premium Reserve		
Balance as per Last Financial Statement	136810040	136810040
Add: On issue of Equity Shares	-	-
Closing Balance	<u>136810040</u>	<u>136810040</u>
c) General Reserve		
Balance as per Last Financial Statement	4946190	4946190
Closing Balance	<u>4946190</u>	<u>4946190</u>
d) Surplus / (deficit) in the Statement of Profit and Loss		
Balance as per Last Financial Statement	399090482	378293511
Add: Profit for the Year	31962697	20796971
Less: Fixed Assets Written off as per section 123 (2) of Companies Act, 2013	(105798)	-
Net Surplus / (Deficit) in the Statement of Profit and Loss	<u>430947381</u>	<u>399090482</u>
Total Reserve and Surplus	<u>579453611</u>	<u>547596712</u>

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

As at 31.03.2015 As at 31.03.2014
(Amount In ₹)

Note No. 3

Short Term Borrowings

Secured

Union Bank of India (CC A/c)	300896995	149,050,026
SBI Gold Loan/CC A/c	114701133	-
Union Bank of India (Gold Loan)	67893999	-

Unsecured

Smart Link Realty Private Limited	0	1,350,000
	483492127	150,400,026

The Cash Credit facility from the Union Bank of India is secured by hypothecation charge of entire current assets of the Company, collaterally secured by the equitable mortgage of property of directors, personal guarantee given by the directors of the Company and Corporate guarantee of Swarnsarita Realty Private Limited and Swarnsarita Jewellers Private Limited

The Cash Credit facility and Gold Loan from the State Bank of India is secured by first hypothecation charge over entire current assets of the Company, present and future on pari pasu basis with other working capital lenders, collaterally secured by the equitable mortgage of property of Directors, personal guarantee given by the Directors of the Company and Corporate guarantee of Swarnsarita Realty Private Limited and Swarnsarita Jewellers Private Limited and Sankalp Erectors and Builders Private Limited

Note No. 4

(Amount In ₹)

Trade Payables

Micro, Small and Medium Enterprises

Others	54138060	295502899
	54138060	295502899

Note No. 5

Other Current Liability

(Amount In ₹)

Other Payables	12549785	2208372
	12549785	2208372

Note: - Other Payables include Statutory Dues and Payable for Expenses

Note No. 6

(Amount In ₹)

Short - Term Provision

Provision for Income Tax	15040123	5269692
	15040123	5269692

Note No. 7 - FIXED ASSETS

(Amount in ₹)

Sr. No.	Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As On 01.04.2014	Addition during the year	Deduction/ Writtenoff During the Year	As On 31.03.2015	As On 01.04.2014	Depreciation during the year	Depreciation Adjustments	Total As On 31.03.2015	As On 31.03.2015	As On 01.04.2014
	Tangible Assets										
1	Mettler Balances	300103	134544	196	434451	176557	58273	-	234830	199621	123546
2	Motor Cars	6147993	1633226	-	7781219	3607659	864632	-	4472291	3308928	2540334
3	Office Equipments	194834	185000	4480	375354	68441	48537	-	116978	258376	126393
4	Computers	433295	291323	101122	623496	129791	209242	-	339033	284463	303504
5	Furniture & Fixtures	32972	-	0	32972	32972	-	-	32972	-	-
6	Plant & Machinery	0	333614	0	333614	0	5152	-	5152	328462	0
	Sub-Total	7109197	2577707	105798	9581106	4015420	1185836	-	5201256	4379850	3093777
	Previous year total	6985516	123681	0	7109197	3344239	671181	0	4015420	3093777	3641277
	Intangible Assets Under Development									36000	36000

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

	As at 31.03.2015		As at 31.03.2014	
Note No. 8			(Amount In ₹)	
<u>Non - Current Investment</u>				
Investment in Unquoted Equity Shares of Subsidiary Comapny	No. of Shares	Amount	No. of Shares	Amount
Un - Quoted, Fully Paid Up				
Swarnsarita Realty Pvt Ltd	10000000	0	10000000	0
Investment in Partnership Firm Swarnsarita Gold & Diamonds		(950816)		0
		<u>(950816)</u>		<u>0</u>
Note No. 9				
<u>Deferred Tax Assets</u>				
Related to Fixed Assets		326143		226182
		<u>326143</u>		<u>226182</u>
Note No. 10				
<u>Current Investment</u>				
Investment in Equity Shares (Quoted, Fully Paid Up)	No. of Shares	Amount	No. of Shares	Amount
SJ Corporation Limited of ₹ 1 each	400	5201	400	5201
Investment in Mutual Fund				
Union KBC Mutual Fund A/c		7500000		7500000
		<u>7505201</u>		<u>7505201</u>
Market value of quoted shares		25120		25200
Note No. 11				
<u>Inventories</u>				
Raw Materials		50276445		15290845
Finished Goods		499171131		420867341
		<u>549447576</u>		<u>436158186</u>
Note No. 12				
<u>Trade Receivables</u>				
For period exceeding 6 months		7832379		7804076
For period upto 6 months		366933191		439225767
		<u>374765570</u>		<u>447029843</u>
Note No. 13				
<u>Cash and Cash Equivalent</u>				
Balances with Banks		139035485		41702919
Cash on hand		566183		545971
		<u>139601668</u>		<u>42248890</u>

