



# Goldiam International Ltd

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

CIN:L36912MH1986PLC041203

## FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	Goldiam International Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	For Pulindra Patel & Co. Chartered Accountants FRN NO. 115187W	<p><i>Pulindra M. Patel</i></p> <p><b>Pulindra M. Patel</b> Proprietor Membership No. 048991</p> <p><i>Rashesh M. Bhansali</i></p> <p><b>Rashesh M. Bhansali</b> Vice Chairman &amp; Managing Director</p> <p><i>Darshana J. Patel</i></p> <p><b>Darshana J. Patel</b> Chief Financial Officer</p> <p><i>Rajesh G. Kapadia</i></p> <p><b>Rajesh G. Kapadia</b> Audit Committee Chairman</p>

### Registered Office

Gems & Jewellery Complex, Santacruz Electronics Export Processing Zone, Andheri (East), Mumbai - 400096. India.  
Phones : (022) 28291893, 28290396, 28292397 Fax : (022) 28292885, 28290418 Email:goldiam@vsnl.com, Website: www.goldiam.com

# *Annual Report*

**2014-2015**



**Goldiam  
International  
Limited**

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

# Annual Report 2014-2015

## BOARD OF DIRECTORS

Manhar R. Bhansali	Chairman
Rashesh M. Bhansali	Vice-Chairman & Managing Director
Ajay M. Khatlawala	Director
Rajesh G. Kapadia	Director
Dr. R. Srinivasan	Director
Ami R. Bhansali	Director

## AUDIT COMMITTEE

Rajesh G. Kapadia, Ajay M. Khatlawala  
Dr. R. Srinivasan, Rashesh M. Bhansali

## NOMINATION & REMUNERATION COMMITTEE

Rajesh G. Kapadia, Dr. R. Srinivasan, Ajay M. Khatlawala

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Ajay M. Khatlawala, Manhar R. Bhansali,  
Rashesh M. Bhansali

## STAKE HOLDER RELATIONSHIP COMMITTEE

Dr. R. Srinivasan, Rashesh M. Bhansali  
Ajay M. Khatlawala

## TWENTY EIGHT ANNUAL GENERAL MEETING

will be held on Wednesday,  
September 30, 2015 at 11.00 a.m. at 'TRIBUNE 1'  
Banquet Hall, 6<sup>th</sup> floor, Hotel Tunga International,  
M.I.D.C. Central Road, Andheri (East), Mumbai 400 093.

## SHARE TRANSFER COMMITTEE

Manhar R. Bhansali  
Rashesh M. Bhansali  
Ajay M. Khatlawala

## COMPANY SECRETARY & COMPLIANCE OFFICER

Anita Kate (upto November 30, 2014)  
Manish Raval (w.e.f December 1, 2014 upto April 18, 2015)  
Pankaj Parkhiya (Company Secretary) (w.e.f. August 10, 2015)  
E-mail: [investorrelations@goldiam.com](mailto:investorrelations@goldiam.com)

## AUDITORS

Pulindra Patel & Co.,  
Chartered Accountants

## BANKERS

The Hongkong & Shanghai Banking Corporation Ltd.  
YES Bank Limited  
Standard Chartered Bank, Punjab National Bank  
Kotak Mahindra Bank Limited  
Citibank N.A.

## REGISTERED OFFICE

Goldiam International Limited  
CIN: L36912MH1986PLC041203  
Gems & Jewellery Complex, MIDC,  
SEEPZ, Andheri (East), Mumbai - 400 096.  
E-mail: [goldiam@vsnl.com](mailto:goldiam@vsnl.com), Website: [www.goldiam.com](http://www.goldiam.com)

## DIAMOND PROCUREMENT OFFICE

The Capital Office No. 1107, A Wing,  
11th Floor, Plot No. C-70, G Block,  
Bandra (East), Mumbai 400051.

## REGISTRAR AND TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai - 400 078.  
Tel no.: 25946970-78 Fax: 25946969  
E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## LISTING

Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001  
National Stock Exchange of India Limited  
"Exchange Plaza", Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051

## Contents:

Notice .....	02
Board of Directors' Report .....	09
Management Discussion and Analysis .....	33
Report on Corporate Governance .....	35
Auditors' Report .....	46
Balance Sheet .....	48
Profit and Loss Account .....	49
Cash Flow statement .....	50
Significant Accounting Policies .....	51
Notes on Financial Statements .....	54
Auditors' Report on Consolidated Accounts .....	73
Consolidated Balance Sheet .....	76
Consolidated Statement of	
Profit / Loss Account .....	77
Consolidated Cash Flow Statement .....	78
Significant Accounting Policies on Consolidated	
Accounts .....	79
Notes on Consolidated Financial Statements .....	83
Summary of financial information of	
Subsidiary companies .....	106
Proxy Form .....	109



# Goldiam International Limited

## GOLDIAM INTERNATIONAL LIMITED

CIN: L36912MH1986PLC041203

Registered Address: Gems & Jewellery Complex, M.I.D.C., SEEPZ, Andheri (East), Mumbai – 400 096.

Tel: (022) 2829 1893, 2829 0396, 2829 2397 • Fax: (022) 2829 2885, 2829 0418

Email: [goldiam@vsnl.com](mailto:goldiam@vsnl.com) • Website: [www.goldiam.com](http://www.goldiam.com)

## NOTICE

NOTICE is hereby given that the TWENTY EIGHT ANNUAL GENERAL MEETING of the Members of GOLDIAM INTERNATIONAL LIMITED will be held on Wednesday, September 30, 2015 at 11.00 a.m. at TRIBUNE 1' Banquet hall, 6<sup>th</sup> Floor, Hotel Tunga International, M.I.D.C Central Road, Andheri (East), Mumbai – 400 093 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend of ₹ 1.50 per equity shares for the Financial Year ended March 31, 2015.
3. To appoint a Director in place of Mrs. Ami R. Bhansali (DIN 00057937) who retires by rotation and, being eligible, offers herself for re-appointment.
4. To ratify the appointment of the Auditors and to fix their remuneration and in this regards pass with or without modification(s), the following resolution as an

### Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of sections 139(9) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, the appointment of M/s. Pulindra Patel & Co., Chartered Accountants, (Firm Registration No 115187W) approved in the 27<sup>th</sup> Annual General Meeting until 30<sup>th</sup> Annual General Meeting is hereby ratified in this Annual General Meeting till conclusion of next Annual General Meeting, with remuneration as may be decided by the Board of Directors.”

### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, if any, the following resolution as an **Special Resolution** for increase in remuneration of Mr. Rashesh M. Bhansali and also to consider his re-appointment for the position of Vice Chairman and Managing Director:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Section II of Part II of Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to such approvals as may be necessary, the consent of the members of the Company be and are hereby

accorded to pay the minimum remuneration, as detailed below, to Mr. Rashesh M. Bhansali (DIN 00057931), Vice Chairman and Managing Director of the Company for three (3) financial years with the effect from April 1, 2015.

### Details of Remuneration:

#### Part A:

1. Basic Salary: ₹10,00,000/- per month

#### Part B:

1. Car for Office Use.
2. Telephone at residence for business use to be reimbursed from the Company, or from Residence Subject to self-certification basis on production of bills.
3. Membership fees of two clubs.
4. Gratuity shall be payable as per the provisions of the payment of Gratuity Act, 1972 as amended from time to time.

**RESOLVED FURTHER THAT** in case the Company does not earn any profits or earns inadequate profits the remuneration mentioned above will be considered as maximum remuneration payable to Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director, pursuant to the provision of and the ceiling limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. However, in case company does not earn any profits or earns inadequate profits the remuneration payable to Vice Chairman & Managing Director may exceed the above ceiling subject to the prior approval of Central Government and such other approvals, if any necessary.

**RESOLVED FURTHER THAT** Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director shall be entitled to Commission of 5% of net profit inclusive of Salary, as per the ceiling fixed under Section 197 and Schedule V and other applicable provisions of the Companies Act, 2013 and amendments made thereto from time to time and accordingly, in the event of loss or inadequacy of profit in any financial year, the salary payable to Mr. Rashesh M. Bhansali, shall be governed by Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in pursuance to provisions of Section 196 of the said Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to such other approvals, permissions and sanctions, the consent of the members of the Company be and is hereby accorded to re-appoint Mr. Rashesh M. Bhansali as the Vice Chairman & Managing Director of the Company for the period of 5 (five) year with effect from February 1, 2016 and the payment of

## Annual Report 2014-2015

remuneration to him on the terms and conditions as mentioned above.

**RESOLVED FURTHER THAT** the Board and / or its committee be and is hereby in its absolute discretion to decide/determine, fix and/or vary/alter/modify within the limit stated above, the remuneration (including Minimum Remuneration in the event of absence or inadequacy of profits in any financial year) payable to Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director, from time to time and to comply with all legal provisions and to do all such acts, deeds, things and matters etc., as may be considered necessary, desirable, expedient or proper to give effect to this resolution."

By Order of the Board of Directors

Sd/-

Place: Mumbai  
Date: May 25, 2015  
Regd. Office:  
Gems & Jewellery Complex,  
M.I.D.C., SEEPZ, Andheri (E),  
Mumbai - 400 096.

**Rashesh M. Bhansali**  
Vice Chairman & Managing Director

### NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting" or "AGM") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the 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.**

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

2. The details of the Directors proposed to be appointed/re-appointed, as required under Clause 49 of the Listing Agreement with the Stock Exchange(s) is attached to this Notice.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business under item no. 5 is annexed hereto.

4. (a) The Register of Members and Share Transfer Books will remain closed from September 22, 2015 to September 30, 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the final dividend for the Financial Year ended March 31, 2015.  
(b) Subject to the provisions of Section 126 of Companies Act, 2013 dividend as recommended by the Board of Directors, if declared at the Meeting, will be paid on or after October 5, 2015 to those members whose names appear on the Register of Members as on September 21, 2015; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
5. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Members who have not yet encashed their final and/or interim dividend warrant(s) for the financial year 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014 are requested to approach the Company's Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd. The details of unpaid dividend is also available on the website of the Company [www.goldiam.com](http://www.goldiam.com)
6. Members are requested to notify immediately any change in their address or bank account particulars:
  - To the Registrar and Transfer Agents of the Company for shares held in physical form; and
  - Directly to their respective Depository Participants with whom they are maintaining their demat accounts and not to the Company/ Registrar and Transfer Agents, for shares held in electronic form.
7. Non-Resident Indian Members are requested to inform M/s. Link Intime India Private Limited immediately of :
  - Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
8. In all correspondences with the Company, members holding shares in physical form are requested to quote their Folio numbers and those holding shares in electronic form are requested to quote their DP ID number and Client ID number.

## Goldiam International Limited

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd.
10. Members desirous of obtaining any information concerning the accounts are requested to write to the Company at least 10 days before the date of the meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
11. Electronic copy of the Annual Report for the Financial Year ended March 31, 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the Financial Year ended March 31, 2015 is being sent in the permitted mode. Members may also note that the copy of Annual Report will also be available on the Company's website [www.goldiam.com](http://www.goldiam.com). To support the 'Green Initiative', the Members who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email addresses with the Registrar & Transfer Agent of the Company.
12. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of Annual Report with them along with the Attendance slip duly signed and completed quoting their Folio No., in case shares are held in physical form or their DP ID number and Client ID number in case the shares are held in electronic form.
13. All documents referred to in the accompanying Notice and the Explanatory Statement, and other statutory register shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 am to 6.30 pm) on all working days except Sunday and public holiday up to and including the date of the Annual General Meeting of the Company.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013; and the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection at the AGM.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime India Pvt. Ltd., for consolidation into a single folio.
16. **Voting through electronic means**  
Pursuant to provisions of section 108 and any other applicable provisions of the Companies Act, 2013, if any, read with Rule 20 of the Companies (Management & Administration) Amendment Rules, 2015, and Clause 35B of the Listing Agreement the Company is pleased to provide its members with the facility of "remote e-voting" (e-voting from a place other than venue of the AGM), to enable them to cast their votes for the businesses to be transacted at the 28<sup>th</sup> AGM of the Company. The Company has entered into an agreement with Central Depository Services (India) Ltd. (CDSL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically.  
The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the AGM.

### The Instructions for members for voting electronically are as under:-

- (A) The voting period begins on September 27, 2015 at 9.00 a.m. and ends on September 29, 2015 at 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 of September 23, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - ii) Now click on "Shareholders" to cast your votes.
  - iii) Now Enter your User ID

	For members holding shares in Demat form	For members holding shares in Physical form
User-ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 Digit beneficiary ID	Folio Number registered with the Company.

iv) Next enter the Image Verification as displayed and Click on Login.

v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

## Annual Report 2014-2015

vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip in the PAN field.</li> </ul>
Date of Birth (DOB) <b>OR</b> Dividend Bank Details	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.  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"> <li>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 (iii).</li> </ul>

- vii) After entering these details appropriately, click on "SUBMIT" tab.
- viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company 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.
- ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x) Click on the EVSN for the relevant Company i.e. Goldiam International Limited on which you choose to vote.
- xi) 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.
- xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii) 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.
- xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvii) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- The voting right of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date September 23, 2015.
- xix) The Company has appointed Mr. Rajnikant Shah, Practising Company Secretary (Membership No. 1629 COP No. 700), as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, during the remote e-voting and voting at the AGM, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.goldiam.com](http://www.goldiam.com) and on the website of CDSL and shall be communicated to the Stock Exchanges.

## *Goldiam International Limited*

### **EXPLANATORY STATEMENT**

Explanatory Statement in respect of the special business pursuant to section 102 of the Companies Act, 2013 and forming part of the Notice dated May 25, 2015.

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

The Members at their Annual General Meeting held on September 30, 2014 approved the increase in remuneration of Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director with effect from April 1, 2014 as below:

#### **PART A:**

Basic Salary: ₹5,00,000/- per month

#### **PART B:**

1. Medical Reimbursement:  
Reimbursement of medical expenses incurred for self and family members subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.
2. Leave Travel Concession:  
Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company for the time being in force.
3. Club Fees:  
Membership fees of two clubs.
4. Gratuity:  
Gratuity shall be payable as per the provisions of the payment of Gratuity Act, 1972 as amended from time to time.
5. Car for Office Use.
6. Telephone at residence for business use to be reimbursed from the Company.
7. Commission as a percentage of the net profit of the Company as decided by the Board from time to time, subject to the ceiling under the provisions of Companies Act, 1956.

In view of the valuable contribution being made by Mr. Rashesh M. Bhansali towards the growth of the Company, the Board in its meeting held on May 25, 2015 and as recommended by Nomination and Remuneration Committee and subject to the approval of the Members of the Company in the Annual General Meeting and such other approval as may be necessary, has decided to increase his remuneration with effect from April 1, 2015 as per the terms and conditions mentioned in the resolution.

Further the Members of the Company had, at their Annual General Meeting held on August 12, 2010, approved the re-appointment of Mr. Rashesh M. Bhansali as the Vice Chairman & Managing Director of the Company for a period of five (5) years with effect from February 1, 2011. The present term of his appointment expires on January 31, 2016 and the Board of Directors of the Company, at the meeting held on May 25, 2015, decided, subject to the approval of the members of the Company, to re-appoint him for further period of five(5) years with effect from February 1, 2016 on terms and conditions as set forth in the resolution.

Accordingly, the Board recommends the resolution for the approval by the shareholders of the Company.

None of the Directors except Mr. Rashesh M. Bhansali and his father Mr. Manhar R. Bhansali and his wife Mrs. Ami R. Bhansali are deemed to be concerned or interested in the resolution set out at item No. 5.

By Order of the Board of Directors

**Rashesh M. Bhansali**

Regd. Office: Vice Chairman & Managing Director  
Gems & Jewellery Complex,  
M.I.D.C., SEEPZ, Andheri (E),  
Mumbai - 400 096.

Place: Mumbai  
Date: May 25, 2015



## ANNEXURE TO THE EXPLANATORY STATEMENT

Information as required under Section II of Part II of Schedule V of the Companies Act, 2013 and forming part of the explanatory statement to the Notice convening the Annual General Meeting. (For Item No.5).

### I. GENERAL INFORMATION

#### Nature of Industry:-

Goldiam International Limited is operating in two segments viz. Jewellery manufacturing and investment activity. The founders of the company have been in this business for 2 generations. The company grew steadily and added each process of manufacturing to its lineup, with an aim of becoming a fully integrated jewellery manufacturer.

#### Outstanding Achievements:-

The Company is manufacturing high quality, luxurious and creative diamond jewellery and exporting to USA, Europe and other countries. The Government of India and several other trade bodies have awarded the Company for its contribution to jewellery trade and being a pioneer and a role model in this industry.

#### Following are the achievements:-

- Outstanding Export Performance for studded Jewellery from EPZ for the years 1992; 1993; 1994; 1996; 1997; 1998 and 1999 by Gem & Jewellery Export Promotion Council.
- Mr. Manhar R. Bhansali, Chairman of the Company was awarded with "PIONEER OF THE YEAR" award by IDCA (Indian Diamond & Colorstone Association) on June 5, 2010.

#### Date or expected date of commencement of commercial production:-

The Company was incorporated on October 10, 1986 and commenced its business on May 20, 1988.

#### In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:-

- Not applicable.

#### Financial performance:-

(Based on Audited published financial statement)

	31.03.2015	31.03.2014
	(₹ In Lakhs)	
Total Revenue	12680.52	13165.12
Profit before Exceptional items	1354.13	1318.30
Finance Costs	62.15	82.05
Depreciation and		
Amortisation Expense	235.42	171.14
Profit before Tax	1429.83	1318.30
Provision for Tax including		
Current Tax and adjustments of		
Earlier Years	300.74	317.29
Provision for Deferred Tax	13.67	1.38
Profit after Tax	1115.41	999.63

Foreign Investments or Collaborators, if any:- NIL

### II. INFORMATION ABOUT THE APPOINTEES

#### Mr. Rashesh M. Bhansali

#### 1. Background details:-

Mr. Rashesh M. Bhansali was re-appointed as a Vice-Chairman and Managing Director of the Company for a period of 5 years from February 1, 2011 to January 31, 2016 by the members the Company at their 23<sup>rd</sup> Annual General Meeting, held on August 12, 2010. Now it is proposed to re-appoint him with effect from February 1, 2016 for the period of five years i.e. upto January 31, 2021 on the remuneration as stated in resolution no.5 of the above notice for the period of three years i.e. upto 31<sup>st</sup> March, 2018 :

#### 2. Remuneration:

The remuneration approved by members of the Company at 27<sup>th</sup> AGM convened on September 30, 2014 was ₹ 60 Lakhs per annum inclusive of perks as per Companies Act, 2013 read with rules made there under and schedule V of the Act.

#### 3. Recognition and Awards:-

Mr. Rashesh M. Bhansali has a rich and extensive experience of management and running of gems and jewellery unit for more than a decade. His vision and commitment has enabled the Company steer through the most difficult times in the history of gems and jewellery Industry in India. Due to his ability, the Company continue to be cashrich and low debt Company to other players in the industry.

#### 4. Job Profile and his suitability:-

As the Managing Director of the Company, he is in overall charge of day-to-day control of production, legal, secretarial, taxation, accounts, finance including interaction with Banks and Institutions. The vendor selection and right sourcing of materials at competitive rates is also managed by him. He is overall in charge of administration and the interaction with various local authorities at all levels.

#### 5. Remuneration proposed:-

The proposed remuneration is ₹10 lakhs per month inclusive of perks pursuant to provision of Companies Act, 2013 read with rules made thereunder and Schedule V of the Act.

#### 6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):-

Taking into consideration the size of the company, profile of the Mr. Rashesh M. Bhansali, responsibility shouldered on him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

## Goldiam International Limited

### III. OTHER INFORMATION

#### Reasons of loss or inadequate profits:-

The Company has recently switched its marketing strategy by selling to retailer's merchandise and in order to cope with retailers demand it is necessary for the Company to maintain certain level of stocks. During the year there was fluctuation in gold price which resulted inadequate profit.

Further the Indian Gems and Jewellery industry is thus passing through an adverse phase although the future would be more optimistic if input costs, including the cost of raw material and interest, could remain generally stable. The profitability of the Company may be inadequate for making payment of the remuneration (which is in consonance with the corporate practice) to Managing Director under the Companies Act, 2013 read with schedule V of the Act.

#### Steps taken or proposed to be taken for improvement:-

The Company has taken up modernization from time to time. The company has installed a new generation machines and testing equipments for improved quality of products as per international standards and thereby expand the market base.

#### Expected increase in productivity and profits in measurable terms:-

The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. The productivity is expected to increase by about 5 to 10% during the current years.

### IV. DISCLOSURES

All the relevant information required to be disclosed in the Board of Directors' Report under the heading "Corporate Governance" attached to the annual report will be disclosed as and when required.