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

As at 31.03.2015 As at 31.03.2014

Note No. 14

(Amount In ₹)

Short Term Loans and Advances

(Unsecured and Considered Good)

Security Deposits	3000	170315
Direct Tax Refundable	1405496	1405496
Advance Income Tax	9032965	4194359
Indirect Tax Refundable	9323685	2259857
Other amount recoverable in cash or kind *	256783846	263008660
	276548992	271038687

*Other amount recoverable include advances to creditors, wholly owned subsidiary company and others parties

Note No. 15

Other Current Assets

Preliminary Expenses	327720	491580
Job Work Charges Receivable	0	1525356
Advance For Expenses	1061802	-
	1389522	2016936

Note No. 16

Revenue From Operation

Sale of Goods	2313859075	1690341798
Labour Charges Received	87027955	12502847
Less: Excise Duty/VAT/Service Tax	-	-
	2400887030	1702844645

Note No. 17

Other Income

Interest Income	27370496	20395094
Miscellaneous Income	10421837	89858
Income/(Loss) from Partnership Firm	(950816)	0
	36841517	20484952

Note No. 18

Cost of Material Consumed

Particulars

Purchase of Goods	2307640319	1644301067
Labour Charges	137142861	50800380
Add:- Opening Stock		
Raw Material	15290845	71358252
	2460074025	1766459699
Less:- Closing Stock		
Raw Material	50276445	15290845
Raw Material Consumed	2409797580	1751168854

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

As at 31.03.2015 As at 31.03.2014

Note No. 19

(Amount In ₹)

(Increase)/Decrease in Inventory

Opening Balance of Inventory	420867341	336986216
Less: Closing Balance of Inventory	(499171131)	(420867341)
	(78303790)	(83881125)

Note No. 20

Employees Benefit Expenses

Salaries and Wages	7868000	5736500
Staff Welfare Expenses	109733	0
	7977733	5736500

Note No. 21

Finance Cost

Interest Expenses	32853087	13160412
	32853087	13160412

Note No. 22

Other Expenses

Administrative Expenses	26941	19583
Advertising Expenses	1671904	1045033
Auditor Remuneration	484500	477530
Bank Charges	1189874	82505
Commission on Sale	856768	0
Computer Repair & Maintenance	163180	104800
Connectivity Charges	120287	104148
Conveyance Expenses	280390	34350
Car Expenses	223997	18280
Depository Charges	122218	79776
Designing Expenses	14925	0
Donation	645000	2000
Electricity Expenses	338725	153088
Exhibition Charges	292765	0
Export Expenses	1268769	0
Franking Charges	180660	665110
Freight Charges	915554	945133
Insurance Charges	872754	427828
Interest for Late Payment TDS	9303	8100
Interest on Income Tax	0	11577
Listing Fees	112360	67416
IGI Certification Charges	590313	151785
Membership Fees	37096	110113
Office Expenses	153686	91092
Sundry Expenses	24065	104276

Notes to Consolidated Financial Statement for the Year ended 31st March, 2015

	As at 31.03.2015	As at 31.03.2014
		(Amount In ₹)
Packing Material & Threads	135550	0
Postage Expenses	67607	84740
Printing and Stationery	357507	204446
Processing Fee on CC	2410817	1472660
Professional Fees	287100	508290
Provision for Proposed Dividend	0	196
Prior Period Expense	38464	0
Repair and Maintainance - others	8803	15308
ROC Fees	9300	9600
Rent	1138356	2600000
Stamp Duty Payment	731000	0
Security Service Charges	68040	0
Telephone Expenses	236812	169418
Travelling Expenses	902966	511978
	16988356	10280160

Note No. 23:

(A) SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENT

1. Principal of Consolidation

The consolidated financial statement relate to Swarnsarita Gems Limited ('the Company') and its subsidiary Company ('Swarnsarita Realty Private Limited'). The consolidated financial statement have been prepared on the following basis:

- a. The financial statement of the Company and its subsidiary company are combined on line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transaction in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statement"
 - b. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statement as goodwill or capital reserve as the case may be.
 - c. The Company is holding 100% equity share capital of the subsidiary Company hence no minority interest in the net profit and net assets of the consolidated subsidiary is identified.
 - d. As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
2. Investment other than subsidiary have been accounted as per Accounting Standard (AS) 13 on – "Accounting for Investments"
 3. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

(B) NOTES ON ACCOUNTS: -

1.	Previous year figures have been regrouped, reworked, rearranged and reclassified whenever necessary.		
	Particulars	As at 31st March, 2015	As at 31st March, 2014
2.	Contingent Liabilities	Nil	Nil
3.	Payment to Auditors:		
	Statutory Audit Fees	300000	300000
	Tax Audit Fees	90000	90000
	Certification and Taxation Matters	10000	10000
	Service Tax	49440	49440
	Total	449440	449440

4. Deferred Tax:-

The Company has accounted for Deferred Taxation in respect of timing differences in accordance with the requirement of Accounting Standard 22 "Accounting for Taxes on Income". The Deferred Tax liability comprises the followings:

Particulars	As at 31st March, 2015	As at 31st March, 2014
Deferred Tax Assests		
On Account of Fixed Assets	326143	226182

5. Segment Reporting:-

The Company has identified two reportable segment viz. Jewellery and Real Estate. Segment have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting system. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- a. Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

- b. Segment assets and liabilities represent assets and liabilities in respective segment

(i) **Primary Segment Information:**

(₹ In Lakhs)

	Particulars	Jewellery		Real Estate	
		2014-15	2013-14	2014-15	2013-14
1	Segment Revenue				
	External Turnover	23117.39	17028.45	34.22	-
	Inter Segment Turnover	-	-	-	-
	Gross Turnover	23117.39	17028.45	34.22	-
	Less: Excise Duty/Service Tax	-	-	-	-
2	Segment Result Before Interest and Taxes	537.75	190.21	(15.55)	(2.26)
	Less: Interest Expenses	328.53	80.74	112.41	50.86
	Add: Interest Income	241.38	153.91	140.86	50.04
	Add: Exceptional item	-	-	-	-
	Profit Before Tax	450.60	263.38	12.90	(3.08)
	Current Tax	142.07	52.70	5.06	-
	Earlier Tax	1.63	-	-	-
	Deferred Tax	(1.00)	(0.37)	-	-
	Profit After Tax	307.90	161.01	7.84	(2.16)
3	Other Information				
	Segment Assets	13516.16	12077.42	2248.86	1897.50
	Segment Liabilities	5644.35	4512.44	1246.26	902.74
	Capital Expenditure	-	-	-	-
	Depreciation and Amortisation	11.86	6.71	1.63	1.64
	Non-Cash Expenses other than Depreciation and Amortisation	-	-	-	-

- (ii) The Company has reported segment information on consolidated basis including business conducted through its subsidiary, as per Accounting Standard on Segment Reporting (AS -17).

6. The Subsidiary Company “M/s Swarnsarita Realty Pvt Ltd.” considered in the consolidated financial statement is wholly owned subsidiary Company.
7. Financial information of subsidiary Company

Sr. no.	Particulars	
1	Name of Subsidiary Company	Swarnsarita Realty Private Limited
2	Reporting Currency	INR
3	Capital	100000000
4	Reserve	587805
5	Total Assets	224886137
6	Investment	-
7	Turnover/Total Income	17508279
8	Profit Before Taxation	1765465
9	Provision for Taxation	653000
10	Profit after Taxation	1112465
11	Proposed Dividend	-
12	Country	India

8. There are no delays in payments to Micro, Small and Medium Enterprises as required to be disclosed under “The Micro, Small and Medium Enterprises Development Act, 2006.”

9. Related Party Disclosure as per AS 18 (As identified by the Management):

Nature of Relationship	Name of Party
Where control Exists	Swarnsarita Realty Private Limited (100% Holdings)
	Swarnsarita Gold & Diamonds (45% Holdings)
Key Management Personnel	
Whole Time Directors	Mahendra M. Chordia Sunil Jain Rajendra M. Chordia (Resigned w.e.f. 18.03.2015) Asha M. Chordia (Appointed w.e.f. 14.11.2014)
Independent Directors	Vishal R. Nolkha Ashok Surana Sunderlal L. Bothra
Relatives of Key Management Personnel (Where transactions have been made)	Sunny Chordia
Related parties to Key Management Personnel (Where transactions have been made)	Swarnsarita Jewellers Private Limited

Related Party Transactions as per AS 18 (As identified by the management) (Amount in ₹)

Nature of Relationship	Transaction Details	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Where control Exists	Loan Made	2,33,26,500/-	8,81,37,588/-
Key Management Personnel	Director's Remuneration	36,25,000/-	19,80,000/-
	Rent	6,00,000/-	24,00,000/-
Relatives of Key Management Personnel	Salary	175,000/-	303000/-
Related parties to Key Management Personnel	Fixed Assets Purchased	3,75,315/-	Nil

9. Earning Per Share:-

The Earning per Share has been computed by dividing the profit after tax by number of Equity Shares outstanding.