#### Details of the Director seeking appointment/re-appointment at the Annual General Meeting

##### Profile of Mr. Rashesh M. Bhansali (DIN 00057931)

Date of Appointment	September 1, 1988
Date of Birth	July 06, 1968
Qualifications	Bachelors degree in Commerce
Expertise in specific functional area	Wide Knowledge & experience in the field of diamonds & jewellery
Directorships held in other Public Companies (excluding Foreign Companies and Section 25 Companies)	<ul style="list-style-type: none"> <li>• Diagold Designs Limited</li> <li>• Goldiam Jewellery Limited</li> <li>• Goldiam Jewels Limited</li> </ul>
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit and Shareholders'/Investor Grievance Committees)	Member of Audit Committee of Goldiam Jewellery Limited
Number of Shares held	6000000

##### Profile of Mrs. Ami R. Bhansali (DIN 00057937)

Date of Appointment	August 13, 2014
Date of Birth	May 23, 1968
Qualifications	Bachelors degree in Commerce
Expertise in specific functional area	Jewellery Designing
Directorships held in other Public Companies (excluding Foreign Companies and Section 25 Companies)	<ul style="list-style-type: none"> <li>• Goldiam Jewellery Limited</li> </ul>
Memberships/Chairmanships of Committees of other Public Companies (includes only Audit and Shareholders'/Investor Grievance Committees)	Nil
Number of Shares held	Nil

## Annual Report 2014-2015

### BOARD OF DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Twenty Eight Annual report on the affairs of the Company together with the Audited Statement of Accounts for the year ended on March 31, 2015.

#### FINANCIAL RESULTS:

Particulars	(₹ in Lakhs)	
	Year Ended 31.03.2015	Year Ended 31.03.2014
Sales for the year	11894.27	12,527.05
Profit before Interest & finance charges, depreciation & taxation	1651.70	1,571.49
Less: Interest & finance Charges	62.15	82.05
Operating profit before depreciation & taxation	1589.55	1,489.44
Less: Depreciation, amortization & impairment of asset	235.42	171.14
Profit before Exceptional Items	1354.13	1,318.30
Add: Exceptional Items	75.70	0.00
<b>Profit before taxation</b>	<b>1429.83</b>	<b>1,318.30</b>
Current Tax & Prior Year	300.75	317.29
Deferred Tax Liability	13.67	1.38
<b>Profit after taxation</b>	<b>1115.41</b>	<b>999.63</b>
Add: Balance brought forward	9070.65	8,446.25
Profit available for appropriation	10186.06	9,445.88
Less: Appropriation:		
Transfer to General Reserve	0.00	25.00
Interim Dividend	0.00	0.00
Tax on Interim Dividend	0.00	0.00
Proposed Dividend	374.19	299.35
Provision for Tax on Proposed Dividend	66.66	50.87
<b>Balance carried forward to Balance Sheet</b>	<b>9745.21</b>	<b>9070.65</b>

#### OPERATION, STATE OF AFFAIRS AND INTERNAL CONTROL:

The consolidated turnover of the Company for the FY 2014-2015 was ₹32,155.53 lakhs as compared to previous year ₹31,383.96 lakhs, registering a growth of 2.46%. The consolidated profit after tax stood at ₹2,184.82 lakhs as compared to previous year ₹1,750.56 lakhs- growth of 24.81%.

The Company has achieved a turnover on standalone basis of ₹11,894.27 lakhs during the FY 2014-2015 as compared to ₹12,527.05 lakhs during the previous year. The standalone profit after tax of the Company increased by 11.58% from ₹999.63 lakhs to ₹1,115.41 lakhs in the current year.

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances.

Company's Policies on Related Party Transaction, Corporate Social Responsibility, Whistle Blower, Familiarisation Programme, Policy on material subsidiary and also Code of Conduct applicable to Directors and Employees of the Company has been complied with. These Policies and Code of Conduct are available on the Company's website [www.goldiam.com](http://www.goldiam.com).

There is no change in the nature of the business of the Company. There were no companies which became or ceased to be the Subsidiaries, joint ventures or associate companies during the year. There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. There were no material changes and commitment affecting the financial position between March 31, 2015 and date of this Report of Directors.

#### DEPOSITS:

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2015. There were no unclaimed or unpaid deposits as on March 31, 2015.

#### TRANSFER TO RESERVE:

The Company does not proposes to make any transfer to reserves.

#### DIVIDEND

Your directors recommend payment of final dividend of ₹1.50 per share of face value of ₹10/- each for the year ended March 31, 2015 as against a dividend of ₹1.20 per share in previous year.

#### CONSOLIDATED FINANCIAL STATEMENT:

In accordance with the Accounting Standards AS-21 on Consolidated Financial Statements, your Directors provide the Audited Consolidated Financial Statements in the Annual Report.

#### REVIEW OF SUBSIDIARIES AND ASSOCIATES:

Your Company has three Subsidiaries and one Associate Company. Financials of the Subsidiaries and Associate Company are disclosed in the Consolidated Financial Statements, which form part of this Annual Report. A statement containing salient features of the Financial Statements of the Subsidiaries and Associate Company is annexed to this Annual Report pursuant to Section 129 of the Companies Act, 2013 and Rules made thereunder in prescribed Form AOC-1 and hence not repeated here for the sake of brevity.

#### MEETING OF THE BOARD:

During the year four Board meetings were held, the details of which are given in the Corporate Governance Report.

# Goldiam International Limited

## DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (ii) 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 as at March 31, 2015 and of the profit and loss of the Company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) 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.

## LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 42 to the Financial Statements.

### 1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

### 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Goldiam USA Inc. (Wholly Owned Subsidiary)	Sale and Purchase	5 years	Value of the contract is ₹200 Crores	N.A	N.A

**Note:** Audit Committee had granted omnibus approval for the related party transaction to be entered with Diagold Designs Limited and Goldiam HK Limited at the meeting of Committee held on November 13, 2015.

## EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in form MGT-9 is annexed herewith as **Annexure A**.

## STATUTORY INFORMATION:

Information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of this Board Report for the year ended March 31, 2015 is given in **Annexure B**.

## NOMINATION AND REMUNERATION POLICY:

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is appended as **Annexure C** to this Report.

## RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained for related party transactions wherever required and the transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee for reviewing on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.goldiam.com](http://www.goldiam.com). None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

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 AOC-2)

For and on behalf of the Board of Directors

Sd/-  
Manhar R. Bhansali  
Chairman  
(DIN: 00058699)



### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure D**.

### **RISK MANAGEMENT POLICY AND ITS IMPLEMENTATION:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors.

### **CORPORATE SOCIAL RESPONSIBILITY:**

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects in the area of Promoting Preventive Health Care and Animal Welfare. These projects are in accordance with Schedule VII of the Companies Act, 2013.

With the help of other trusts i.e with Shree Sumati Jeev Raksha Kendra undertaking "Jeevdaya" project in the area of Animal Welfare and with Vision Foundation of India undertaking "Rashtriya Netra Yagna" project, the Company has undertaken its CSR activity.

The content of CSR policy of the Company and the Annual Report on CSR activities is annexed herewith as **Annexure E**.

### **BOARD EVALUATION:**

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has also carried out an annual evaluation of its own performance and that of its Committees namely the Audit Committee, the Nomination & Remuneration Committee, the Stakeholders Relationship Committee and the Corporate Social Responsibility Committee.

The evaluation was made in the overall context of the effectiveness of the Board and the respective Committees in providing guidance to the operating management of the Company, level of attendance in the Board/ Committee meetings, constructive participation in the discussion on the agenda items, effective discharge of the functions and roles of the Board/ Committees. A detailed discussion followed on the basis of the aforesaid criteria and the Board collectively agreed that the Board and all its Committees fulfilled the above criteria and positively contributed in the decision making process at the Board/ Committee level.

The Board has evaluated the performance of the individual directors on the basis of evaluation criteria specified in the Nomination and Remuneration policy of the Company. A member of the Board/Committee did not participate in the discussion of his/her evaluation.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors had appointed Mrs. Ami R. Bhansali as a woman director with effect from August 13, 2014 and the same was approved by the members in the Twenty Seventh Annual General Meeting held on September 30, 2014. At the Twenty Seventh Annual General Meeting the Members had also appointed the existing Independent Directors viz. Mr. Rajesh G. Kapadia (DIN: 00003272) for five (5) consecutive years for a term upto the conclusion of the 32<sup>nd</sup> Annual General Meeting, Mr. Ajay M. Khatlawala (DIN: 00124042) for four (4) consecutive years for a term upto the conclusion of the 31<sup>st</sup> Annual General Meeting and Dr. R. Srinivasan (DIN: 00003968) for three (3) consecutive years for a term upto the conclusion of the 30<sup>th</sup> Annual General Meeting, as Independent Directors.

All Independent Directors have given declarations that they meet the criteria of independent as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing agreement.

During the year Company had appointed Ms. Darshana J. Patel as a Chief Financial Officer of the Company w.e.f. August 13, 2014. During the year Ms. Anita Kate has resigned from the post of Company Secretary and Compliance Officer w.e.f. November 30, 2014 and Mr. Manish S. Raval has been appointed as a Company Secretary and Compliance Officer w.e.f. December 1, 2014\*.

*(\*) Mr. Manish Raval resigned from the post of Company Secretary and Compliance Officer w.e.f. April 18, 2015.*

### **RE-APPOINTMENTS:**

As per the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Ami R. Bhansali (DIN: 00057937), Director retires at the ensuing Annual General Meeting and, being eligible offers herself for re-appointment.

### **AUDITORS:**

M/s. Pulindra Patel & Co., Chartered Accountants having registration number FRN No.115187W were appointed as Statutory Auditors of your Company at the last Annual General Meeting held on September 30, 2014 for a term of three (3) consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

## *Goldiam International Limited*

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, your Company has constituted Internal Complaints Committee. In order to prevent sexual harassment of women at workplace the Company has also adopted a Policy for Prevention of Sexual Harassment of Women at workplace. During the year, your Company has not received any complaint of such harassment.

### **SECRETARIAL AUDIT:**

M/s. R. N. Shah & Associates, Company Secretaries in Practice conducted Secretarial Audit for the financial year ended March 31, 2015. M/s. R. N. Shah & Associates has submitted the Report confirming compliance with the applicable provisions. The Secretarial Audit Report for the financial year ended March 31, 2015 is included in the **Annexure F** and forms the integral part of this Report.

There is no secretarial audit qualification for the year under review.

### **WHISTLE BLOWER POLICY:**

The Company has established a Whistle Blower Policy for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

In terms of the provisions of Clause 49 of the Listing Agreement, the Management's discussion and analysis is set out in this Annual Report.

### **REPORT ON CORPORATE GOVERNANCE:**

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a Certificate from the Company's Auditor confirming compliance forms an integral part of this Report.

### **ACKNOWLEDGMENTS:**

Your Directors take this opportunity to place on record their appreciation and sincere gratitude to the Government of India, Government of Maharashtra, SEEPZ (SEZ) Authorities and the Bankers to the Company for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors

**sd/-**

**Manhar R. Bhansali**

**Chairman**

**(DIN: 00058699)**

Place: Mumbai

Dated: May 25, 2015

## Annual Report 2014-2015

### ANNEXURE A

#### Extract of the Annual Return in form MGT-9:

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

#### I. Registration and other Details

CIN	L36912MH1986PLC041203
Registration Date	October 10, 1986
Name of the Company	Goldiam International Limited
Category	Company Limited by shares
Sub-Category	Indian Non-Government Company
Address of the Registered Office	Gems and Jewellery Complex, M.I.D.C., SEEPZ, Andheri (East), Mumbai - 400096, Maharashtra, India.
Contact details	Tel: (022) 2829 1893, Fax: (022) 2829 2885; Email: <a href="mailto:goldiam@vsnl.com">goldiam@vsnl.com</a> Website: <a href="http://www.goldiam.com">www.goldiam.com</a>
Whether Listed Company	Yes, Listed on BSE and NSE
Name, Address and Contact details of Registrar and Transfer Agent	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, (West), Mumbai - 400 078. Tel.: 25946970-78, Fax: 25946969 Email: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>

#### II. Principal Business Activities

All the business activities contributing 10 % or more of the total turnover of the Company

Sr. No.	Name and Description of main products	NIC Code of the Product	% to total turnover of the Company
1.	Manufacturers and exporters of studded gold and silver jewellery	36911	100%

#### III. Particular of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Goldiam Jewellery Limited (Unit No.G-10,Gr. Floor, Gems & Jewellery Complex II, MIDC, SEEPZ, Andheri (East), Mumbai 400 096.)	U36910MH2005PLC152383	Subsidiary	100	Section 2(87)
2	Goldiam USA, Inc. (22 West 48 <sup>th</sup> Street, Suite # 305, New York, NY 10036 USA)	N.A	Subsidiary	100	Section 2(87)
3	Diagold Designs Limited (Plot No R/1, Cama Industrial Estate, Bajrang Nagar, Walbhat Road, Goregaon (East), Mumbai 400063.)	U36900MH2000PLC129176	Subsidiary	50.99	Section 2(87)
4	Goldiam HK Limited (Room 06, Unit F1, 3/F, Hang Fung Industrial Building, Phase 1, 2G Hok Yuen Street, Hung Hom, Kowloon, Hong Kong)	N.A	Associate (Joint-Venture)	49.93	Section 2(6)

## Goldiam International Limited

### IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (As on April 1, 2014)				No. of shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	14098100	-	14098100	56.5145	14198100	-	14198100	56.9153	+0.4008
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	14098100	-	14098100	56.5145	14198100	-	14198100	56.9153	+0.4008
(2) Foreign									
a) NRIs —									
Individuals	-	-	-	-	-	-	-	-	-
b) Other –									
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	14098100	-	14098100	56.5145	14198100	-	14198100	56.9153	+0.4008
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	6000	2000	8000	0.0321	6000	2000	8000	0.0321	-
b) Banks / FI	0	400	400	0.0016	0	400	400	0.0016	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	6000	2400	8400	0.0337	6000	2400	8400	0.0337	-



## Annual Report 2014-2015

Category of shareholders	No. of shares held at the beginning of the year (As on April 1, 2014)				No. of shares held at the end of the year (As on March 31, 2015)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>(2) Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	651084	-	651084	2.6100	577391	-	577391	2.3146	-0.2954
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3844801	405117	4249918	17.0365	3698170	392532	4090702	16.3982	-0.6383
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	2415631	-	2415631	9.6834	2589463	-	2589463	10.3803	+0.6969
c) Others (specify)									
Clearing member	9729	-	9729	0.0390	18565	-	18565	0.0744	+0.0354
Market Maker	23928	-	23928	0.0959	20824	-	20824	0.0835	-0.0124
Foreign Nationals	-	1600	1600	0.0064	-	1600	1600	0.0064	-
Non Resident Indians (Repat)	252950	2000	254950	1.0220	235145	2000	237145	0.9506	-0.0714
Non Resident Indians (Non-Repat)	140815	-	140815	0.5645	132159	-	132159	0.5298	-0.0347
Foreign Companies	2700000	-	2700000	10.8234	2700000	-	2700000	10.8234	-
Overseas Corporate Bodies	-	15000	15000	0.0601	-	15000	15000	0.0601	-
Independent Directors	1000	-	1000	0.0040	1000	-	1000	0.0040	-
HUF	375841	-	375841	1.5066	355647	-	355647	1.4257	-0.0809
<b>Sub-total (B)(2)</b>	<b>10415779</b>	<b>423717</b>	<b>10839496</b>	<b>43.4518</b>	<b>10328364</b>	<b>411132</b>	<b>10739496</b>	<b>43.0510</b>	<b>-0.4008</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>10421779</b>	<b>426117</b>	<b>10847896</b>	<b>43.4855</b>	<b>10334364</b>	<b>413532</b>	<b>10747896</b>	<b>43.0847</b>	<b>-0.4008</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>24519879</b>	<b>426117</b>	<b>24945996</b>	<b>100</b>	<b>24532464</b>	<b>413532</b>	<b>24945996</b>	<b>100</b>	<b>-</b>

## Goldiam International Limited

### (ii) Shareholding of Promoters

Name of Promoters	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Mr. Manhar R. Bhansali	7103428	28.4752	-	7103428	28.4752	-	No change
Mr. Rashes M. Bhansali	5900000	23.6511	-	6000000	24.0520	-	+0.4008
Mrs. Shobhana M. Bhansali	1094672	4.3882	-	1094672	4.3882	-	No Change

### (iii) Change in Promoters' Shareholding

Name of Promoters	Shareholding during the Year		Cumulative Shareholding	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. Manhar R. Bhansali</b>				
At the beginning of the year	7103428	28.4752	7103428	28.4752
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			7103428	28.4752
<b>Mr. Rashes M. Bhansali</b>				
At the beginning of the year	5900000	23.6511	5900000	23.6511
Increase / Decrease in Share holding during the year				
28.04.2014 (Increase) (Market Purchase)	4189	0.0168	5904189	23.6679
29.04.2014 (Increase) (Market Purchase)	1099	0.0044	5905288	23.6723
30.04.2014 (Increase) (Market Purchase)	8328	0.0334	5913616	23.7057
06.05.2014 (Increase) (Market Purchase)	1750	0.0070	5915366	23.7127
07.05.2014 (Increase) (Market Purchase)	34634	0.1388	5950000	23.8515
08.05.2014 (Increase) (Market Purchase)	50000	0.2004	6000000	24.0520
At the End of the year			6000000	24.0520
<b>Mrs. Shobhana M. Bhansali</b>				
At the beginning of the year	1094672	4.3882	1094672	4.3882
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			1094672	4.3882

## Annual Report 2014-2015

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

	Shareholding		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1. Diajewel N.V</b>				
At the beginning of the year	2700000	10.8234	2700000	10.8234
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			2700000	10.8234
<b>2. Nehal Kunal Vora</b>				
At the beginning of the year				
Increase / Decrease in Share holding during the year				
07.11.2014 (Increase) (Market Purchase)	273279	1.10	273279	1.10
06.02.2015 (Increase) (Market Purchase)	20096	0.08	293375	1.18
At the End of the year			293375	1.18
<b>3. Shakuntala Ashok Mehta</b>				
At the beginning of the year	241300	0.9673	241300	0.9673
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			241300	0.9673
<b>4. Chandrash Ashok Mehta</b>				
At the beginning of the year	213180	0.8546	213180	0.8546
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			213180	0.8546
<b>5. H. V. Mehta</b>				
At the beginning of the year	205702	0.8246	205702	0.8246
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			205702	0.8246
<b>6. Nishit Mehta</b>				
At the beginning of the year	141027	0.5653	141027	0.5623
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			141027	0.5623
<b>7. Vibha Hemant Mehta</b>				
At the beginning of the year	114446	0.4588	114446	0.4588
Increase / Decrease in Share holding during the year				
13.06.2014 (Increase) (Market Purchase)	5000	0.0200	119446	0.4788
At the End of the year			119446	0.4788
<b>8. Nimesh Piyush Mehta</b>				
At the beginning of the year	105413	0.4226	105413	0.4226
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			105413	0.4226
<b>9. Aruna Shah</b>				
At the beginning of the year	101000	0.4049	101000	0.4049
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			101000	0.4049
<b>10. Shobha Sanjiv Shah</b>				
At the beginning of the year	90351	0.3622	90351	0.3622
Increase / Decrease in Share holding during the year				
07.11.2014 (Increase) (Market Purchase)	800	0.0032	91151	0.3654
At the End of the year			91151	0.3654

## Goldiam International Limited

### (v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Mr. Manhar R. Bhansali (Chairman &amp; Non Executive Director)</b>				
At the beginning of the year	7103428	28.4752	7103428	28.4752
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			7103428	28.4752
<b>Mr. Rashesh M. Bhansali (Vice Chairman &amp; Managing Director)</b>				
At the beginning of the year	5900000	23.6511	5900000	23.6511
Increase / Decrease in Share holding during the year				
28.04.2014 (Increase) (Market Purchase)	4189	0.0168	5904189	23.6679
29.04.2014 (Increase) (Market Purchase)	1099	0.0044	5905288	23.6723
30.04.2014 (Increase) (Market Purchase)	8328	0.0334	5913616	23.7057
06.05.2014 (Increase) (Market Purchase)	1750	0.0070	5915366	23.7127
07.05.2014 (Increase) (Market Purchase)	34634	0.1388	5950000	23.8515
08.05.2014 (Increase) (Market Purchase)	50000	0.2004	6000000	24.0520
At the End of the year			6000000	24.0520
<b>Mr. Rajesh G. Kapadia (Director)</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year	0	0	0	0
<b>Mr. Ajay M. Khatlawala (Director)</b>				
At the beginning of the year	1000	0.0040	1000	0.0040
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year			1000	0.0040
<b>Dr. R. Srinivasan (Director)</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year	0	0	0	0
<b>Mrs. Ami R. Bhansali (Director)</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year	0	0	0	0
<b>Ms. Darshana J. Patel (Chief Financial Officer)</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year				
17.09.2014 (Increase) (Purchase)	1	0.0000	1	0.0000
At the End of the year			1	0.0000
<b>Mr. Manish Raval (Company Secretary) **</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year				
17.09.2014 (Increase) (Market Purchase)	1	0.0000	1	0.0000
At the End of the year			1	0.0000
<b>Ms. Anita Kate (Former Company Secretary) *</b>				
At the beginning of the year	0	0	0	0
Increase / Decrease in Share holding during the year	No Change During the year			
At the End of the year	0	0	0	0

\*\*Mr. Manish Raval was appointed as Company Secretary w.e.f. December 1, 2014 and has resigned from the office of Company Secretary w.e.f. April 18, 2015.

\*Ms. Anita Kate has resigned as Company Secretary w.e.f. November 30, 2014



## Annual Report 2014-2015

### VI. Indebtedness

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2892.85	-	-	2892.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2892.85</b>	<b>-</b>	<b>-</b>	<b>2892.85</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	6842.40	-	-	6842.40
• Reduction	(5317.36)	-	-	(5317.36)
<b>Net Change</b>	<b>1525.04</b>	<b>-</b>	<b>-</b>	<b>1525.04</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4417.89	-	-	4417.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>4417.89</b>	<b>-</b>	<b>-</b>	<b>4417.89</b>

### VII. Remuneration of Directors and Key Managerial Personnel

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

(₹ in lakhs)

Particulars of Remuneration	Mr. Rashesh M. Bhansali (Vice Chairman & Managing Director)	Total Amount
Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	60.00
(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		
Stock Option	-	-
Sweat Equity	-	-
Commission		
– as % of profit	2.71	2.71
– others		
Others	-	-
<b>Total</b>	<b>62.71</b>	<b>62.71</b>

## Goldiam International Limited

### B. Remuneration to other directors:

(₹ in lakhs)

Particulars of Remuneration	Name of Directors					Total Amount
	Mr. Manhar R. Bhansali	Mr. Rajesh G. Kapadia	Mr. Ajay M. Khatlawala	Dr. Raghvachari Srinivasan	Mrs. Ami R. Bhansali	
<b>Independent Directors</b>						
• Fee for attending board / committee meetings	-	1.35	1.35	1.35	-	4.05
• Commission	-	-	-	-	-	-
• Others	-	-	-	-	-	-
<b>Total (1)</b>	-	1.35	1.35	1.35	-	4.05
<b>4. Other Non-Executive Directors</b>						
• Fee for attending board / committee meetings	0.40	-	-	-	0.40	0.80
• Commission	-	-	-	-	-	-
• Others	-	-	-	-	-	-
<b>Total (2)</b>	0.40	-	-	-	0.40	0.80
<b>Total =(1+2)</b>	0.40	1.35	1.35	1.35	0.40	4.85

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(₹ in Lakhs)

Particulars of Remuneration	Key Managerial Personnel			Total Amount
	Company Secretary		CFO***	
	Mr. Manish Raval *	Ms. Anita Kate** (Former Company Secretary)	Ms. Darshana J. Patel	
<b>Gross salary</b>				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.86	4.38	2.71	7.95
(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	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission				
– as % of profit	-	-	-	-
– others	-	-	-	-
Others	-	-	-	-
<b>Total</b>	<b>0.86</b>	<b>4.38</b>	<b>2.71</b>	<b>7.95</b>

\*Mr. Manish Raval was appointed as Company Secretary w.e.f. December 1, 2014 and had resigned from the office of Company Secretary w.e.f. April 18, 2015.

\*\*Ms. Anita Kate has resigned as Company Secretary w.e.f. November 30, 2014.

\*\*\*Ms. Darshana J. Patel was appointed as Chief Financial Officer w.e.f. August 13, 2014.

## *Annual Report 2014-2015*

### **VIII. Penalties / Punishment/ Compounding of Offences:**

During the year there were no penalties, punishment, compounding charges paid by the company.

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers in Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## Goldiam International Limited

### ANNEXURE B:

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Requirements of Rule 5(1)	Details																
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Rashesh M. Bhansali – 37.69:1 (37.69%)																
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Mr. Rashesh M. Bhansali – (11.16%) Ms. Darshana J. Patel (CFO) – Nil Mr. Manish Raval (CS) – Nil Ms. Anita Kate (Former CS) – Nil																
(iii) the percentage increase in the median remuneration of employees in the financial year;	10.02%																
(iv) the number of permanent employees on the rolls of company;	32 employees as on 31 <sup>st</sup> March, 2015																
(v) the explanation on the relationship between average increase in remuneration and company performance;	Average decrease in remuneration of all employees was 6.34% for the year 2015 which is based on the individual employee's performance and fluctuate in employee turnover. The total profit in the year increased by 11.58% over previous year.																
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	Company Secretary and Chief Financial Officer were employed during the Financial Year therefore there was no increase in their remuneration.  The remuneration of Managing Director increased by 11.15% due to the additional responsibilities taken by him. The Company's performance increase by 11.58% over previous year.																
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	<table><thead><tr><th></th><th>As on 31. 03.2014</th><th>As on 31. 03.2015</th><th>% increase</th></tr></thead><tbody><tr><td>Share Price</td><td></td><td></td><td></td></tr><tr><td>BSE</td><td>20.15</td><td>22.25</td><td>10.42</td></tr><tr><td>NSE</td><td>20.00</td><td>22.65</td><td>13.25</td></tr></tbody></table> <p>The Company has not made any public issue or right issue of the securities in the last 15 years, so comparison have not been made of current share price with public offer</p> <p>The Company's shares are listed on Bombay and National Stock Exchanges.</p>		As on 31. 03.2014	As on 31. 03.2015	% increase	Share Price				BSE	20.15	22.25	10.42	NSE	20.00	22.65	13.25
	As on 31. 03.2014	As on 31. 03.2015	% increase														
Share Price																	
BSE	20.15	22.25	10.42														
NSE	20.00	22.65	13.25														
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average percentile increase in the salary of the employees other than the managerial person is 9.68%. There has been no increase in the remuneration of key managerial personnel as they were appointed during the year.																
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	Mr. Rashesh M. Bhansali (Vice Chairman & Managing Director) -5.62% Ms. Darshana J. Patel (Chief Financial Officer) -0.24% Company Secretary:- • Ms. Anita Kate (April 2014 - November 2014) • Mr. Manish Raval (December 2014 - March 2015) } -0.47%																
(x) the key parameters for any variable component of remuneration availed by the directors;	There are no variable components of remuneration availed by any of the directors except Managing Director based on the performance of the Company and additional responsibility taken up by him.																
(xi) 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; and	The Managing Director is the highest paid Director.  No employee received remuneration higher than the Managing Director																
(xii) affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year ended March 31, 2015 is as per Remuneration policy of the Company																

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

*Note: Other directors of the Company are paid only sitting fees which is not considered as remuneration.*



## ANNEXURE – C

### NOMINATION AND REMUNERATION POLICY

#### 1. INTRODUCTION:

This policy has been formulated by the Nomination & Remuneration Committee and approved & adopted by the Board of Directors.

#### 2. OBJECTIVE OF THE COMMITTEE:

The Committee shall:

- a. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel ("KMP") and other employees.
- b. Formulate of criteria for evaluation of Independent Director and the Board.
- c. Devise a policy on Board diversity.
- d. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- e. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### 3. DEFINITIONS:

- 3.1 **Board** means Board of Directors of the Company.
- 3.2 **Director** means Directors of the Company.
- 3.3 **Committee** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- 3.4 **Company** means Goldiam International Limited.
- 3.5 **Independent Director** means Independent Director as provided under clause 49 of the Listing Agreement and/or under section 149 of the Companies Act, 2013.
- 3.6 **Key Managerial Personnel** means Key Managerial Personnel as defined under Section 2(51) of the Companies Act, 2013.
- 3.7 **Senior Management** The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- 3.8 **Subsidiary Company** means Subsidiary Company as defined under Section 2(87) of the Companies Act, 2013.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 or rules made thereunder, as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### 4. GENERAL APPOINTMENT CRITERIA:

- 4.1 The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- 4.2 The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- 4.3 The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

#### 5. ADDITIONAL CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

The appointment of Independent director shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and the Companies Act, 2013.

#### 6. TERM / TENURE:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time, and as per the listing agreement.

## *Goldiam International Limited*

### **7. REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **8. CRITERIA FOR EVALUATION OF INDEPENDENT DIRECTOR AND THE BOARD:**

Following are the Criteria for evaluation of performance of executive directors, non-executive directors (including Independent Directors) and the Board (including Committees):

#### **8.1 Executive Directors:**

The Executive Directors shall be evaluated on the basis of performance of the Company, targets/Criteria as may be given to executive Directors by the board from time to time.

The Independent Directors shall take the views of the executive directors and non-executive directors to review the performance of the Chairman of the Company.

#### **8.2 Non-Executive Directors (including Independent Directors):**

The Non Executive Directors (including Independent Directors) shall be evaluated on the basis of the following criteria i.e. whether they:

- a. act objectively and constructively while exercising their duties;
- b. exercise their responsibilities in a bona fide manner in the interest of the Company and various stakeholders;
- c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d. do not abuse their position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e. refrain from any action that would lead to loss of his independence (in case of independent director).
- f. inform the Board immediately when they lose their independence (in case of independent director).
- g. assist the company in implementing the best corporate governance practices.
- h. strive to attend all meetings of the Board of Directors and the Committees;
- i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j. strive to attend the general meetings of the Company
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- m. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.
- n. provide various directions in the best interest of the Company on key issues.

Apart from aforesaid criteria, the Non-Executive Directors (including Independent Directors) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

#### **8.3 Board (Including Various Committees):**

The Board (including various committees) shall be evaluated on the basis of the following criteria i.e. whether:

- a. the Board Ensure the integrity of financial information and robustness of financial and other controls.
- b. the Board oversees the management of risk and review the effectiveness of risk management process.
- c. the Board of directors works as a team.
- d. the Board is robust in taking and sticking to decisions.
- e. the Board as a whole up to date with latest developments in the regulatory environment and the market.
- f. sufficient board and committee meetings, of appropriate length, being held to enable proper consideration of issues.
- g. the relationships and communications with shareholders are well managed.
- h. the relationships and communications within the board constructive.

- i. all directors are allowed or encouraged to participate fully in board discussions.
- j. the board take the Initiative to maintain moral value of the Company
- k. the board contribute to enhance overall brand image of the Company

Apart from aforesaid criteria, the Board (including Committees) shall be evaluated on any other criteria as the Board/Committee/Independent Directors as they deemed proper from time to time.

**9. POLICY ON BOARD DIVERSITY:**

The appointment of director(s) on the Board should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination & Remuneration Committee is (among other things) responsible for reviewing the structure, size and composition of the Board and the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the business of the Company, with due regard to the benefits of diversity on the Board.

**10. REMUNERATION:**

**10.1** The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**10.2 Director/ Managing Director**

Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as may be amended from time to time or any other enactment for the time being in force.

**10.3 Non executive Independent Directors**

The Non-Executive Independent Director may receive remuneration by way of sitting fees as decided by the Board from time to time for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed the ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder as may be amended from time to time or any other enactment for the time being in force;

**10.4 KMPs / Senior Management Personnel etc.**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder as may be amended from time to time or any other enactment for the time being in force.

**10.5 Other employees:**

Without prejudice to what is stated in para 10.1 to 10.4, the remuneration to be paid to the other employees shall be decided by the management of the Company based on the experience, qualification, expertise of the employees or any other criteria as may be decided by the Management.

**11. SUCCESSION PLANNING**

The Nomination & Remuneration Committee shall work with the Board on the leadership succession plan, and shall also prepare contingency plans for succession in case of any exigencies.

# Goldiam International Limited

## ANNEXURE – D

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors

### (A) Conservation of energy-

(i) the steps taken or impact on conservation of energy	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.
(ii) the steps taken by the company for utilizing alternate sources of energy	
(iii) the capital investment on energy conservation equipments	

### (B) Technology absorption-

#### (i) Efforts made towards technology absorption:

The Company endeavors to keep itself abreast with the technical developments, innovations and trends in its line of business and constantly strives to incorporate the same in manufacturing jewellery and improve the design & quality of its products and reduce the costs.

#### (ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

The benefits will be reflected in the areas of substantial cost reduction and higher customer satisfaction through improved product quality.

#### (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a) Technology imported;	The Company has not imported any technology
(b) Year of import;	
(c) Has technology been fully absorbed;	
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	

#### iv) Expenditure on Research and Development (R&D):

R&D is a continuous process and the expenditure is not specifically earmarked for the same and is debited to the generally manufacturing expenses.

### (C) Foreign exchange earnings and Outgo-

The Company's main line of business is manufacturing and exporting studded gold Jewellery. The Company has achieved Export Turnover of ₹11,894.27 lakhs during the year under report 2014-2015, as compared to ₹12527.05 lakhs in the previous year 2013-2014.

(₹ in lakhs)

Sr. No.	Particulars	2014-2015	2013-2014
1.	<b>Foreign Exchange Earned</b>		
	Export of Goods of F.O.B basis	11,856.64	11,765.80
2.	<b>Outgo of Foreign Exchange</b>		
	i) Raw Materials	3544.67	3,526.35
	ii) Consumable Store	12.10	14.64
	iii) Capital Goods	—	0.56
	iv) Foreign Travels	—	8.67
	v) Others	60.26	40.96
	vi) Dividend	32.40	13.50

# Annual Report 2014-2015

## ANNEXURE E

### The Annual Report on CSR activities

- 1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web—link to the CSR policy and project or programs & forms the part of this annexure.**

The CSR Policy is annexed herewith. The CSR policy is also available on the website of the company & the web link is as under: Weblink: [www.goldiam.com](http://www.goldiam.com)

- 2. Composition of CSR Committee:**

The present CSR Committee consists of the following directors:

1. Mr. Ajay M. Khatlawala, Chairman
2. Mr. Manhar R. Bhansali, Member
3. Mr. Rashesh M. Bhansali, Member

- 3. Average net profit of the company for last three financial years: ₹1193.18 (₹ in Lakhs)**

- 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹23.87 (₹ in Lakhs)**

- 5. Details of CSR spent during the financial year.**

a. Total amount spent for the financial year: ₹2,401,000

b. Amount unspent, if any: Nil

c. Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)

Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others 2. Specify the state /district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise	Amount spent on the project/ programme Subheads: 1. Direct expenditure on project, 2. Overheads	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency
1.	Support to needy people requiring eye surgery through project name "Rashtriya Netra Yagna"	Promoting including Preventive Health Care	Rural & Tribal area all over India	500,000	500,000	500,000	500,000
2.	Promoting welfare and wellbeing of animals and also providing medical care in form of veterinary treatment under project named "Jeevdaya"	Animal Welfare	Rajasthan	1,901,000	1,901,000	1,901,000	1,901,000
<b>Total</b>				<b>2,401,000</b>	<b>2,401,000</b>	<b>2,401,000</b>	<b>2,401,000</b>

#### Implementing Agency:

1. Vision Foundation of India
2. Shree Sumati Jeev Raksha Kendra

The CSR committee of the Company hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objective and policy of the Company.

## CORPORATE SOCIAL RESPONSIBILITY POLICY

### 1. INTRODUCTION:

The Board of Directors (the "Board") of Goldiam International Limited (the "Company") has adopted the following policy and procedures with regard to Corporate Social Responsibility. The Board may review and amend this policy from time to time subject to the recommendations of Corporate Social Responsibility Committee.

### 2. CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Keeping in line with Section 135 of the Companies Act, 2013 (hereinafter referred to as "the Act") and Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "the Rules"); the Board of Directors of the Company shall form a Corporate Social Responsibility Committee (hereinafter referred to as the 'CSR Committee') consisting of three or more directors, out of which at least one director shall be an independent director, *inter alia*, to carry out the following functions:

- a. to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in Schedule VII;
- b. to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;
- c. monitor the Corporate Social Responsibility Policy of the company from time to time.

### 3. CSR PROJECT, PROGRAM, ACTIVITIES AND MODALITIES OF EXECUTION

Pursuant to the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and any amendment(s) thereof, the Company shall undertake CSR activities from any of the following areas as specified in Schedule VII of the Companies Act, 2013:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation "including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Government of India
9. Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women;
10. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
11. rural development projects.
12. slum area development.

### 4. The Company may undertake the CSR activities from any one or more areas as specified above through following modes

- a. Company directly;
- b. through a registered trust or a registered society or a company established under section 8 of the Act by the Company, either singly or alongwith its holding or subsidiary or associate company, or along with any other Company or holding or subsidiary or associate company of such other company, or otherwise, subject to the rules as provided in the Companies (Corporate Social Responsibility Policy) Rules, 2014 or any other rules / regulations as may be applicable from time to time,



## *Annual Report 2014-2015*

- c. Company through a trust/society /Section 8 company which has a proven track record of three (3) years.
- d. the Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committee of respective companies are in position to report separately on such projects or Programme in accordance with Companies (Corporate Social Responsibility Policy) Rules, 2014.

### **5. CSR AMOUNT**

The Company shall ensure that it spends, in every financial year, at least 2% of its average net profit during the 3 immediately preceding financial years, in pursuance of its Corporate Social Responsibility and subject to the Section 135 of the Companies Act, 2013 and Rules made thereunder.

### **6. SURPLUS OF CSR PROJECT OR PROGRAMS:**

The surplus, if any, arising out of the CSR projects or programs or activities shall not form a part of the business profit of the Company.

### **7. CSR EXPENDITURE**

CSR expenditure will include all expenditure as may be permitted under the applicable laws, including contribution to corpus for CSR Programmes approved by the Board on the recommendation of its CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

### **8. GOVERNANCE, MONITORING AND REVIEW MECHANISM**

Every year, the CSR Committee will place for the Board's approval, a CSR Plan specifying the CSR Programmes to be carried out during the financial year and the specified budgets thereof. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary.

The CSR Committee shall review the implementation of the CSR Programmes periodically and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy. The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programmes in accordance with the CSR rules with any modification or direction issued in pursuant thereof.

The CSR Committee shall be responsible for maintaining transparent monitoring and reporting mechanism for ensuring effective implementation of the projects/programs/activities proposed to be undertaken by the Company. Monitoring will be ensured through meetings, visits, progress status reports by project / programme heads. The Committee will provide a responsibility statement which states that the implementation and monitoring of the CSR Policy is compliance with CSR objectives and Policy of the Company and such statement shall form part of the Boards' Report. The Company shall reserve the sole discretion to withdraw/cancel CSR allocation relating to any project/programme/activity, fully or partially, and/or recall unutilized amount relating to any project/programme/activity, fully or partially, with or without assigning any reason(s) thereof.

### **9. CSR REPORTING**

The Board in its Report shall include details about the policy developed and implemented by the Company on CSR initiatives taken during the year.

### **10. DISCLOSURES**

The contents of the approved CSR Policy shall be disclosed in the Board's Report and displayed on the Company's website.

## ANNEXURE F

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

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

To,

The Members,

**GOLDIAM INTERNATIONAL LIMITED,**

Gems & Jewellery Complex,

M I D C, SEEPZ,

Mumbai - 400 096.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Goldiam International Limited ("the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the Statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent and in the manner reported hereinafter.

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

- (i) The Companies Act, 1956 and the Rules made under that Act and Companies Act, 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made under that Act;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent of Foreign Direct Investment (FDI), Overseas direct Investment (ODI), and External Commercial Borrowings (ECB);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI'):-
  - 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) Regulation, 1992;

Following Regulations and/or Guidelines are not applicable to the Company for Financial year ended March 31, 2015:

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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;
  - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) The Equity Listing Agreements with Bombay Stock Exchange Limited and National Stock Exchange of India Limited;
  - (vii) The Labour laws applicable to the Company viz:-
    - Factories Act, 1948;
    - Industrial Disputes Act, 1947;

## Annual Report 2014-2015

- The Payment of Wages Act, 1936;
- The Minimum Wages Act, 1948;
- Employees State Insurance Act, 1948;
- The Employees Provident fund and Misc. Provision Act, 1952;
- The Payment of Bonus Act, 1965;
- The Payment of Gratuity Act, 1972;
- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Maternity Benefit Act, 1961;
- The Child Labour Prohibition and Regulation Act, 1986;
- The Industrial Employment (Standing Orders) Act, 1946;
- The Employees Compensation Act, 1923;
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(viii) The Environmental Laws:-

- The Water (Prevention and Control of Pollution) Act, 1974;
- The Air (Prevention and Control of Pollution) Act, 1981.

(ix) Special Economic Zone Act, 2005

(x) Maharashtra Shop and Establishment Act, 1948.

(xi) Maharashtra Value Added Tax Act, 2002.

(xii) The Central Sales Tax Act, 1956.

(xiii) Maharashtra Professional Tax Act, 1975.

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

**We further report that** the Board of Directors 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

**We 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.

**We further report that** during the audit period the Company has not taken any actions/ events occurred having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For R. N. Shah & Associates  
Company Secretaries**

**(Rajnikant N. Shah)  
Proprietor  
FCS No: 1629  
C P No: 700**

Date: May 25, 2015  
Place: Mumbai

*This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.*

## *Goldiam International Limited*

### ANNEXURE 1 TO SECRETARIAL AUDIT REPORT

To,

The Members,

**GOLDIAM INTERNATIONAL LIMITED**

Gems & Jewellery Complex,

M I D C, SEEPZ,

Mumbai - 400 096.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was 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 R. N. Shah & Associates  
Company Secretaries**

**(Rajnikant N. Shah)  
Proprietor  
FCS No: 1629  
C P No: 700**

Date: May 25, 2015  
Place: Mumbai

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Gems and Jewellery sector in India plays a significant role in the Indian economy. It is one of the oldest industries in the world and has gone through a transition in the last decade and also a leading foreign exchange earner and also one of the fastest growing industries in the country, contributing around 6-7 per cent of the country's GDP. It is extremely export oriented and labour intensive. The government of India has declared the sector as a focus area for export promotion based on its potential for growth and value addition. The government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote brand India in the international market.