Particulars	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Net profit available for equity shareholders	31962697	20796971
Weighted average number of equity shares	20876800	20876800
Basic and Diluted EPS	1.53	1.00

10. Foreign Currency Transactions:-

Particulars	For the Year Ended on March 31, 2015	For the Year Ended on March 31, 2014
Remittance in Foreign Exchange	Nil	Nil
Earning in Foreign Exchange	74,46,07,665/-	Nil
Export Sales	73,36,37,670/-	Nil

11. Outstanding Balance of Debtors, Creditors and Others are subject to confirmation.

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No.- 112492W

Suresh Anchaliya
Partner
Membership No. 044960

Place: Mumbai

Date : 29th May, 2015

For and On behalf of the Board

Mahendra M. Chordia	}	Managing Director
Asha M. Chordia		Executive Directors
Sunil Jain		
Ashok Surana	}	Directors
Sunderlal L. Bothra		
Vishal R. Nolkha		

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SWARNSARITA GEMS LIMITED

Registered office of the company: 17/19, Ground Floor, Dhanji Street, Mumbai- 400 003.
Website www.swarnsarita.in; email: info@swarnsarita.com; [CIN: L36911MH1992PLC068283]

Form No. MGT-11

FORM OF PROXY

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

Venue of the Meeting : Agrasen Bhavan, 90 feet Road, Garodiya Nagar, Ghatkopar (East), Mumbai-400077.

Date & Time : Wednesday, 23rd September 2015 at 10.00 am.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name	
Registered Address	
Email Id	
DP Id	
Client Id.	
Folio No.	

*Applicable for investors holding shares in Electronic form.

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

appoint the following as my /our Proxy to attend the vote (for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Wednesday **September 23, 2015 at 10.00 a.m.** at Agrasen Bhavan, 90 feet Road, Garodiya Nagar, Ghatkopar (East), Mumbai-400077 and at any adjournment thereof) in respect of such resolutions as are indicated below:

1. Mr/Mrs _____ (Name and Signature of the Proxy) or failing him/her Registered address _____
Email Id _____ Signature _____
2. Mr/Mrs _____ (Name and Signature of the Proxy) or failing him/her Registered address _____
Email Id _____ Signature _____

** I/We direct my/our Proxy to vote on the resolutions in the manner as indicated below:

Sl.No	Resolutions	Number of Shares held	For	Against
Ordinary Business				
1.	(a) the Audited Stadalone and Consolidated Financial Statement of the Company for the financial year ended 31 st March 2015 together with the Directors Report and Auditor's Report thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended 31 st March 2015			
2.	Re-appointment of Mr. Sunil Jain, who retires by rotation			
3.	Appointment of M/s. Suresh Anchaliya & Co, Chartered Accountants, Mumbai as Auditors			
Special Business				
4.	Appointment of Ms. Asha Chordia as an Executive Director			
5.	Increase in remuneration of Mr. Sunil Jain as the Whole time Director			
6.	Special Resolution for change in place of keep the register and other documents			

** This is optional. Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all of the Resolutions, the proxy will be entitled to vote in the manner he/ she thinks appropriate. If a member wishes to abstain from voting on particular resolution, he/she should write "Abstain" across the boxes against the Resolution.

Signature(s) of the Member(s)

1. _____
2. _____
3. _____

Signed this _____ day of _____ 2015

Affix One
Rupee
Revenue
Stamp



Notes:

1. The Proxy to be effective should be deposited at the registered office of the company not less than Forty Eight Hours before commencement of the meeting.
2. A proxy need not be a member of the company.
3. In the case of the Joint holders, the vote oif the senior who tenders vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of the Members.
4. The form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the coloumns "For" or "Against" as appropriate.

Awards & Recognitions



Swarnsarita Gems Limited bags first Artisan Award - 2014

Mr. Mahendra Chordia, Managing Director of Swarnsarita Gems Limited receiving 1st Artisan Award 2014 in the category 'Colourama' for Design & Manufacturing Excellence.

The bracelet adorned with rubies & emeralds that won award was inspired by the bullet belt worn by Gabbar Singh in Bollywood Movie Sholay, was created by jewellery designer Subhankar Bhowmick and the craftsmen, under the creative guidance of Team Swarnsarita.