The major two segments of the sector in India are gold jewellery and diamond and this sector is further engaged in sourcing, manufacturing, and processing, which involves cutting, polishing and selling precious gemstone and metals such as diamonds, other precious stones, gold, silver and platinum.

According to the Gem & Jewellery Export Promotion Council (GJEPC), FY 2014-2015 the gems & jewellery sector contributed of US\$ 39898.81 million (₹243885.81 crores) to India's coffers in terms of foreign exchange earnings as compared to US\$ 40147.50 million (₹242837.07 crores) for the period April 2013-March 2014 showing a decline of 0.62% in dollar terms and growth of 0.43% in rupees term. In the year 2014-15, the gem and jewellery industry successfully battled several economic issues. The overall gross imports of Gems & Jewellery at US\$ 31470.78 million are showing a growth of 1.29 per cent as compared to US\$ 31071.18 million for the same period previous year. This import is reflected through a positive impact on the exports of both plain and studded gold and silver jewellery, propelling growth for Indian design and manufacturing sector. Provisional gross export of gold jewellery for the period April 14 – March 15 at US\$ 9852.18 million shows growth of 17.77 per cent (over the comparative figure of US\$ 8365.68 million for April 13 – March 14. Provisional gross export of Silver Jewellery for the period April 14 – March 15 at US\$ 2054.52 million shows growth of 39.29 per cent over the comparative figure of US\$ 1475.02 million for April 13 – March 14. This growth stands testimony to the design and manufacturing excellence of the Indian gems & jewellery sector and a true reflection of PM Modi's 'Made in India' vision.

### OPPORTUNITIES:

The jewellery industry is growing at a healthy rate, the shining metals of India brings more sparkle to the economy.

There has been a robust growth in the diamond sector. The market is bullish and the US and Europe markets have also improved. The Company major export goes to USA and

European countries and some to Russia. The increase in profit shows the progress of the Company, it is increased by 11.58% in F.Y 2014-2015. The Company looking for a new ventures and use improved technology for increasing its sales to satisfy the requirement of its customers.

### THREATS:

The Company is exposed to risk in exchange rate fluctuations as the Company is dependent on exports sales and import of raw material. However, the Company closely monitors and takes appropriate steps to reduce such risks.

Competition which has always been a challenge is countered by better quality and designs, branding, catering to changing customer demands/styles and cost control measures. Increasing prices of raw materials have affected and can affect the profit margins. However, the Company continuously strives for improved production efficiency to counter this risk as far as possible.

### SEGMENT-WISE PERFORMANCE:

The Company has two segments viz. jewellery manufacturing and investment activity. The Company has achieved a turnover of ₹ 32,851.80 lakhs in the jewellery segment and of ₹ 529.72 lakhs in investment activities.

### RISKS AND CONCERNS:

The nature of the Company's business exposes it to several inherent risks and concerns. The Company strives to closely monitor the risks and to mitigate them by adopting suitable, pragmatic strategies.

#### a) Bullion Risk:

The volatility in the gold prices exposes the Company to bullion risk as gold forms approximately 30% of the cost of the finished product. The Company hedges its outstanding position mitigating the risk associated with the volatility in the gold prices.

#### b) Raw Material Supplies Risk:

Though India plays a dominant role in the Gems & Jewellery industry in terms of processing and consumption, mining of gold and diamond is amongst the lowest in the world.

India imports gold and rough diamonds along with other precious metals.

#### c) Currency Risk:

Currency risk arises from exposure to foreign currencies and the volatility associated therewith. 100% of our exports have been transacted in US Dollars. While the Company hedges majority of its receivables, any sharp fluctuation in currency is likely to affect the cash flow of the Company as well as its profitability.



## *Goldiam International Limited*

### **d) Geography Risk:**

Dependence on any geographic location makes the Company's business in that region vulnerable to the economic slowdown therein. While USA continues to be our prime export destination, we have, with a view to manage the risks, have made the small beginning and diversified and tapped the markets in Middle East, Thailand, Europe, Russia and Japan.

### **OUTLOOK:**

The outlook for the Gems & Jewellery Industry looks positive. The outlook for the Company remains largely similar to FY 2013-14 as we not anticipate any large changes to our demand environment. We are focusing on refining our offerings every year and on making the requisite investments that will enable us to continue our growth journey.

### **INTERNAL CONTROL AND ITS ADEQUACY:**

The Company has an internal control system commensurate with its size and nature of business to ensure efficiency of operations, compliance with internal control policies and applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions.

Certified by the Internal Auditors and the Statutory Auditors of the Company, the internal control system is also supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines to ensure reliability of financial and other records.

### **FINANCIAL PERFORMANCE:**

The resurgence of the global economies and the persistent efforts of the Company to sustain its trade relations besides expanding its base to other markets have helped the

Company to show a considerable improvement in its performance during the year under review as compared to the previous year. The profit of the Company has increased from ₹999.63 lakhs to ₹1115.41 lakhs.

The consolidated turnover of the Company, its Subsidiaries and Joint Ventures has increased from ₹31,383.96 lakhs in the previous year to ₹32,155.53 lakhs during the year under review recording a growth of 2.46%. The consolidated net profit after tax and minority interest and profit and loss on disposal of retail office has increased from ₹1,707.04 lakhs in the previous year to ₹2125.05 lakhs in the year under review registering increase growth of 24.49%.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS:**

The Company considers its human resources as amongst its most valuable assets and continues to place emphasis on their development. It has been Company's constant endeavour to impart requisite training and thereby develop and hone the skills and talent of its personnel and enable them to realize their potential.

The overall Industrial Relations in the Company have been quite peaceful and cordial.

### **CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing Company's objective, projections, estimates and expectations may be "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, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws, statutes and other incidental factors.

## REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the year ended on March 31, 2015 has been issued in compliance with the requirement of Clause 49 of the Listing Agreement with Stock Exchanges and forms the part of Report of the Directors to the Members of the Company.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Goldiam benchmarks its Corporate Governance with the application of sound management practices and it conforms to the mandatory requirements. The Company is constantly striving to adopt the emerging good corporate governance practices.

### 2. BOARD OF DIRECTORS

#### 2.1. Composition and Category of Directors:

##### Composition of Board of Directors as on March 31, 2015

Name of Director	Category
Mr. Manhar R. Bhansali	Promoter-Chairman, Non Executive Director
Mr. Rashesh M. Bhansali	Promoter-Vice Chairman & Managing Director
Mr. Rajesh G. Kapadia	Independent-Non-Executive Director
Mr. Ajay M. Khatlawala	Independent-Non-Executive Director
Dr. R. Srinivasan	Independent-Non-Executive Director
Mrs. Ami R. Bhansali	Non Executive Director

The Chairman of the Board of Directors is a Non Executive Director.

As required under Section 149 of the Companies Act, 2013, Mrs. Ami R. Bhansali has been appointed as women Director on the Board.

#### Relationship between Directors inter-se

Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director of the Company is the son of Mr. Manhar R. Bhansali, Chairman. Mrs. Ami R. Bhansali, Non Executive Director is wife of Mr. Rashesh M. Bhansali.

#### 2.2. Directorship and Committee Membership 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 (as specified in Clause 49(II)(D) of revised Listing Agreement with Stock Exchange) across all the companies in India in which they are directors.

Independent Directors do not serve in more than 7 listed Companies. None of the Independent Directors are Whole Time Directors in any listed company so the limitation mentioned in Clause 49(II)(B)(2) of the revised Listing Agreement with Stock Exchange is not applicable.

Directorships and membership of Committees in other companies held by Directors as on March 31, 2015 are given below:

Name of Director	*Number of Directorship(s) held in other Indian public limited Companies	**Committees Positions	
		Committee Chairmanship	Committee Membership
Mr. Manhar R. Bhansali	2	Nil	Nil
Mr. Rashesh M. Bhansali	3	Nil	1
Mr. Rajesh G. Kapadia	8	2	6
Mr. Ajay M. Khatlawala	3	1	Nil
Dr. R. Srinivasan	5	2	2
Mrs. Ami R. Bhansali	1	Nil	Nil

\*Directorships do not include directorships in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

\*\*Chairmanship/ Membership of committees of Board of Directors include only Audit and Stakeholder Relations Committees of other Public Limited Companies.

## Goldiam International Limited

### 2.3. Board Meetings Held:

Four Board meetings were held during the financial year ended on March 31, 2015. These were held on May 27, 2014; August 13, 2014; November 13, 2014 and February 12, 2015.

### 2.4. Attendance of each director at the Board meetings held during the financial year ended March 31, 2015 and the last AGM held on September 30, 2014:

Director	No. of Board meetings held	No. of Board meetings attended	Last AGM Yes/No
Mr. Manhar R. Bhansali	4	4	Yes
Mr. Rashesh M. Bhansali	4	4	Yes
Mr. Rajesh G. Kapadia	4	4	Yes
Mr. Ajay M. Khatlawala	4	4	Yes
Dr. R. Srinivasan	4	4	Yes
*Mr. Ami R. Bhansali	2	2	No

\* Mrs. Ami R. Bhansali was appointed on August 13, 2014.

## 3. COMMITTEES OF THE BOARD

### AUDIT COMMITTEE

#### 3.1. Term of Reference:

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are broadly as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertaking or assets of the Company, wherever it is necessary.
- Evaluation of internal financial control and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

## Annual Report 2014-2015

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of CFO (i.e., the Chief Financial Officer or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Reviewing the financial statements of the unlisted subsidiary companies.
- The Audit Committee also reviews the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### 3.2 Composition of the Audit Committee:

The Company has constituted a qualified Audit Committee as required under Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchanges. The Audit Committee comprises of four directors as members. All the members are well versed with finance, accounts, corporate laws and general business practices. Mr. Rajesh G. Kapadia, Chairman of the Committee is an Independent and has related financial and accountancy expertise.

Name of the Member	Category	Designation
Mr. Rajesh G. Kapadia	Independent Director	Chairman
Mr. Ajay M. Khatlawala	Independent Director	Member
Dr. R. Srinivasan	Independent Director	Member
Mr. Rashesh M. Bhansali	Executive Director	Member

### 3.3. Audit Committee meetings:

During the year under the review, the Committee met four times, i.e. on May 27, 2014; August 13, 2014; November 13, 2014 and February 12, 2015. The meeting held on May 27, 2014 reviewed the Annual Accounts of the Company for the financial year 2013-2014 and approved the same. The meetings held on August 13, 2014; November 13, 2014 and February 12, 2015 reviewed and approved the results for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarter for the financial year 2014-15 respectively.

#### Attendance at the meetings of the Audit Committee:

Name of the Member	Designation	No. of meetings during the year	
		Held	Attended
Mr. Rajesh G. Kapadia	Chairman	4	4
Mr. Ajay M. Khatlawala	Member	4	4
Dr. R. Srinivasan	Member	4	4
*Mr. Rashesh M. Bhansali	Member	1	1

\* Mr. Rashesh M. Bhansali was appointed as a member of the Audit Committee on November 13, 2014.

## 4. NOMINATION & REMUNERATION COMMITTEE

### 4.1. Term of Reference:

The broad terms of reference of the Nomination and Remuneration Committee are:

- To formulate the criteria for determining qualifications, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, key managerial personnel and other employees;

## Goldiam International Limited

- To formulate the criteria for evaluation of all the Directors on the Board;
- To devise a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published as an Annexure C to the Board's Report.

### 4.2. Composition of Nomination and Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement with Stock Exchanges. The Nomination and Remuneration Committee comprises of three directors as under:-

Name of the Member	Category	Designation
Mr. Rajesh G. Kapadia	Independent Director	Chairman
Mr. Ajay M. Khatlawala	Independent Director	Member
Dr. R. Srinivasan	Independent Director	Member

### 4.3. Committee Meetings:

During the year under the review, the Committee met three times, i.e. on August 13, 2014; November 13, 2014 and February 12, 2015.

#### Attendance at the meetings of the Nomination & Remuneration Committee:

Name of the Member	Status	No. of meetings during the year	
		Held	Attended
Mr. Rajesh G. Kapadia	Chairman	3	3
Mr. Ajay M. Khatlawala	Member	3	3
Dr. R. Srinivasan	Member	3	3

### 4.4. Details of Remuneration Paid to the Directors in 2014-15:

- **Remuneration paid to Executive Directors:** (Amt. in ₹)

Name	Salary	Bonus	Other perks	Commission	Total
Mr. Rashesh M. Bhansali	60,00,000	Nil	Nil	2,71,396	62,71,396

- **Remuneration paid to Non-Executive Directors:** (Amt. in ₹)

Name	Sitting Fees	No. of Shares held
Mr. Manhar R. Bhansali	40,000	7103428
Mrs. Ami R. Bhansali	40,000	Nil
Mr. Rajesh G. Kapadia	1,35,000	Nil
Mr. Ajay M. Khatlawala	1,35,000	1,000
Dr. R. Srinivasan	1,35,000	Nil

## 5. SHARE TRANSFER COMMITTEE/ STAKEHOLDER RELATIONSHIP COMMITTEE

The Share Transfer Committee has been constituted under the Chairmanship of Mr. Manhar R. Bhansali with Mr. Rashesh M. Bhansali and Mr. Ajay M. Khatlawala as the other members to facilitate speedy disposal of requests pertaining to transfer, transmission of shares in physical form, issue of duplicate share certificates etc. The Stakeholder Relationship Committee (earlier Shareholder/Investor Grievance Committee) has been constituted under the chairmanship of Dr. R. Srinivasan with Mr. Rashesh M. Bhansali and Mr. Ajay M. Khatlawala as members to consider and review shareholders'/investors' grievances and complaints and to ensure that all shareholders'/investors' grievance and correspondence are attended to expeditiously and satisfactorily unless constrained by incomplete documentation and/ or legal impediments.

#### Shareholder/ Investor Service:

Shareholder/ Investor Service is handled by the Company Secretary & Compliance Officer who provides timely services. The Company received 31 complaints during the year which were duly attended and there was no case/ complaint unresolved at the end of the year.

## Annual Report 2014-2015

### Name & Designation of the Compliance Officer

\*Mr. Manish Raval, Company Secretary and Compliance Officer.

\*Mr. Manish Raval have resigned from the post of Company Secretary and Compliance Officer w.e.f. April 18, 2015.

### 6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As required under Section 135 of the Companies Act, 2013 the CSR Committee was constituted on May 27, 2014 under the Chairmanship of Mr. Ajay M. Khatlawala, Non-Executive and Independent Director.

The term of reference of this Committee is to comply with the requirements of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014 and all other relevant compliances.

The Committee met twice in the year on November 13, 2014 and February 12, 2015 to finalize the Corporate Social Responsibility Policy. The Policy, which was approved by the Board on February 12, 2015 is available on the Company's website [www.goldiam.com](http://www.goldiam.com) and the copy of the Policy is attached as Annexure E to the Board's Report.

The composition and attendance of the Corporate Social Responsibility Committee:

Name of the Member	Category	Designation	No. of meetings during the year	
			Held	Attended
Mr. Ajay M. Khatlawala	Independent Director	Chairman	2	2
Mr. Manhar R. Bhansali	Non Executive Director	Member	2	2
Mr. Rashesh M. Bhansali	Executive Director	Member	2	2

### 7. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 27, 2015, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the independent Directors were present at the meeting.

#### Familiarisation Programme for Independent Directors:

All Independent Directors are familiarized 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. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance. The Directors are also explained in detail about the compliances required from them under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively. The details of such familiarisation programmes are disclosed on the company's website <http://www.goldiam.com>.

### 8. GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings and the Special Resolutions passed there at:

Financial Year	Date & Time	Location	Special Resolution passed
2011-2012	August 14, 2012 at 2.30 p.m.	'Tribune 1' Banquet Hall, 6 <sup>th</sup> floor, Hotel Tunga International, M.I.D.C. Central Road, Andheri (East), Mumbai 400 093	No special resolution passed
2012-2013	September 6, 2013 at 3.00 p.m.	'Tribune 1' Banquet Hall, 6 <sup>th</sup> floor, Hotel Tunga International, M.I.D.C. Central Road, Andheri (East), Mumbai 400 093	No special resolution passed
2013-2014	September 30, 2014 at 10.30 a.m.	'Tribune 1' Banquet Hall, 6 <sup>th</sup> floor, Hotel Tunga International, M.I.D.C. Central Road, Andheri (East), Mumbai 400 093	No special resolution passed



## Goldiam International Limited

### Special Resolution passed through Postal Ballot:

During the year, the Company has passed the following Special Resolution through Postal Ballot:

- Providing Security under Section 180(1)(a) of the Companies Act, 2013, in connection with the Borrowing of the Company. Such special resolution was passed with following voting pattern and the results for the same was declared on October 7, 2014:

Promoter/ Public	No. of shares held (1)	No. of Votes Polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/ (1)]*100	No. of votes –in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/ (2)]*100	% of Votes against on votes polled (7) = [(5)/ (2)]*100
Promoter & Promoter Group	14198100	14198100	100	14198100	Nil	100	Nil
Public - Institutional holders	8400	Nil	Nil	Nil	Nil	Nil	Nil
Public - Other	10739496	3025499	28.17170	3024814	685	99.97736	0.02264
<b>Total</b>	<b>24945996</b>	<b>17223599</b>	<b>69.04354</b>	<b>17222914</b>	<b>685</b>	<b>99.99602</b>	<b>0.00398</b>

- Authorization for Loans & Investments by the Company under Section 186 of Companies Act, 2013. Such special resolution was passed with following voting pattern and the results for the same was declared on October 7, 2014:

Promoter/ Public	No. of shares held (1)	No. of Votes Polled (2)	% of Votes Polled on outstanding shares (3) = [(2)/ (1)]*100	No. of votes –in favour (4)	No. of Votes – against (5)	% of Votes in favour on votes polled (6) = [(4)/ (2)]*100	% of Votes against on votes polled (7) = [(5)/ (2)]*100
Promoter & Promoter Group	14198100	14198100	100	14198100	Nil	100	Nil
Public - Institutional holders	8400	Nil	Nil	Nil	Nil	Nil	Nil
Public - Other	10739496	3025499	28.17170	3023314	2185	99.92778	0.07222
<b>Total</b>	<b>24945996</b>	<b>17223599</b>	<b>69.04354</b>	<b>17221414</b>	<b>2185</b>	<b>99.98731</b>	<b>0.01269</b>

### Postal Ballot:

Pursuant to Provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rule 22 of Companies (Management and Administration) Rules, 2014, the Company has passed following special resolutions through postal ballot:

- Providing Security under Section 180(1) (a) of the Companies Act, 2013, in connection with the Borrowing of the Company.
- Authorization for Loans & Investments by the Company.

The Company had appointed Ms. Neetu Agrawal, Practicing Company Secretary from Neetu Agrawal & Co., Company Secretaries, as a Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The Company has also offered e-voting facility to its members enabling them to cast their votes electronically. Based on the Scrutinizers Report, Mr. Manhar R. Bhansali, Chairman declared the results of the voting by postal Ballot in e-voting on October 7, 2014.

## 9. DISCLOSURES

### Materially significant related party transaction:

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 arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

A statement in summary form of the transactions with related parties was periodically placed before the Audit Committee as required under Clause 49 of the Listing Agreement with the Stock Exchanges and as required under the Companies Act, 2013.

## Annual Report 2014-2015

### **Details of non compliance/ penalties/ strictures imposed on the Company by the Statutory Authorities:**

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets during the last three years and no penalties or strictures have been imposed on the Company by any Stock Exchange, Securities and Exchange Board of India or other statutory authorities.

### **Whistle Blower Policy affirmation that no person has been denied access to Audit Committee:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at <http://www.goldiam.com>

### **Details of Compliance with mandatory requirement:**

The Company has fully complied with the mandatory requirement of Clause 49 of the Listing Agreement entered into with the Stock Exchange. The non-mandatory requirements contained in Annexure XIII to Clause 49 of the Listing Agreement with the Stock Exchanges have not been adopted.

### **Subsidiaries:**

Diagold Designs Limited and Goldiam Jewellery Limited, subsidiaries of the Company, are non-listed material Indian subsidiaries in terms of Clause 49(V) of the Listing Agreement with the Stock Exchanges with their respective turnovers exceeding 20% of the consolidated turnover of the holding company with all its subsidiaries.

In terms of Clause 49 (V)(B) of the Listing Agreement with the Stock Exchanges, the financial statements of the unlisted subsidiary companies are reviewed quarterly by the Audit Committee and the minutes of the Board meetings of the unlisted subsidiary companies are regularly placed before the Company's Board of Directors.

### **CEO & MD / CFO Certification:**

The Managing Director and the Chief Financial Officer have issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

## **10. MEANS OF COMMUNICATION**

The quarterly and annual financial results are sent to the Stock Exchanges immediately after they are approved and taken on record by the Board of Directors. These financial results are normally published in the "Free Press Journal" and "Navshakti" and are also made available on the website of the Company, [www.goldiam.com](http://www.goldiam.com).

No presentation was made to the institutional investors or analysts during the year.

### **COMPLIANCE CERTIFICATE OF STATUTORY AUDITORS:**

The Statutory Auditors have certified that the Company has complied with the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges and same is annexed to this Report.

## **11. CODE OF CONDUCT**

The Board has adopted a Code of Conduct for Directors, Senior Management and other Employees of the Company. The Code of Conduct is available on the website of the Company [www.goldiam.com](http://www.goldiam.com).

### **Declaration as required under clause 49 of Listing Agreement**

In accordance with Clause 49(II)(E)(2) of the Listing Agreement with the Stock Exchanges, I, Rashesh M. Bhansali, in my capacity as the Managing Director of Goldiam International Limited, hereby confirm that all members of the Board of Directors and Senior Management Personnel of the Company have affirmed their compliance with the code of conduct of the Company in respect of the financial year 2014-2015.

**For GOLDIAM INTERNATIONAL LIMITED**

**RASHESH M. BHANSALI**

Vice Chairman & Managing Director  
(DIN: 00057931)

Place : Mumbai  
Date : May 25, 2015

## *Goldiam International Limited*

### 12. GENERAL SHAREHOLDER INFORMATION

#### a. 28<sup>th</sup> Annual General Meeting:

Day : Wednesday

Date : September 30, 2015

Time : 11.00 a.m.

Venue : 'TRIBUNE 1' Banquet hall, 6<sup>th</sup> Floor, Hotel Tunga International,  
M.I.D.C Central Road, Andheri (East), Mumbai – 400 093

#### b. Financial Year:

The financial year of the Company starts from April 1, 2014 to March 31, 2015.

#### c. Date of Book Closure:

The books will remain closed from September 22, 2015 to September 30, 2015 (both days inclusive) for dividend purpose.

#### d. Dividend Payment Date:

The Board of Directors of your Company have recommended a final dividend of ₹1.50 per equity share i.e. 15% for the financial year 2014-2015. Date of payment of the dividend will be on or after October 5, 2015.

#### e. Listing on Stock Exchanges:

The equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)

National Stock Exchange of India Limited (NSE).

#### f. Stock Code:

BSE Limited	National Stock Exchange of India Limited	ISIN
<b>526729</b>	<b>GOLDIAM EQ</b>	<b>INE025B01017</b>

#### g. Annual Listing Fees:

The Annual Listing Fees for the financial year 2015-2016 have been paid by your Company within stipulated time.

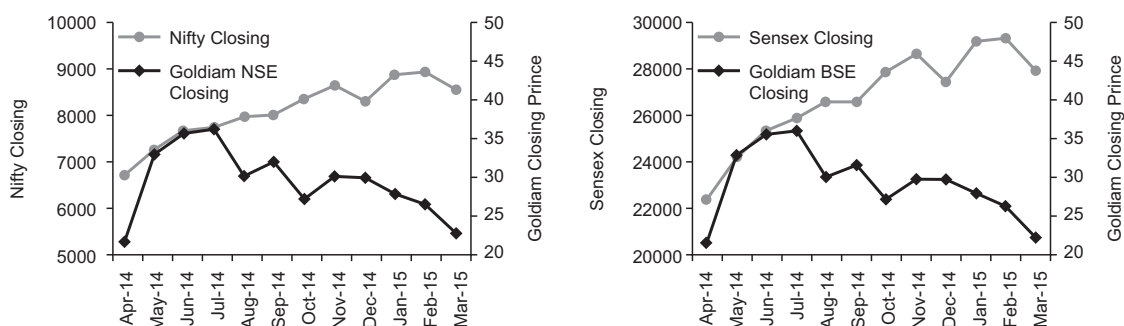
#### h. Market Price Data:

The High and Low Prices of the Company's share during each month in the financial year 2014—2015 are as below:

Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2014	23.95	17.50	22.75	20.00
May, 2014	34.85	22.05	34.65	22.15
June, 2014	37.25	30.70	39.35	31.10
July, 2014	38.00	34.50	37.50	34.20
August, 2014	37.25	30.10	37.20	30.00
September, 2014	33.50	27.10	32.80	26.70
October, 2014	32.90	26.05	33.00	26.00
November, 2014	33.50	26.00	33.75	25.80
December, 2014	32.60	28.30	32.35	28.15
January, 2015	30.25	25.50	30.45	26.00
February, 2015	33.00	26.00	32.75	25.55
March, 2015	26.70	20.70	27.50	19.75

## Annual Report 2014-2015

### i. Performance in comparison to board based indices such as NSE Nifty & BSE Sensex:



### j. Registrar and Transfer Agents (RTA):

M/s. Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.

Tel no.: 25946970, Fax: 25946969, E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

### k. Share Transfer System:

With a view to expedite the process of share transfer which are received in physical form, a Share Transfer Committee had been constituted meets from time to time consider and approve the transfer, transmission, dematerialization, rematerialisation of shares etc. The transfers of physical shares are affected by the Share Transfer Agents after approval by the Share Transfer Committee; provided the documents are complete in all respects and the share transfer is not under any dispute and the share certificates duly endorsed are sent to the shareholders by them. The minutes of the meetings of the Share Transfer Committee are placed at the Board Meeting.

The Company obtains from a Company Secretary in Practice half - yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with the Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

### l. Distribution of Shareholding:

Distribution of Shareholding as on March 31, 2015:

Equity Shareholding	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	7449	81.29	1486278	5.96
501 – 1000	757	8.26	622743	2.50
1001 – 2000	466	5.08	713933	2.86
2001 – 3000	152	1.65	387774	1.55
3001 – 4000	76	0.82	272659	1.09
4001 – 5000	60	0.65	283715	1.14
5001 – 10000	111	1.21	792144	3.18
10001 & Above	92	1.00	20386750	81.72
<b>Total</b>	<b>9163</b>	<b>100.00</b>	<b>24945996</b>	<b>100.00</b>

## Goldiam International Limited

### Shareholding Pattern as on March 31, 2015, 2015:

Category	Number of Shares	Percentage
Shareholding of Promoters & Promoter Group	14198100	56.91
Public Shareholding		
• Institutions		
Mutual Funds/ UTI	8000	0.03
Financial Institutions/ Banks	400	0.00
• Non-Institutions		
Bodies Corporate	577391	2.31
Individuals	6680165	26.77
Clearing Member	18565	0.07
Market Maker	20824	0.08
Foreign Nationals, NRIs, Foreign Companies, OCBs	3085904	12.37
Independent Directors	1000	0.00
HUF	355647	1.42
<b>Total</b>	<b>24945996</b>	<b>100.00</b>

**m. Unclaimed/Unpaid Dividend:**

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund (IEPF) established by the Government.

Shareholders of the Company who have not received or encashed their dividend warrants for the financials years, as mentioned below, are requested to claim the unpaid/unclaimed dividend from the Company before its transfer to above mentioned Fund:

Year of Declaration	Date of Declaration of Dividend	Interim/ Final	Due Date for transfer to IEPF
2009 – 2010	August 12, 2010	Final	September 14, 2017
2010 – 2011	February 11, 2011	Interim	March 14, 2018
2011 – 2012	February 08, 2012	Interim	March 11, 2019
2011 – 2012	August 14, 2012	Final	September 14, 2019
2012 – 2013	February 13, 2013	Interim	March 17, 2020
2012 – 2013	September 06, 2013	Final	October 06, 2020
2013 – 2014	September 30, 2014	Final	October 30, 2021

**n. Unclaimed Shares:**

As per Clause 5A II of the amended Equity Listing Agreement, the Company has sent three reminders to concerned shareholder for their unclaimed shares. Company is in the process of dispatching the share certificates to shareholders who has approached the Company. However, remaining shares have been transferred to Unclaimed Suspense Account.

Aggregate number of shareholders	251
Outstanding shares in the suspense account lying as on April 1, 2014	128400
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year	5
Number of shares transferred	1500
Aggregate number of shareholders at the end of the year	246
Outstanding shares in the suspense account lying as on March 31, 2015.	126900

**o. Dematerialization of shares and Liquidity:**

The shares of the Company are traded compulsorily in the dematerialized form and connectivity has been established with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2015, 24532464 equity shares, representing 98.34% of the Company's share capital, stood dematerialized. The International Securities Identification Number (ISIN) allotted to the shares of the Company under the Depository System is **INE025B01017**.

**p. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, etc.:**

As on date, the Company has not issued GDR/ADR/Warrants or any convertible instruments.

**q. Plant Locations & Address for Correspondence:**

Goldiam International Limited, Gems & Jewellery Complex, MIDC, SEEPZ, Andheri (E), Mumbai - 400 096.

**For and on behalf of the Board of Directors**

**Rashesh M. Bhansali**  
**Vice Chairman & Managing Director**  
**(DIN: 00057931)**

Place : Mumbai  
Date : May 25, 2015

## Annual Report 2014-2015

### MANAGING DIRECTOR AND CFO CERTIFICATION

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer (CFO) of Goldiam International Limited ("the Company"), to the best of our knowledge and believe certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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) We further state that to the best of our knowledge and belief, there are 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 are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee that there are
  - (i) no significant changes in internal control over financial reporting during the year;
  - (ii) no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **GOLDIAM INTERNATIONAL LIMITED**

Place : Mumbai  
Date : May 25, 2015

Sd/-  
**Rashesh M. Bhansali**  
Vice Chairman & Managing Director

Sd/-  
**Darshana Patel**  
Chief Financial Officer

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
Goldiam International Limited  
Mumbai.

We have examined the compliance of conditions of Corporate Governance by Goldiam International Limited for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the 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 statements of the Company.

In our opinion and to the best of our information, according to the explanations given to us and the representation made by management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 **Pulindra Patel & Co.**  
Chartered Accountants  
ICAI FRN No. 115187W

Place : Mumbai  
Date : May 25, 2015

**PULINDRA M. PATEL**  
Proprietor  
Membership No. 48991



## INDEPENDENT AUDITORS' REPORT

### To the Members of GOLDIAM INTERNATIONAL LIMITED Report on the Financial Statements

We have audited the accompanying financial statements of GOLDIAM INTERNATIONAL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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 accounting principles generally accepted in India, including the Accounting Standards prescribed 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31st March, 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 (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraph 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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
  - (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 explanations given to us :
    - i) The company has disclosed the impact of pending litigations on its financial position in its financial position in its standalone financial statements – refer Note 24 (b) to the standalone financial statements.
    - ii) The Company has made provision, as required under the applicable law or accounting standard for material foreseeable losses on long term contracts including derivative contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.

**For Pulindra Patel & Co.  
Chartered Accountants  
FRN No. 115187W**

**Pulindra Patel  
Proprietor  
Membership No. 48991**

Place : Mumbai  
Dated : May 25, 2015

## Annexure to the independent Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Goldiam International Limited on the standalone financial statements for the year ended 31<sup>st</sup> March, 2015]

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) All fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
2. a) The Inventories have been physically verified during the year by the management. In our opinion, frequency of verification of inventory is reasonable.  
b) In our opinion and according to the information & explanations given to us, the procedure of physical verification of inventories followed by the management is 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 inventory and no material discrepancies were noticed on physical verification
3. According to the information and explanations given to us, the company has not granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. .
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and service. During the course of our audit, no major weakness has been noticed in the internal controls.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Section 73 to 76 of the Act and the rules framed there under.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. a) According to the information and explanations given to us and on the basis of the examination

of the books of account, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Value Added Tax Customs Duty, Excise Duty, cess and other statutory dues applicable to it with the appropriate authorities.

- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs Duty, Excise Duty, cess and other undisputed statutory dues were outstanding, at the year end for a period of more than six months from the date they became payable.

According to the records of the Company, disputed Municipal Property Tax together with Penalty not deposited on account of dispute are as follows.

Name of Statute / Description	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
Property Tax	136.97	1997-98	Bombay High Court

- c) The company has been regular in transferring amounts to the Investor Education and Protection fund in accordance with the relevant provisions of companies Act, 1956 (1 of 1956) and rules made there under.
8. The Company does not have accumulated losses at the end of the financial year and it has not incurred cash losses in the current and has not incurred cash losses in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks. The Company does not have any borrowings by way debentures.
10. According to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiary from banks or financial institutions. In our opinion the terms and conditions on which guarantee is given is not prima facie prejudicial to the interest of the Company.
11. The Company did not have any term loans outstanding during the year.
12. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Pulindra Patel & Co.**  
**Chartered Accountants**  
**FRN No.115187W**  
**(Pulindra Patel)**  
**Proprietor**  
**Membership No. 048991**

Place : Mumbai  
Dated : May 25, 2015

# Goldiam International Limited

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	Notes No.		As at 31.03.2015	(₹ in Lakhs) As at 31.03.2014
<b>I) EQUITY &amp; LIABILITIES :</b>				
<b>1) SHAREHOLDERS' FUNDS :</b>				
[a] SHARE CAPITAL	1	2,494.60		2,494.60
[b] RESERVES AND SURPLUS	2	15,488.98		14,814.42
[c] MONEY RECEIVED AGAINST SHARE WARRENTS		—		—
			17,983.58	17,309.02
<b>2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			—	—
<b>3) NON-CURRENT LIABILITIES</b>				
[a] LONG - TERM BORROWINGS		—		—
[b] DEFERRED TAX LIABILITY (NET)	3	110.22		96.55
[c] OTHER LONG TERM LIABILITIES		—		—
[d] LONG - TERM PROVISIONS		—		—
			110.22	96.55
<b>4) CURRENT LIABILITIES</b>				
[a] SHORT TERM BORROWINGS	4	4,417.90		2,892.85
[b] TRADE PAYABLES	5	2,787.45		3,255.46
[c] OTHER CURRENT LIABILITIES	6	189.71		282.32
[d] SHORT - TERM PROVISIONS	7	501.38		461.37
			7,896.43	6,892.00
<b>TOTAL</b>			<b>25,990.24</b>	<b>24,297.57</b>
<b>II) ASSETS :</b>				
<b>1) NON - CURRENT ASSETS</b>				
[a] FIXED ASSETS				
(i) TANGIBLE ASSETS	8	1,597.84		1,935.67
(ii) INTANGIBLE ASSETS		54.77		—
(iii) CAPITAL WORK - IN - PROGRESS		150.12		33.01
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT		—		—
[b] NON - CURRENT INVESTMENT	9	3,462.04		2,502.98
[c] DEFERRED TAX ASSETS (NET)		—		—
[d] LONG - TERM LOANS & ADVANCES	10	20.51		22.81
[e] OTHER NON - CURRENT ASSETS		—		—
			5,285.27	4,494.48
<b>2) CURRENT ASSETS</b>				
[a] CURRENT INVESTMENT	11	7,197.31		7,334.82
[b] INVENTORIES	12	3,696.68		3,578.22
[c] TRADE RECEIVABLES	13	8,095.53		7,735.98
[d] CASH & BANK BALANCE	14	499.85		232.75
[e] SHORT - TERM LOANS & ADVANCES	15	1,215.60		921.33
[f] OTHER CURRENT ASSETS		—		—
			20,704.97	19,803.09
<b>TOTAL</b>			<b>25,990.24</b>	<b>24,297.57</b>

### SIGNIFICANT ACCOUNTING POLICIES NOTES ON FINANCIAL STATEMENTS

1 to 45

As per our attached report of even date.

For Pulindra Patel & Co.  
Chartered Accountants  
ICAI Firm Registration No. 115187W

For and on behalf of the Board

Pulindra M. Patel  
Proprietor  
Membership No.: 048991

Darshana Patel  
Chief Financial Officer

Manhar R. Bhansali  
Chairman  
(DIN: 00058699)

Rashesh M. Bhansali  
Vice Chairman & Mg. Director  
(DIN: 00057931)

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015

## Annual Report 2014-2015

### STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

	Notes No.	Current Year	(₹ in Lakhs) Previous Year
I) REVENUE FROM OPERATIONS	16	11,894.27	12,527.05
II) OTHER INCOME	17	786.25	638.07
III) <b>TOTAL REVENUE (I+II)</b>		<b>12,680.52</b>	<b>13,165.12</b>
IV) EXPENSES :-			
COST OF MATERIALS CONSUMED	18	9,141.45	9,481.18
PURCHASE OF STOCK IN TRADE		456.69	690.12
CHANGES IN INVENTORIES OF FINISHED GOODS			
WORK-IN-PROGRESS AND STOCK-IN-TRADE	19	(10.09)	190.13
EMPLOYEE BENEFITS EXPENSES	20	181.81	193.24
FINANCE COSTS	21	62.15	82.05
DEPRECIATION, AMORTISATION AND IMPAIRMENT	8	235.42	171.14
OTHER EXPENSES	22	1,258.97	1,038.96
<b>TOTAL EXPENSES</b>		<b>11,326.39</b>	<b>11,846.82</b>
V) <b>PROFIT BEFORE EXCEPTIONAL AND     EXTRAORDINARY ITEMS AND TAX (III-IV)</b>		<b>1,354.13</b>	<b>1,318.30</b>
VI) <b>EXTRAORDINARY ITEMS</b>	23	<b>75.70</b>	—
VII) <b>PROFIT BEFORE TAX (V-VI)</b>		<b>1,429.83</b>	<b>1,318.30</b>
VIII) <b>TAX EXPENSES</b>			
- CURRENT TAX & PRIOR YEAR		300.74	317.29
- DEFERRED TAX LIABILITY		13.67	1.38
IX) <b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>1,115.41</b>	<b>999.63</b>
X) <b>EARNINGS PER EQUITY SHARE (Face Value ₹ 10) :</b>			
Basic		4.47	4.01
Diluted		4.47	4.01

#### SIGNIFICANT ACCOUNTING POLICIES

#### NOTES ON FINANCIAL STATEMENTS

1 to 45

The notes referred to above form an integral part of these financial statements  
As per our attached report of even date.

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 115187W

**For and on behalf of the Board**

**Pulindra M. Patel**  
Proprietor  
Membership No.: 048991

**Darshana Patel**  
Chief Financial Officer

**Manhar R. Bhansali**  
Chairman  
(DIN: 00058699)

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
(DIN: 00057931)

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015

# Goldiam International Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

PARTICULARS	2014-15	(₹ in Lakhs) 2013-14
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	1,429.83	1,318.30
ADJUSTMENT FOR :		
Depreciation, Amortisation and Impairment	235.42	171.14
(Profit)/Loss on sale of Investment (Net)	(162.05)	(245.91)
Net unrealised foreign exchange (gain)/ loss	181.02	37.41
Revaluation Loss on Investments	12.96	(39.12)
(Profit)/Loss on sale of Assets	(78.28)	(0.49)
(Profit) on Sale of Office Premises (Exceptional Items)	—	—
Dividend received	(99.86)	(33.13)
(Short)/Excess Provision for taxation written off	—	—
Interest Income	(153.53)	(142.42)
Finance Cost	62.15	82.05
	(2.18)	(170.47)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,427.65	1,147.83
ADJUSTMENT FOR :		
Trade receivable and other loans	(970.99)	(980.42)
Inventories	(118.47)	(213.24)
Trade Payable and other liabilities	(474.58)	827.95
	(1,564.03)	(365.71)
CASH GENERATED FROM OPERATIONS	(136.38)	782.12
Income Tax Paid (net)	(359.05)	(323.86)
	(359.05)	(323.86)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(495.43)	458.26
NET CASH FROM OPERATING ACTIVITIES	(495.43)	458.26
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(215.26)	(169.98)
Sale of Fixed Assets	224.08	0.50
Purchase of Investments	(15,134.80)	(13,684.12)
Purchase of Investments in Subsidiary	—	—
Sale of Investments	14,462.35	14,916.95
Sale of Investments in Subsidiary	—	—
Interest received	135.78	126.17
Interest received from Subsidiary	17.75	16.25
Dividend received	59.07	12.74
Dividend received from Subsidiary	40.79	20.40
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	(410.25)	1,238.89
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Short Term Borrowing	1,595.15	(2,509.52)
Finance Cost	(62.15)	(82.05)
Dividend paid	(299.35)	(124.73)
Tax on dividend	(50.87)	(21.20)
NET CASH USED IN FINANCING ACTIVITIES	1,182.77	(2,737.49)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	277.09	(1,040.34)
CASH AND CASH EQUIVALENTS AS AT 01.04.2014	222.77	1,263.10
CASH AND CASH EQUIVALENTS AS AT 31.03.2015	499.85	222.77

**Note:**

- 1) Figures in bracket represent cash outflow.
- 2) Direct taxes paid are treated as arising from operating activities and are not bifurcated between Investing and financing activities.
- 3) The Cash and cash equivalents figures are net off overdrawn balance with bank reflected in other current liability (Note no.-6).

The accompanying notes are integral part of the financial statements.

As per our attached report of even date.

**For Pulindra Patel & Co.**

**Chartered Accountants**  
ICAI Firm Registration No. 115187W

**Pulindra M. Patel**  
Proprietor  
Membership No.: 048991

**Darshana Patel**  
Chief Financial Officer

**For and on behalf of the Board**

**Manhar R. Bhansali**  
Chairman  
(DIN: 00058699)

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
(DIN: 00057931)

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015  
SIGNIFICANT ACCOUNTING POLICIES:

**A) BASIS OF PREPARATION OF ACCOUNTS :**

The financial statements have been prepared and presented under historical cost convention on the accrual basis of accounting and comply with other pronouncements of the Institute of Chartered Accountants of India (ICAI), Accounting Standard prescribed under section 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 to the extent applicable. The Financial Statements have been prepared under historical cost convention on an accrual basis except in case of assets for which provision for impairment is made. Accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**B) USE OF ESTIMATES :**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and reported amounts of revenue and expenses for the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**C) FIXED ASSETS:**

**i) Tangible Assets :**

Fixed Assets are stated at cost (Net of VAT wherever applicable) less accumulated depreciation and impairments, if any. Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for intended use. They are stated at historical cost.

**ii) Intangible Assets :**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation /depletion and impairment loss, if any. The cost comprises purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use.

iii) Capital work in progress is stated at the amount expended upto the date of Balance sheet.

**D) IMPAIRMENT OF ASSETS :**

i) At each Balance Sheet date, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS)-28 "Impairment of Assets".

ii) After Impairment, depreciation is provided on the revised carrying amount of the assets.

iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if no impairment loss had been recognized.

**E) DEPRECIATION:**

**Tangible Assets :**

Depreciation on Fixed Assets is provided on "Written Down Value" method and at the rates prescribed under Schedule II of the Companies Act, 2013. Depreciation on addition to fixed assets is provided on prorata basis from the date of acquisition or installation. Depreciation on assets sold, discarded, demolished or scrapped, is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

**Intangible Assets :**

Computer Software is amortised over a period of five years.

**F) INVESTMENTS:**

i) Investments that are intended to be held for more than a year from the date of acquisition and those having fixed maturity period of more than a year are classified as long-term Investments and are stated at cost. Provision for diminution in value of long-term investments are made, if the diminution in value is other than temporary.

ii) Current investments are valued at cost or market value, whichever is lower, on scrip wise basis. Cost is determined on First in First out (FIFO) basis.

iii) Reclassification of investments are made at the lower of cost and fair value at the date of transfer wherever available.



## *Goldiam International Limited*

### **G) INVENTORIES:**

- i) Raw materials are valued at cost or net realisable value, whichever is lower on First In First Out (FIFO) basis.
- ii) Stores and Spares are valued at cost on First In First Out (FIFO) basis.
- iii) Work in progress, manufactured finished goods and traded goods are valued at lower of cost and net realisable value. Cost of work in progress and manufactured finished goods comprises of direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Trading goods are valued at cost or net realisable value, whichever is lower.

### **H) FOREIGN CURRENCY TRANSACTIONS:**

- a) Investment in foreign subsidiaries and Joint venture are recorded at the exchange rate prevailing on the date of making the investment.
- b) Monetary Assets (including bank account maintained in foreign currency) except those which are covered by forward exchange contracts and monetary liabilities, i.e. items to be received or paid in foreign currency, are stated at the exchange rates prevailing on the date of Balance Sheet. In case of transactions which are covered by forward exchange contracts, the difference between the forward rate and the spot rate is recognised as income or expense over the life of contracts. Realised gains and losses on foreign currency transactions are recognised in the Profit & Loss Account.
- c) Transactions denominated in foreign currencies current assets (including bank account maintained in foreign currency) and current liabilities (including bank loans taken in foreign currency), i.e. items to be received or paid in foreign currency, are stated at the exchange rates prevailing on the date of the Balance Sheet.
- d) Monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and is recognised over the life of the contract.
- e) The Company uses foreign exchange forward contracts to hedge its exposure to movements in foreign exchange rates. These foreign exchange forward contracts are not used for trading or speculation purpose. Any profit or loss arising on cancellation or renewal of foreign exchange forward contracts is recognised as income or expense for the year. In respect of foreign currency option which are entered into to hedge highly probable forecasted transactions, the cost of these contracts, if any, is expensed over the period of the contract. Any profit or loss arising on settlement or cancellation of currency options is recognised as income or expense for the period in which settlement or cancellation takes place. The effect of these currency option contracts outstanding at the year-end, in the form of unrealised gains/losses, is recognised.

### **I) RECOGNITION OF INCOME AND EXPENDITURE :**

Revenues/Incomes and Costs/Expenditures are generally accounted on accrual basis as they are earned or incurred.

#### **SALES :**

Revenue is recognised when the significant risks and rewards of ownership to the goods is passed to the buyer.

Domestic sales are accounted on dispatch of products to customers and Export sales (Net of Returns) are accounted on the basis of dates of Airway Bills. Domestic Sales are disclosed net of Value Added Tax and returns as applicable.

#### **DIVIDEND :**

Revenue is recognised when the right to receive is established.

#### **INTEREST:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

### **J) EMPLOYEE BENEFITS :**

#### **a) Short-term employee benefits :**

All employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia.

#### **b) Defined Contribution Plan :**

Defined Benefit plans of the company comprise gratuity, provident fund and pension plans.

Employee benefits in the form of contribution to Provident Fund managed by Government authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

#### **c) Defined Benefit Plan :**

Retirement benefit in the form of Gratuity benefit is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation.

**Gratuity :**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of given years of service. The Company makes payment to group gratuity policy issued by Life Insurance Corporation of India for certain employees.

**Actuarial Valuation :**

The liability in respect of defined plans, is accrued in the books of account on the basis of actuarial valuation carried out using the Projected Unit Credit Method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of benefit plans, based on the market yields as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Profit and Loss Account.

**K) RESEARCH AND DEVELOPMENT EXPENDITURE:**

Revenue expenses on Research & Development are charged to the Profit & Loss Account in the year in which these are incurred. Capital expenditure is taken as addition to the fixed assets.

**L) BORROWING COST**

Financial Income and borrowing costs include interest income on bank deposits and interest expense on loans recognised when the right to receive the payment is established.

**M) EARNING PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**N) PROVISION FOR CURRENT AND DEFERRED TAX :**

Tax expense comprises of Current and Deferred tax.

Provision for current tax including wealth tax has been made in accordance with the direct tax laws prevailing for the relevant assessment years.

Deferred Income tax reflects the impact of current year timing differences between taxable income/losses and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be setoff.

**O) SEGMENT REPORTING :**

**Identification of Segment**

The Company has identified Two Reportable Segments viz. Jewellery Manufacturing and Investment Activity. Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems.

The Company has two business segments viz. Jewellery Manufacturing and Investment Activity.

**P) PROVISIONS/CONTINGENCIES :**

A Provision is created when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount and it is probable that an outflow of resources will be required to settle the obligation. A disclosure for Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of reliability of such assets. However, if it has become virtual certain that an inflow of economic benefits will arise, assets and related income are recognised in the financial statements of the period in which the change occurs.

# Goldiam International Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### 1 SHARE CAPITAL :

(₹ in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>AUTHORISED CAPITAL</b>		
31000000 Equity Shares of ₹ 10/- each	3,100.00	3,100.00
(Previous year 31000000 Equity Shares of ₹ 10/- each)	3,100.00	3,100.00
<b>Issued Capital</b>		
24945996 Equity Shares of ₹ 10/- each	2,494.60	2,494.60
(Previous Year 24945996 Equity Shares of ₹ 10/- each.)	2,494.60	2,494.60
<b>Subscribed and Paid up Capital</b>		
24945996 Equity Shares of ₹ 10/- each	2,494.60	2,494.60
(Previous Year 24945996 Equity Shares of ₹ 10/- each)	2,494.60	2,494.60
<b>TOTAL</b>	<b>2,494.60</b>	<b>2,494.60</b>

- 1.01** (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:  
Details to be given for each class of shares separately for Issued, Subscribed and fully paid up and Subscribed but not fully paid up, as applicable.

Particulars	Opening Balance	Closing Balance
<b>Equity shares with voting rights:</b>		
At the beginning of the year		
– Number of shares	24945996	24945996
– Amount (₹) in lakhs	2,494.60	2,494.60
<b>Add : Addition during the year:</b>		
– Number of shares	—	—
– Amount (₹) in lakhs	—	—
<b>Less : Deduction During the year:</b>		
– Number of shares	—	—
– Amount (₹) in lakhs	—	—
<b>Year ended 31 March, 2015:</b>		
– Number of shares	24945996	24945996
– Amount (₹) in lakhs	2,494.60	2,494.60
Equity shares with differential voting rights		
Year ended 31 March, 2015	—	—
Year ended 31 March, 2014	—	—

### 1.02 (ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mr. Manhar Bhansali	7103428	28.48%	7103428	28.48%
Mr. Rashesh Bhansali	6000000	24.05%	5900000	23.65%
M/s Diajewel N.V.	2700000	10.82%	2700000	10.82%
Equity shares with differential voting rights	-	-	-	-

## Annual Report 2014-2015

**1.03 (iii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:**

The company has bought back 2086804 equity shares with voting rights in the financial year 2009-2010.

Aggregate number of shares

Particulars	As at 31.03.2015	As at 31.03.2014
<u>Equity shares with voting rights</u>		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-
<u>Equity shares with differential voting rights</u>		
Fully paid up pursuant to contract(s) without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

(₹ in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>2 RESERVES AND SURPLUS :</b>		
1. Capital Redemption Reserve		
As per last Balance Sheet	208.68	208.68
2. Capital Reserve Account		
As per last Balance Sheet	479.70	479.70
3. General Reserve		
As per last Balance Sheet	5,055.38	5,030.38
Add: Transferred for profit & loss account	-	25.00
	5,055.38	5,055.38
4. Surplus in the Statement of Profit & Loss Account		
As Per last Balance Sheet	9,070.66	8,446.25
Add : Net Profit after tax transferred from Statement of Profit and Loss	1,115.41	999.63
	10,186.06	9,445.88
Less: Appropriations		
- Transferred to General Reserve	-	25.00
- Interim Dividend	-	-
- Proposed Dividend	374.19	299.35
- Tax on Interim Dividend	-	-
- Tax on Proposed Dividend	66.66	50.87
Amount available for appropriation	9,745.21	9,070.66
<b>TOTAL</b>	<b>15,488.98</b>	<b>14,814.42</b>
<b>3 DEFERRED TAXES :</b>		
Deferred Tax Liabilities :		
i) Relating to Depreciation, Amortisation and Impairment	111.43	99.30
	111.43	99.30
Less : Deferred Tax Assets :		
i) relating to Employee Benefits & Provision thereof	1.20	2.75
ii) relating to Depreciation, amortisation and Impairment	-	-
	1.20	2.75
<b>TOTAL</b>	<b>110.22</b>	<b>96.55</b>
<b>4 SHORT TERM BORROWINGS :</b>		
(a) Loans repayable on demand :		
Form Banks		
- Secured		

## Goldiam International Limited

(₹ in Lakhs)		
Particulars	As at 31.03.2014	As at 31.03.2013
4.01 Packing Credit In Foreign Currency With Citibank	1,493.55	1,257.47
Post Shipment Credit In Foreign Currency With Citi Bank N.A.	685.51	734.82
4.02 (Secured by Pledge on investments in Fixed Maturity Plans (FMP)/ Debt Funds through Citi Bank N.A. and Deemad Promissory Note of ₹ 2500.00 lacs and Letter of Continuity)		
Particulars	Unit	
Birla Sun Life Cash Plus - Growth - Regular Plan	352,152.825	
Franklin India Corporate Bond Opportunities Fund-Growth	3,735,731.369	
Franklin India Short Term Income Plan -Retail Plan-Growth	27,740.995	
ICICI Prudential Liquid - Regular Plan - Growth	237,875.542	
Franklin India Treasury Management Account Super Institutional Plan-Growth	2,278.340	
4.03 Preshipment Credit in Foreign Currency with HSBC Bank	423.80	489.51
Post Shipment Credit in Foreign Currency with HSBC Bank Ltd	833.64	411.05
4.04 (Secured by Pledge of Mutual Funds/Bonds through HSBC Bank and Deemad Promissory Note of ₹ 2750.00 lacs)		
Particulars	Unit	
Birla Sun Life Savings Fund - Growth - Regular Plan	186266.528	
Birla Sun Life Dynamic Bond Fund-Retail-Growth-Regular Plan	2526145.607	
ICICI Prudential Flexible Income - Regular Plan - Growth	537293.105	
4.05 Preshipment Credit in Foreign Currency with Kotak Bank	981.39	-
4.06 (Secured by Pledge of Debt Funds/Income Funds/FMPs with minimum Valuation of ₹ 2775.00 lacs or Lien over acceptable equity shares with minimum valuation of ₹ 5000.00 lacs or Lien over arbitrage fund with minimum valuation of ₹ 2775.00 lacs or Lien over liquid fund with minimum valuation of ₹ 2625.00 lacs and Deemad Promissory Note of ₹ 2500.00 lacs.		
Particulars	Unit	
DSP-Blackrock FMP Sr. 150-13 Months	1810000.000	
IDFC Fixed term Plan Sr. 79 Regular Plan-Growth	3000000.000	
Reliance Capital Builder Funds-Series A-Growth Plan	1000000.000	
JM Arbitrage Advantage Fund-Bonus Options-Bonus Units	1749436.900	
Infosys Ltd.	20000.000	
HDFC FMP 1184D January 2015 (1) Series 33-Regular-Growth	1000000.000	
	4,417.90	2,892.85
4.07 Details of term of repayment and rate of interest are as set out below :		
Type of Loan	Rate of Interest	Maturity Period
Pre-shipment credit in foreign currency	1.58% to 1.89%	May-15 to Mar-16
Post shipment credit in foreign currency	1.52% to 1.90%	May-15 to Aug-15
<b>5 TRADE PAYABLES:</b>		
Due to Micro, Small and Medium Enterprises	23.59	14.16
Others	2,763.86	3,241.29
	2,787.45	3,255.46
<b>TOTAL</b>	<b>2,787.45</b>	<b>3,255.46</b>

## Annual Report 2014-2015

(₹ in Lakhs)		
Particulars	As at 31.03.2015	As at 31.03.2014
<b>6 OTHER CURRENT LIABILITIES:</b>		
<b>Other payables :</b>		
a) Statutory dues payable	13.06	7.92
b) Salaries due to director	3.33	20.42
c) Other liabilities (including Expenses and Others)	108.48	27.12
d) Trade/Security Deposits	0.50	0.50
e) Advance received from clients	41.70	195.65
f) Overdrawn balance with Banks	-	9.98
g) Unclaimed dividend	22.63	20.75
<b>TOTAL</b>	<b>189.71</b>	<b>282.32</b>
<b>6.01 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES :</b>		
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	23.59	14.16
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
<b>7 SHORT - TERM PROVISIONS :</b>		
<b>(a) Provision for employee benefits:</b>		
(i) Provision for gratuity (net) (Refer Note 30.4.b)	12.73	5.50
(ii) Provision for Leave Salary	2.46	7.97
	15.19	13.47
<b>(b) Provision - Others:</b>		
(i) Provision for tax (net of advance tax ₹ 257.34 Lakh as at 31 March, 2014 ₹ 195.55 Lakh)	43.76	96.45
(ii) Proposed Dividend	374.19	299.35
(iii) Provision for Tax on Proposed Dividend	66.66	50.87
(iv) Provision for Wealth Tax	1.58	1.22
	486.19	447.90
<b>TOTAL</b>	<b>501.38</b>	<b>461.37</b>



# Goldiam International Limited

8 FIXED ASSETS : (₹ in Lakhs)										
Sr. Description No.	G R O S S B L O C K				D E P R E C I A T I O N			N E T B L O C K		
	Cost as on 01.04.2014	Addition	Deduction	Cost As on 31.03.2015	As on 01.04.2014	For the Year	Deduction 31.03.2015	As on 31.03.2015	As on 31.03.2015	As on 31.03.2014
<b>TANGIBLE ASSETS</b>										
1 FACTORY BUILDING	313.33	-	-	313.33	264.51	4.40	-	268.92	44.42	48.82
2 OFFICE PREMISES	1,692.67	-	275.62	1,417.05	232.38	66.44	143.14	155.68	1,261.37	1,460.29
3 FURNITURE & FIXTURE	327.30	0.62	173.73	154.19	236.64	35.98	173.73	98.90	55.29	90.66
4 OFFICE EQUIPMENT	150.03	1.86	95.40	56.49	102.55	27.90	94.98	35.47	21.02	47.48
5 PLANT AND MACHINERY	640.97	5.91	202.85	444.02	480.23	42.01	202.51	319.73	124.29	160.74
6 COMPUTERS	178.55	2.42	154.06	26.90	166.56	13.17	154.06	25.66	1.24	11.99
7 VEHICLES	267.78	29.29	42.25	254.82	152.10	42.22	29.70	164.62	90.19	115.69
<b>TOTAL</b>	<b>3,570.64</b>	<b>40.09</b>	<b>943.91</b>	<b>2,666.82</b>	<b>1,634.97</b>	<b>232.13</b>	<b>798.11</b>	<b>1,068.98</b>	<b>1,597.84</b>	<b>1,935.67</b>
<b>INTANGIBLE ASSETS</b>										
1 COMPUTER SOFTWARE	-	58.06	-	58.06	-	3.29	-	3.29	54.7	-
<b>TOTAL</b>	<b>-</b>	<b>58.06</b>	<b>-</b>	<b>58.06</b>	<b>-</b>	<b>3.29</b>	<b>-</b>	<b>3.29</b>	<b>54.77</b>	<b>-</b>
<b>CURRENT YEAR TOTAL</b>	<b>3,570.64</b>	<b>98.15</b>	<b>943.91</b>	<b>2,724.88</b>	<b>1,634.97</b>	<b>235.42</b>	<b>798.11</b>	<b>1,072.28</b>	<b>1,652.60</b>	<b>1,935.67</b>
<b>PREVIOUS YEAR</b>	<b>3,419.31</b>	<b>151.83</b>	<b>0.50</b>	<b>3,570.64</b>	<b>1,464.32</b>	<b>171.14</b>	<b>0.49</b>	<b>1,634.97</b>	<b>1,935.67</b>	
<b>Note.1</b> Depreciation includes impairment loss of ₹ 27.62 Lacs details as under										
COMPUTERS	₹ 2.30 Lacs									
FURNITURE & FIXTURE	₹ 10.97 Lacs									
OFFICE EQUIPMENT	₹ 10.95 Lacs									
PLANT AND MACHINERY	₹ 3.40 Lacs									

## Annual Report 2014-2015

9 NON - CURRENT INVESTMENT						(₹ in Lakhs)
Particulars	No. of Shares Bonds Units	Face Value	As at 31.03.2015	No. of Shares Bonds Units	As at 31.03.2014	
<b>(Long Term Investments)</b>						
<b>TRADE:</b>						
<b>In Equity Shares of Subsidiary Company -</b>						
<b>Unquoted, fully paid up</b>						
1) Diagold Designs Limited	2039658	10	468.39	2039658	468.39	
2) Goldiam Jewellery Limited	1000000	10	100.00	1000000	100.00	
3) Goldiam USA, Inc. (Face value of US\$ 0.01/- each)	200		72.00	200	72.00	
<b>OTHER THAN TRADE:</b>						
<b>In Equity Shares of Joint Venture Company -</b>						
<b>Unquoted, fully paid up</b>						
Goldiam HK Limited (Face Value of HK\$ 1/-each)	5982725		327.78	5982725	327.78	
<b>In Equity Shares - Unquoted, fully paid up</b>						
1) Sip Technologies Limited	1891	10	0.19	1891	0.19	
2) Suashish Diamonds Ltd	1	10	0.00	-	-	
<b>OTHER THAN TRADE:</b>						
<b>In Equity Shares - Quoted, fully paid up</b>						
1) Classic Diamonds (I) Ltd	5	2	0.00	5	0.00	
2) Reliable Ventures Ltd	50000	10	6.42	50000	7.75	
3) S B & T International Ltd	1	10	0.00	1	0.00	
4) Shrenuj & Co Ltd	10	2	0.00	5	0.00	
5) Suashish Diamonds Ltd	-	10	-	1	0.00	
6) Titan Industries Ltd	20	1	0.00	20	0.00	
7) Winsome Diamonds And Jewellery Ltd **	1	10	0.00	1	0.00	
**Name change of Suraj Diamonds & Jewellery Ltd						
<b>In Units of Mutual Fund - Quoted, fully paid up</b>						
1) DSP BlackRock FMP Series 150-13 Month-Growth	-	10	-	1810000	181.00	
2) HDFC FMP 1184D January 2015 (1)						
Series 33-Regular - Growth	1000000	10	100.00	-	-	
3) ICICI Prudential FMP Series 68 - 369 D Plan K						
Regular Plan - Cumulative	9300000	10	930.00			
4) IDFC Fixed Term Plan Series 79 Regular Plan-						
Growth (390 Days)	-	10	-	3000000	300.00	
5) Kotak FMP Series 172 - Growth (Regular Plan)	1200000	10	120.00			
6) Reliance Fixed Horizon Fund XXV-						
Series 31-Growth Plan	-	10	-	1000000	100.00	
7) Reliance Capital Builder Fund -						
Series A-Growth Plan	1000000	10	100.00	-	-	
8) Reliance Capital Builder Fund II-						
Series B - Growth	2000000	10	200.00	-	-	
<b>In Bond - Quoted, fully paid up</b>						
1) 8.20% Tax Free National Highways						
Authority of India 10Years Bond	7417	1,000	74.17	7417	74.17	
2) 8.10% Tax Free Housing and Urban						
Development Corporation Limited 10 Yrs Bond	8676	1,000	86.76	8676	86.76	
3) 8.40% Tax Free Indian Railway Finance						
Corporation Ltd SR-92 15 Yrs Bond	20000	1,000	200.00	20000	200.00	
<b>In Preference Shares - Quoted, fully paid up</b>						
15.99% IL&FS Limited Non Convertible Redeemable						
Cumulative Preference Share 16/05/2021	1880	7,500	248.74	-	-	
<b>In Others</b>						
1) ASK Real Estate Special Opportunities Fund - II	17.500	100,000	10.50	-	-	
2) ICICI Prudential Real Estate AIF-I						
(Alternate Investment Fund)	200000	30	60.00	-	-	
3) Kotak Alternate Opportunities (India) Fund	-	-	196.67	-	284.20	
4) Kotak India Real Estate Fund - IV	5916.849	1,000	59.17	18523.130	185.23	
5) Kshitij Venture Capital Fund	30000	337.50	101.25	30000	115.50	
(Previous Year Face Value ₹ 670)						
<b>TOTAL</b>			<b>3,462.04</b>		<b>2,502.98</b>	
Aggregate amount of quoted investments			<b>2,066.09</b>		949.68	
Aggregate market value of listed and quoted investments			<b>2,303.02</b>		956.31	
Aggregate amount of unquoted investments			<b>1,395.95</b>		1,553.30	

## Goldiam International Limited

10 LONG - TERM LOANS & ADVANCES :				(₹ in Lakhs)	
Particulars			As at 31.03.2015	As at 31.03.2014	
(a) Security deposits					
Secured, considered good			-	-	
Unsecured, considered good			20.51	22.81	
Doubtful			-	-	
TOTAL			20.51	22.81	

11 CURRENT INVESTMENT					
Particulars	No. of Shares	Face Value	As at 31.03.2015	No. of Shares	As at 31.03.2014
In Equity Shares - Quoted, fully paid up					
1) ICICI Bank Limited	5000	2	15.77	-	-
2) IDFC Limited	10000	10	16.69	-	-
3) Infosys Limited	20000	5	-	-	-
4) Yes Bank Limited	2000	10	16.33	-	-
In Units of Mutual Fund - Quoted					
1) Birla Sun Life Fixed Term Plan Series KQ (368 Days)- Growth-Regular	-	10	-	3000000	300.00
2) DSP BlackRock FMP Series 150- 13 Month - Growth	1810000	10	181.00	-	-
3) ICICI Prudential FMP Series 68-369 D Plan K Regular Plan-Cumulative	-	10	-	12300000	1,230.00
4) IDFC Fixed Term Plan Series 79 Regular Plan - Growth (390 Days)	3000000	10	300.00	-	-
5) Reliance Fixed Horizon Fund XXV - Series 31- Growth Plan	1000000	10	100.00	-	-
6) UTI-Fixed Income Interval Fund-I-Annual Interval Plan-Retail Option-Growth	-	10	-	1522839.548	250.00
7) UTI Fixed Term Income Fund Series XV - VIII (368 Days)-Growth Plan	-	10	-	1500000	150.00
In Units of Mutual Fund - Unquoted					
	No. of Units			No. of Units	
1) Birla Sunlife Cash Plus-Growth-Regular Plan	352152.825	10	694.70	415,692.461	819.70
2) Birla Sun Life Dynamic Bond Fund-Retail- Growth - Regular Plan	2526145.607	10	500.00	2526145.607	500.00
3) Birla Sun Life Saving Fund-Growth- Regular Plan	186266.538	10	450.00	186266.538	450.00
4) DWS Insta Cash Plus Fund-Super Institutional Plan - Growth	-	10	-	401115.210	644.20
5) DWS Medium Term Income Fund- Direct Plan - Growth	-	10	-	10000	1.00
6) DWS Short Maturity Fund Regular Plan- Annual Bonus	-	10	-	2207743.644	-
7) Franklin India Cash Management Account-Growth (Old name Templeton India Cash Management Account - Growth Plan)	137974.995	10	29.63	237052.908	47.93
8) Franklin India Corporate Bond Opportunities Fund - Growth	5874265.618	10	800.00	-	-
9) Franklin India Short Term Income Plan- Retail Plan - Growth	56807.863	1,000	1,550.00	-	-
10) Franklin India Treasury Management Account Super Institutional Plan Growth (Old name Templeton India Treasury Management Account Super Institutional Plan Growth)	2278.340	1,000	41.80	2278.340	41.80

## Annual Report 2014-2015

(₹ in Lakhs)					
Particulars	No. of Shares	Face Value	As at 31.03.2015	No. of Shares	As at 31.03.2014
11) ICICI Prudential Flexible Income-Regular Plan-Growth	698075.419	10	1,596.64	800654.947	1,815.70
12) ICICI Prudential Income-Regular Plan-Growth	192013.851	10	80.90		
13) ICICI Prudential Liquid-Regular Plan-Growth	237875.542	10	431.21	385501.542	698.81
14) ICICI Prudential Value Discovery Fund-Regular Plan - Growth	142423.092	10	150.00	-	-
15) IDFC Money Manager Fund-Treasury Plan-Growth-Regular Plan	-	10	-	1783646.370	352.34
16) JM Money Manager Fund-Super Plus Plan - Bonus Option	-	10	-	1577287.066	-
17) JM Arbitrage Advantage Fund-Bonus Option - Principal Units	3665945.024	10	-	-	-
18) L & T Cash Fund Growth	-	1,000	-	7884.834	-
19) Reliance Banking Fund-Growth Plan-Growth Option	52718.509	10	92.66	-	-
20) Sundaram Flexi Fund Short Term Plan	-	10	-	1006618.439	-
21) Sundaram S.M.I.L.E Fund Regular Plan Growth	229269.105	10	150.00	-	-
<b>In Debentures - Unquoted, fully paid up</b>					
Mantri Mansion Private Limited - 18 NCD 17 June 2014	- 5,000,000		-	2	33.33
Note (*) : (NCD refers to Non Convertible Debentures.)					
<b>TOTAL</b>			<b>7,197.31</b>		<b>7,334.82</b>
Aggregate amount of quoted investments			<b>629.78</b>		1,930.00
Aggregate market value of listed and quoted investments			<b>1,130.04</b>		2,041.59
Aggregate amount of unquoted investments			<b>6,567.53</b>		5,404.82

**The following Mutual Fund units has been earmarked against the secured loan taken from bank :**

Particulars	Number of Units
Birla Sun Life Cash Plus - Growth - Regular Plan	352152.825
Birla Sun Life Dynamic Bond Fund - Retail - Growth - Regular Plan	2526145.607
Birla Sun Life Savings Fund - Growth - Regular Plan	186266.528
DSP-Blackrock FMP Sr. 150-13 Months	1810000
Franklin India Corporate Bond Opportunities Fund-Growth	3,735,731.369
Franklin India Short Term Income Plan -Retail Plan-Growth	27740.995
Franklin India Treasury Management Account Super Institutional Plan-Growth	2278.340
HDFC FMP 1184D January 2015 (1) Series 33-Regular-Growth	1000000
ICICI Prudential Flexible Income - Regular Plan - Growth	537293.105
ICICI Prudential Liquid - Regular Plan - Growth	237875.542
IDFC Fixed term Plan Sr. 79 Regular Plan-Growth	3000000
Infosys Ltd.	20000
JM Arbitrage Advantage Fund-Bonus Options-Bonus Units	1749436.900
Reliance Capital Builder Funds-Series A-Growth Plan	1000000

## Goldiam International Limited

12 INVENTORIES :		(₹ in Lakhs)
Particulars	As at 31.03.2015	As at 31.03.2014
i) Raw Materials	3,185.42	3,076.25
ii) Stock in Process	89.58	148.14
iii) Finished Goods	408.50	339.85
iv) Stock of Consumable Stores & Spare parts (at cost)	13.18	13.97
	<u>3,696.68</u>	<u>3,578.22</u>
<b>TOTAL</b>	<b>3,696.68</b>	<b>3,578.22</b>
12.1 Inventories except Consumables Stores and Spares are valued at cost or net realisable value whichever is less.		
12.2 Consumables Stores and Spares are valued at cost.		
13 TRADE RECEIVABLES :		
(Unsecured)		
Outstanding for a period exceeding six months from due date		
i) Considered good	255.34	14.82
ii) Considered doubtful	-	-
Other Debts		
i) Considered good	7,840.20	7,721.16
ii) Considered doubtful	-	-
	<u>8,095.53</u>	<u>7,735.98</u>
<b>TOTAL</b>	<b>8,095.53</b>	<b>7,735.98</b>
14 CASH & BANK BALANCE:		
Cash On Hand	17.86	27.48
Balance with Banks in		
- Current Account	163.65	53.99
- EEFC Account	317.43	150.43
- Fixed Deposit with Banks	0.91	0.85
	<u>499.85</u>	<u>232.75</u>
<b>TOTAL</b>	<b>499.85</b>	<b>232.75</b>
Balance in current account includes earmarked balance ₹ 22.63 lakh (previous year ₹ 20.75 Lakh).		
15 SHORT TERM LOANS & ADVANCES :		
i) Prepaid Expenses	6.82	10.98
ii) Balances with government authorities :		
i) Vat Credit Receivable	117.87	116.94
iii) Inter Corporate Deposits	525.00	225.00
iv) Other Loans and Advances :		
Unsecured, considered good	534.26	540.80
v) Advance Tax (Net of Provision for Taxes)	31.65	27.61
<b>TOTAL</b>	<b>1,215.60</b>	<b>921.33</b>

## Annual Report 2014-2015

16 REVENUE FROM OPERATIONS:		(₹ in Lakhs)
Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Operating Income :</b>		
a) Manufactured goods	11,413.10	11,802.84
b) Traded goods	481.84	726.00
	<u>11,894.94</u>	<u>12,528.84</u>
Less : Vat	0.67	1.79
	<u>11,894.27</u>	<u>12,527.05</u>
<b>TOTAL</b>	<u>11,894.27</u>	<u>12,527.05</u>
<b>16.01 Sale of products comprises :</b>		
<b>a) Manufactured goods</b>		
i) Sales of gold Jewellery	11,323.21	11,682.43
ii) Sales of Silver Jewellery	89.84	120.29
iii) Sales of Other Misc. Products	0.04	0.12
	<u>11,413.10</u>	<u>11,802.84</u>
<b>b) Traded goods</b>		
i) Sales of Cut & Polished Diamond	480.71	725.84
ii) Sales of Colour stones	0.07	0.16
ii) Sales of Other Misc. Products	1.06	-
	<u>481.84</u>	<u>726.00</u>
<b>17 OTHER INCOME :</b>		
a) Interest received	153.53	142.42
b) Dividend on Shares and Units of Mutual Funds	99.86	33.13
c) Commission received	17.75	27.87
d) Debit / Credit Balance written off	36.55	0.05
e) Profit on sale of Current & Non Current Investments (Net)	162.05	245.91
f) Profit on sale of fixed assets	2.58	0.49
g) Net gain on foreign currency transaction and translation	301.86	167.72
h) Miscellaneous Income	9.36	20.48
i) Sale of Scrap	2.70	-
<b>TOTAL</b>	<u>786.25</u>	<u>638.07</u>
Note : Dividend includes ₹ 40.79 lacs (Previous year ₹ 20.39 lacs) received from Subsidiary company.		
<b>18 RAW MATERIALS CONSUMED</b>		
Opening Stock	3,076.25	2,672.14
Add: Purchases		
a) Gold	2,372.16	2,542.68
b) Cut & Polished Diamonds	6,810.04	7,264.28
c) Platinum	0.12	0.20
d) Gold Findings	52.45	62.14
e) Alloy	11.38	14.41
f) Colour Stone	2.25	0.36
g) Silver Models	1.63	0.98
h) Silver Findings	0.43	0.25
i) Gold Mounting	0.17	-
	<u>12,326.86</u>	<u>12,557.43</u>
Less : Closing Stock	3,185.42	3,076.25
<b>TOTAL</b>	<u>9,141.45</u>	<u>9,481.18</u>

## Goldiam International Limited

(₹ in Lakhs)			
Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014	
<b>18.01 Raw Materials Consumed Comprise :</b>			
a) Gold	2,337.09	2,561.50	
b) Cut & Polished Diamonds	6,740.57	6,839.08	
c) Platinum	0.07	0.01	
d) Gold Findings	43.04	58.93	
e) Alloy	11.84	10.42	
f) Colour Stone	2.37	0.88	
g) Silver Models	1.49	0.01	
h) Silver Findings	0.27	0.28	
i) Trade Designs	4.70	10.08	
<b>18.02 Value of imported raw materials consumed and the value of all indigenous raw materials similarly consumed and the percentage of each to the total consumption.</b>			
(₹ in Lakhs)			
Particulars	Amount in ₹		Percentage
	2014-15	2013-14	
Raw Materials			
a) Imported	3,574.13	3,661.76	39.10%
b) Indigenous	5,567.32	5,819.42	60.90%
(₹ in lakhs)			
Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014	
<b>19 CHANGES IN INVESTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE :</b>			
<b>Inventories at the beginning of the year</b>			
a) Finished Goods	339.85	580.20	
b) Stock in Process	148.14	97.92	
	<b>488.00</b>	<b>678.13</b>	
<b>Inventories at the end of the year</b>			
a) Finished Goods	408.50	339.85	
b) Stock in Process	89.58	148.14	
	<b>498.08</b>	<b>488.00</b>	
<b>TOTAL</b>	<b>(10.09)</b>	<b>190.13</b>	
<b>20 EMPLOYEE BENEFITS EXPENSES :</b>			
a) Salaries, Wages, Bonus & Ex-gratia	158.74	176.68	
b) Contribution to E.S.I.C.	1.09	1.11	
c) Contribution to Provident Fund	2.53	1.90	
d) Provision / Contribution to Group Gratuity and LIC	7.10	2.21	
e) Workmen & Staff Welfare expenses	12.35	11.33	
<b>TOTAL</b>	<b>181.81</b>	<b>193.24</b>	



## Annual Report 2014-2015

**20.01** As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

(i) **Defined Contribution Plan :**

Contribution to Provident Fund is ₹ 2.53 lakhs (Previous year ₹ 1.90 lakhs), ESIC and Labour Welfare Fund includes ₹ 1.09 lakhs (Previous year ₹ 1.11 lakhs).

(ii) **Defined Benefit Plan :**

**GRATUITY & LEAVE ENCASHMENT:**

The Company makes partly annual contribution to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days service for each completed year of service or part thereof depending on the date of joining. The benefit vests after five years of continuous service.

(₹ in Lakhs)

Assumptions	Gratuity		Leave Encashment	
	Funded 31.03.2015	Funded 31.03.2014	Non Funded 31.03.2015	Non Funded 31.03.2014
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation:</b>				
Present Value of obligation as at the beginning of the year	5.50	2.96	7.97	1.16
Current service cost	2.61	9.34	1.16	1.23
Interest cost	0.42	0.27	0.56	0.01
Actuarial (gain) / loss	4.50	(7.07)	(5.61)	7.66
Benefits paid	(0.30)	-	(1.61)	(2.11)
Present Value of obligation as at the end of the year	12.73	5.50	2.46	7.97
<b>Change in Plan Assets</b>				
Plan assets at period beginning, at fair value	6.47	4.58	-	-
Expected return on plan assets	0.42	0.40	-	-
Actuarial (gain) / loss	(0.67)	0.77	-	-
Contributions	-	0.72	1.61	2.11
Benefits paid	(0.30)	-	(1.61)	(2.11)
Plan assets at period end 2015, at fair value	5.91	6.47	-	-
<b>Fair Value of Plan Assets</b>				
Fair Value of plan assets at the beginning of the year	5.72	4.58	-	-
Actual return on plan assets	0.42	0.41	-	-
Contributions	-	0.72	-	-
Benefits paid	(0.30)	-	(1.61)	(2.11)
Fair Value of plan assets at the end of the year	5.83	5.72	-	-
Funded status	-	0.21	-	-
Excess of Actual over estimated return	NIL	NIL	-	-
<b>The amounts to be recognized in the Balance Sheet and statements of Profit and Loss</b>				
Present value of obligations as at the end of year	12.73	5.50	-	-
Fair value of plan assets as at the end of the year	5.91	5.72	-	-
Funded status	-	0.21	(2.46)	(7.97)
Net asset/(liability) recognized in Balance Sheet	6.82	0.21	(2.46)	(7.97)
<b>Expenses for the year</b>				

## Goldiam International Limited

(₹ in Lakhs)				
Assumptions	Gratuity		Leave Encashment	
	Funded	Funded	Non Funded	Non Funded
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Current service cost	2.61	9.34	1.16	1.23
Interest cost on benefit obligation	0.42	0.27	0.56	0.01
Expected return on plan assets	(0.42)	0.40	-	-
Net actuarial (gain)/loss recognised in the year	4.42	(7.08)	(5.61)	7.66
Total expenses recognised in the P & L A/c	7.03	2.13	(3.89)	8.91

Assumptions	Gratuity		Leave Encashment	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Discount Rate	7.82%	8.05%	7.82%	9.16%
Employee Turnover	5.00%	5.00%	5.00%	5.00%
Mortality			1994-96 LIC Mortality Table (Std)	
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.				

**21 FINANCE COST :** (₹ in Lakhs)

Particulars	For the	For the
	year ended 31.03.2015	year ended 31.03.2015
a) Interest on Bank Loan	56.55	80.05
b) Stamp Duty	5.60	2.00
<b>TOTAL</b>	<b>62.15</b>	<b>82.05</b>

**22 OTHER EXPENSES :**

Stores & Spares	31.17	30.51
Power & Water	67.55	67.43
Repairs & Maintenance (Building)	18.07	8.10
Machinery & Electrical Repairs	5.07	9.22
Insurance (Building)	0.08	0.43
Other Manufacturing Expenses	325.27	230.48
Insurance charges	0.97	1.98
Rent, Rates & Taxes	109.11	13.71
Repairs & Maintenance others	12.55	22.74
Commission on Sales	145.75	136.80
Advertisement	1.38	1.19
Travelling and Conveyance	21.17	35.55
Bank charges	20.63	17.59
Telephone charges	7.75	8.30
Corporate Social Responsibility Contribution	24.01	-
Printing & Stationery	7.25	7.77
Auditors' Remuneration	2.50	2.50
Donation	0.27	0.27
Vehicle expenses	16.76	12.77
Portfolio Management fees	0.11	-
Security Transaction Tax	2.07	-
Provision for diminution in the value on Investments	12.96	8.26
ECGC Premium	0.38	6.78
Discount to Customers	144.51	194.98
General Expenses	281.63	221.60
<b>TOTAL</b>	<b>1,258.97</b>	<b>1,038.96</b>

## Annual Report 2014-2015

22.01 Consumable Stores & Spares :

(₹ in Lakhs)

Particulars	Amount in ₹		Percentage	
	2014-15	2013-14	2014-15	2013-14
a) Imported	17.66	15.96	56.64%	52.32%
b) Indigenous	13.51	14.55	43.36%	47.68%

23 EXTRAORDINARY ITEMS :

(₹ in Lakhs)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Profit on Sale of Office Premises	75.70	-
TOTAL	75.70	-

24 CONTINGENT LIABILITIES NOT PROVIDED FOR :

a) The Company has outstanding performance guarantee of ₹1591.50 lakhs as on the Balance Sheet date, executed in favour of Deputy Commissioner of Customs (Previous Year ₹1591.50 lakhs).

b) The Municipal Corporation of Greater Mumbai has preferred an appeal in the High Court of Judicature at Bombay against the order of Small Causes Court rejecting the claim of Municipal Corporation of Greater Mumbai for an amount of ₹136.97 lakhs (Previous year ₹136.97 lakhs) on account of property tax.

c) The Company has executed Bank Guarantee of ₹ 3550.00 lakhs (Previous year ₹3250.00 lakhs) favouring The Hongkong and Shanghai Banking Corporation Limited Mumbai for its wholly owned subsidiary, Goldiam Jewellery Limited, Mumbai.

25 Estimated amount of contracts remaining to be executed on Capital Account and not provided for is ₹30.86 lakhs (Previous year ₹Nil Lakhs)

26 Details of Related parties transactions are as under :

a) List of related parties and relationship where control exists or with whom transactions were entered into :

Sr. No.	Relationship	Name of the Related Party
	Subsidiaries	Diagold Designs Limited Goldiam Jewellery Limited Goldiam USA, Inc.
	Associates	Goldiam HK Limited
	Key Management Personnel	Mr. Rashesh M. Bhansali (Vice Chairman & Managing Director)

b) Transactions during the year with related parties:

(₹ in Lakhs)

Sr. No.	Nature of Transaction	Subsidiaries		Associates		Key Management Personnel	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
i)	Payments to & provision for Directors' remuneration	-	-	-	-	62.71	56.42
ii)	Commission received	47.50	16.25				
iii)	Guarantee given	300.00	-	-	-	-	-
iv)	Advance given	-	37.00				
v)	Advance returned	-	37.00				
vi)	Sale of assets	-	0.50				
vii)	Sale of goods	7,955.87	8,636.91	-	0.12		
viii)	Purchase of goods	864.86	758.07	1.57	48.24	-	-
ix)	Dividend	40.79	30.59	-	-	-	-
I)	Outstanding Guarantee given as on 31 <sup>st</sup> March, 2015	3,550.00	3,250.00	-	-	-	-
II)	Outstanding Receivables as on 31 <sup>st</sup> March, 2015	5,793.43	5,558.28	-	0.12	-	-
III)	Outstanding Payables as on 31 <sup>st</sup> March, 2015	24.64	228.82	-	0.46	3.33	20.42

## Goldiam International Limited

c) Disclosure in respect of Transactions with related parties during the year :						(₹ in Lakhs)
Sr. No.	Nature of Transaction	Subsidiaries		Associates	Key Management Personnel	
		Goldiam Jewellery Limited	Diagold Designs Limited	Goldiam USA Inc.	Goldiam HK Limited	Rashesh M. Bhansali
i)	Payments to & provision for Directors' remuneration	-	-	-	-	62.71
ii)	Commission received	47.50	-	-	-	(56.42)
		(16.25)	-	-	-	-
iii)	Guarantee given	300.00	-	-	-	-
		-	-	-	-	-
iv)	Advance given	-	-	-	-	-
		-	(37.00)	-	-	-
v)	Advance returned	-	-	-	-	-
		-	(37.00)	-	-	-
vi)	Sale of assets	-	-	-	-	-
		(0.50)	-	-	-	-
vii)	Sale of goods	396.37	-	7,559.51	-	-
		(366.95)	-	(8,269.96)	(0.12)	-
viii)	Purchase of goods	-	0.01	864.85	1.57	-
		-	(0.03)	(758.04)	(48.24)	-
ix)	Dividend	-	40.79	-	-	-
		-	(30.59)	-	-	-
I)	Outstanding Guarantee given as on 31 <sup>st</sup> March, 2015	3,550.00	-	-	-	-
		(3,250.00)	-	-	-	-
II)	Outstanding Receivables as on 31 <sup>st</sup> March, 2015	3.09	-	5,790.35	-	-
		(90.99)	(0.06)	(5,467.23)	(0.12)	-
III)	Outstanding Payables as on 31 <sup>st</sup> March, 2015	-	0.00	24.64	-	3.33
		-	-	(228.82)	(0.46)	(20.42)

**27 IN THE OPINION OF THE DIRECTORS:**

a) The Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business.

b) The provision for depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.

**28** Amounts due from subsidiaries & Associates included under Loans and Advances, Receivables & Payables are as follows :

(₹ in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>Receivables :</b>		
Goldiam HK Limited	-	0.12
Goldiam Jewellery Limited	3.09	90.99
Diagold Designs Limited	-	0.06
Goldiam USA, Inc.	5,790.35	5,467.23
<b>Payables :</b>		
Goldiam HK Limited	-	0.46
Goldiam USA, Inc.	24.64	228.82
Diagold Designs Limited	0.00	0.03

**29 EARNING PER SHARE :**

Particulars	2014-15	2013-14
Profit after Tax (₹ in lakhs)	1,115.41	999.63
No. of shares outstanding	24945996	24945996
Weighted Average no. of shares + potential shares outstanding	24945996	24945996
Earning per share (Basic) (₹)	4.47	4.01
Earning per share (Diluted) (₹)	4.47	4.01

## Annual Report 2014-2015

### 30 JOINT VENTURE :

In compliance with the Accounting Standard relating to "Financial Reporting of Interests in Joint Ventures" (AS-27), issued by the Institute of Chartered Accountants of India, the Company has interests in the following jointly controlled entity, which is incorporated outside India.

Name of the Company	Incorporated in	For the year ended 31.03.2015 (in percentage)	For the period ended 31.03.2014 (in percentage)
Goldiam HK Limited	Hong Kong	49.93%	49.93%

(₹ in Lakhs)

Goldiam HK Limited	For the year ended 31.03.2015	For the period ended 31.03.2014
Proportionate Reserves and Surplus as at the beginning of the year	1.34	(15.15)
Proportionate Transfer to Reserves	-	-
Proportionate Surplus/(Deficit) in Profit and Loss Account (net of transfer to reserves, dividend etc.)	6.26	16.49
Proportionate Reserves and Surplus as at the end of the year	7.60	1.34

(₹ in Lakhs)

As on 31.03.2015		For the year ended on 31.03.2015			
Name of the Company & Country of Incorporation	Percentage of Shareholding %	Assets ₹	Liabilities ₹	Income ₹	Expenditure ₹
Goldiam HK Limited, Hong Kong	49.93%	644.83	183.13	794.83	788.21
(Year Ended 31 <sup>st</sup> March, 2014)	(49.93%)	942.80	505.49	1,380.03	1,359.86

**30.1** The above figures have been taken from audited accounts of Joint Venture as on 31<sup>st</sup> March, 2015 and converted at the exchange rate prevailing as on the date of Balance Sheet of Joint Venture.

Contingent liabilities in respect of Joint Venture is ₹Nil

### 31 Details of payment made to the Managing Directors and Directors.

(₹ in Lakhs)

Particulars	Managing Directors	Other Directors	Total 2014-15	Total 2013-14
i) Salaries	60.00	-	60.00	36.00
ii) Perquisites	-	-	-	-
iii) Commission	2.71	-	2.71	20.42
iv) Sitting Fees	-	4.85	4.85	1.65
<b>TOTAL</b>	<b>62.71</b>	<b>4.85</b>	<b>67.56</b>	<b>58.07</b>

(₹ in Lakhs)

Particulars	2014-15	2013-14
-------------	---------	---------

### 32 VALUE OF IMPORTS ON C.I.F. BASIS :

1 Raw Materials	3,544.67	3,526.35
2 Consumable Stores	12.10	14.64
3 Capital Goods	-	0.56

### 33 EXPENDITURE IN FOREIGN CURRENCY :

Foreign Travels	-	8.67
Other Expenses	60.26	40.96

## Goldiam International Limited

(₹ in Lakhs)

	2014-15	2013-14		
<b>34 REMITTANCE IN FOREIGN EXCHANGE CURRENCY ON ACCOUNT OF DIVIDEND:</b>				
Year to which Dividend relates	<b>2014-15</b>	2013-14		
No. of Foreign Company	<b>1</b>	1		
No. of shares on which remittances were made	<b>2700000</b>	2700000		
Net Dividend (₹)	<b>32.40</b>	13.50		
<b>35 EARNINGS IN FOREIGN EXCHANGE:</b>				
F.O.B.Value of Exports	<b>11,856.64</b>	11,765.80		
<b>36</b> Information given in accordance with the requirements of AS 17 on "Segment Reporting".				
The Company has identified Two Reportable Segments viz. Jewellery Manufacturing and Investment Activity. Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems.				
a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".				
b) Segment assets and Segment Liabilities represents assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".				
(i) Primary Segment Information :	(₹ in Lakhs)			
	<b>Year to 31.03.2015</b>			
	<b>JEWELLERY</b>	<b>INVESTMENTS ACTIVITY</b>	<b>OTHERS (Unallocated)</b>	<b>TOTAL</b>
Segment Revenue	12,262.50	405.06	-	12,667.56
Segment Results	1,166.08	387.14	-	1,553.22
Less: unallocated expenses net of unallocated (income)	-	-	(136.95)	(136.95)
Interest expenses (Net)	-	-	-	62.15
Profit before tax				1,354.13
Depreciation and Amortisation	-	-	-	235.42
Non cash expenses other than Depreciation and Amortisation	-	-	-	-
Segment Assets	14,737.41	10,753.89	498.94	25,990.24
Segment Liabilities	7,374.26	20.80	611.60	8,006.66
(excluding Shareholders' Funds)				
	(₹ in Lakhs)			
	<b>Year to 31.03.2014</b>			
	<b>JEWELLERY</b>	<b>INVESTMENTS ACTIVITY</b>	<b>OTHERS (Unallocated)</b>	<b>TOTAL</b>
Segment Revenue	12,743.17	413.69	-	13,156.87
Segment Results	1,028.19	413.59	-	1,441.78
Less: unallocated expenses net of unallocated (income)	-	-	(41.43)	(41.43)
Interest expenses (Net)	-	-	-	82.05
Profit before tax				1,318.30
Depreciation and Amortisation	-	-	-	171.14
Non cash expenses other than Depreciation and Amortisation	-	-	-	-
Segment Assets	14,463.61	9,602.07	231.89	24,297.57
Segment Liabilities	6,436.14	-	552.42	6,988.55
(excluding Shareholders' Funds)				

## Annual Report 2014-2015

The Company has identified Geographic Segments as its Secondary Segment

Secondary segmental reporting is based on the geographical location of the customers. The geographical segments have been disclosed on revenues within India (Sales to customers in India) and revenues outside India (Sales to customers outside India).

**(ii) Secondary Segment Information :**

<b>1. Segment Results :</b>			(₹ in lakhs)
<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>	
Within India	<b>25.25</b>	44.10	
Exports outside India	<b>1,140.84</b>	984.10	
Total Revenue	<b>1,166.08</b>	1,028.20	
	<b>As at</b>	<b>As at</b>	
	<b>31.03.2015</b>	<b>31.03.2014</b>	
<b>2. Segment Assets :</b>			
Within India	<b>87.16</b>	20.15	
Exports outside India	<b>14,650.26</b>	14,443.46	
Total Assets	<b>14,737.41</b>	14,463.61	
<b>3. Segment Liabilities :</b>			
Within India	-	-	
Exports outside India	<b>7,374.26</b>	6,436.14	
Total Liabilities	<b>7,374.26</b>	6,436.14	

**37** Exceptional Items includes profit on sale of office premises ₹75.70 lacs. (Previous Year ₹ nil.)

**38 FINANCIAL INSTRUMENTS/FORWARD CONTRACTS :**

The Company is exposed to foreign currency fluctuations on foreign currency assets and forecasted cash flows denominated in foreign currency. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies. The Company enters into forward contracts, where the counterparty is bank. The forward contracts are not used for trading or speculation purpose.

**38.01 Unhedged Foreign Currency exposure :** (₹ in lakhs)

<b>Particulars</b>	<b>CURRENCY</b>	<b>31.03.2015</b>		<b>31.03.2014</b>	
		<b>In Lakhs</b>	<b>₹ in Lakhs</b>	<b>In Lakhs</b>	<b>₹ in Lakhs</b>
Outstanding Receivables & Loan	US \$	<b>\$129.49</b>	<b>8,093.42</b>	\$120.05	7,064.71
Outstanding creditors for goods and spares	US \$	<b>\$42.69</b>	<b>2,667.95</b>	\$51.26	3,110.31
Exchange Earner's Foreign Currency a/c with Banks	US \$	<b>\$5.08</b>	<b>317.43</b>	\$2.56	150.43
Outstanding creditors for spares	EURO	<b>0.007412</b>	<b>0.50</b>	0.000632	0.06
Packing credit in foreign currency with Bank	US \$	<b>\$46.38</b>	<b>2,898.74</b>	\$28.62	1,746.98
Post shipment credit in foreign currency with Bank	US \$	<b>\$24.31</b>	<b>1,519.15</b>	\$19.47	1,145.87

**39** Salaries & wages include Directors' remuneration of ₹ 62.71 lakhs (Previous Year ₹ 56.42 lakhs)

**40 Remuneration to Auditors:** (₹ in lakhs)

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
As Auditors	<b>2.35</b>	2.35
Tax Audit Fees	<b>0.15</b>	0.15
<b>TOTAL</b>	<b>2.50</b>	2.50



## Goldiam International Limited

- 41 Effective from April 1, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. The balance useful life of the Fixed Assets has been taken as difference between the total useful life prescribed under schedule II and assets already used. ₹ 6.42 lacs has been debited to Depreciation account over and above the current year depreciation for the assets which has completed their useful life. Due to above depreciation charge for the year ended March, 2015 is higher by ₹ 46.61 lacs.

### 42 FINANCIAL YEAR 01.04.2014 TO 31.03.2015

#### REPORTING AS PER THE REQUIREMENT UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

List of Companies to which Guarantee is Provided during the year :-

Sr. No.	Particulars	Amount (₹ in lakh)	Receipient Company	Purpose
1	Corporate Bank Guarantee	300.00	Goldiam Jewellery Limited	Obtaining working capital loan from bank for export of jewellery.

List of Companies to which Loan has been Given during the year :-

Sr. No.	Particulars	Amount (₹ in lakh)	Receipient Company	Purpose
1	Unsecured Loan	300.00	Aristocrat Marketing Limited	For working capital requirements
2	Unsecured Loan	50.00	Lotus Ornaments private Limited	For working capital requirements

List of Companies in which investments made in equity shares during the year :-

Sr. No.	Name of Company	No. of shares	Amount (₹ in lakh)
1	ICICI Bank Limited	5000.00	15.77
2	IDFC Limited	10000.00	16.69
3	yes Bank Limited	2000.00	17.51 #
4	INFOSYS TECHNOLOGIES LTD.	20000.00	781.99 #
5	MULTI COMMODITY EXCHANGE OF INDIA	10000.00	86.27 #

List of Companies in which investments made in Preference shares during the year :-

Sr. No.	Name of Company	No. of shares	Amount (₹ in lakh)
1	15.99% IL&FS Limited Non Convertible Redeemable Cumulative Preference shares	1880	248.74

Note : 1 # refers to the said shares purchased during the year and sold during the year.

2 This being the first year of reporting under section 186 (4) of the Companies Act, 2013, therefore no previous year figures provided.

- 43 During the year under review, against total demand of ₹ 75.71 lacs Company has made payment of ₹ 19.58 lacs under protest and have provided in ₹ 56.13 lacs for the property tax for the period 01.04.2010 to 31.03.2015.
- 44 Reporting under sub clause 32 of clause 49 of listing agreement issued by Securities and Exchange Board of India (SEBI), is not applicable to the company, as there is no loan given to subsidiary or Associates as defined under section 186 of the Companies Act, 2013 and no loans and advances are given which is outstanding for a period of more than seven years.
- 45 All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.
- 46 The previous year's figures have been regrouped and rearranged wherever necessary to make in compliance with the current financial year.

As per our attached report of even date.

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI Firm Registration No. 115187W

**For and on behalf of the Board**

**Pulindra M. Patel**  
Proprietor  
Membership No.: 048991

**Darshana Patel**  
Chief Financial Officer

**Manhar R. Bhansali**  
Chairman  
(DIN: 00058699)

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
(DIN: 00057931)

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015

## INDEPENDENT AUDITORS' REPORT

### To The Members of **Goldiam International Limited** **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

We have audited the accompanying consolidated financial statements of **GOLDIAM INTERNATIONAL LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> 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 consolidated 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 purpose of preparation of the 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 thereunder.

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 in place 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 Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters below, 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<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### **Other Matters**

We did not audit the financial statements of one subsidiary and one associate, whose financial statements reflect total assets of ₹1194.58 lacs as at 31<sup>st</sup> March, 2015, total revenues of ₹11998.27 lacs and net cash flows amounting to ₹89.27 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹83.77 lacs for the year ended 31<sup>st</sup> March, 2015, as considered in the consolidated financial statements, in respect of the above mentioned associates, whose financial statements have not been audited by us. These financial statements have been reviewed / audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the

## Goldiam International Limited

Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement 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 preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (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 statements.
  - (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 Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, 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 on 31<sup>st</sup> 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its subsidiary and associates. Refer Note no 44 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, for long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the Holding company.

**For Pulindra Patel & Co.**  
Chartered Accountants  
FRN No. 115187W

**Pulindra Patel**  
Proprietor  
Membership No. 48991

Place : Mumbai  
Date : May 25, 2015

## Annual Report 2014-2015

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

1. In respect of the fixed assets of the Holding Company, subsidiary companies, associate company incorporated in India:
  - (a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The Holding Company, subsidiary companies, associate company incorporated in India have a program of verification of fixed assets to cover all the items in a phased manner, which in our opinion is reasonable having regard to the size of the respective entities and the nature of their assets. Pursuant to the program, certain fixed assets were physically verified by the Management of the respective entities during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
2. In respect of the inventories of the Holding Company, subsidiary companies, associate company incorporated in India:
  - (a) As explained to us, the inventories were physically verified during the year by the Management of the respective companies at reasonable intervals.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business.
  - (c) In our opinion and according to the information and explanations given to us, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
3. The Holding Company, subsidiary companies, associate company incorporated in India have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 by the respective companies.
4. In our opinion and according to the information and explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system in the Holding Company, subsidiary companies, associate company incorporated in India commensurate with the size of the respective entities and the nature of their business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, no major weakness in such internal control system has been observed.
5. According to the information and explanations given to us, the Holding Company, subsidiary companies, associate company incorporated in India have not accepted any deposit during the year and accordingly the question of complying with Sections 73 and 76 of the Companies Act, 2013 does not arise.
6. According to the information and explanations given to us, in our opinion and the opinion, the Holding Company, subsidiary companies, associate company incorporated in India have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us, in respect of statutory dues of the Holding Company, subsidiary

companies, associate company incorporated in India:

- (a) The respective companies have been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective companies with the appropriate authorities.
- (b) There were no undisputed amounts payable by the respective entities in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.

According to the records of the Group, disputed Municipal Property Tax together with Penalty not deposited on account of dispute are as follows.

Name of Statute / Description	Amount ₹ in lacs	Period to which the amount relates	Forum where dispute is pending
Property Tax	136.97	1997-98	Bombay High Court

- (c) The aforesaid companies has been regular in transferring amounts to the Investor Education and Protection fund in accordance with the relevant provisions of companies Act, 1956 (1 of 1956) and rules made there under.
8. The Group, its subsidiary companies do not have consolidated accumulated losses at the end of the financial year and the Group, its subsidiary companies have not incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Holding Company, subsidiary companies, associate company incorporated in India have not defaulted in repayment of dues to financial institutions, banks and debenture holders during the year.
10. According to the information and explanations given to us, the Holding Company, has given guarantees for loans taken by others from banks and financial institutions. In our opinion the terms and conditions on which guarantee is given is not prima facie prejudicial to the interest of the Company. None of the subsidiary companies, associate company incorporated in India have given guarantees for loans taken by others from banks and financial institutions.
11. In our opinion and according to the information and explanations given to us, there are no term outstanding during the year taken by the Holding Company, subsidiary companies, associate company.
12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Holding Company, its subsidiary companies, associate company incorporated in India and no significant fraud on the Holding Company, its subsidiary companies, associate company incorporated in India has been noticed or reported during the year.

**For Pulindra Patel & Co.**  
Chartered Accountants  
FRN No. 115187W

**Pulindra Patel**  
Proprietor  
Membership No. 48991

Place : Mumbai  
Date : May 25, 2015

# Goldiam International Limited

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

	Notes No.		As at 31.03.2015	(₹ in Lakh) As at 31.03.2014
<b>I) EQUITY &amp; LIABILITIES :</b>				
<b>1) SHAREHOLDERS' FUNDS :</b>				
(a) SHARE CAPITAL	1	2,494.60		2,494.60
(b) RESERVES AND SURPLUS	2	23,109.87		21,280.99
(c) MONEY RECEIVED AGAINST SHARE WARRANTS		-		-
			25,604.47	23,775.59
<b>2) SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			-	-
<b>3) MINORITY INTEREST</b>			1,344.46	1,393.86
<b>4) NON-CURRENT LIABILITIES</b>				
(a) LONG - TERM BORROWINGS		-		-
(b) DEFERRED TAX LIABILITY (NET)	3	118.31		107.71
(c) OTHER LONG TERM LIABILITIES		-		-
(d) LONG - TERM PROVISIONS		-		-
			118.31	107.71
<b>5) CURRENT LIABILITIES</b>				
(a) SHORT TERM BORROWINGS	4	8,248.77		7,752.16
(b) TRADE PAYABLES	5	7,106.52		7,576.77
(c) OTHER CURRENT LIABILITIES	6	266.92		513.93
(d) SHORT - TERM PROVISIONS	7	625.76		559.79
			16,247.98	16,402.64
<b>TOTAL</b>			<b>43,315.22</b>	<b>41,679.80</b>
<b>II) ASSETS :</b>				
<b>1) NON - CURRENT ASSETS</b>				
(a) FIXED ASSETS				
(i) TANGIBLE ASSETS	8	2,188.71		2,627.77
(ii) INTANGIBLE ASSETS	8	76.26		4.79
(iii) CAPITAL WORK - IN - PROGRESS		150.12		33.01
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT				
(b) NON - CURRENT INVESTMENT	9	3,740.37		1,658.97
(c) DEFERRED TAX ASSETS (NET)	3	29.59		17.64
(d) LONG - TERM LOANS & ADVANCES	10	56.45		119.26
(e) OTHER NON - CURRENT ASSETS		-		-
			6,241.50	4,461.44
<b>2) CURRENT ASSETS</b>				
(a) CURRENT INVESTMENT	11	7,774.15		9,229.94
(b) INVENTORIES	12	11,391.93		13,617.54
(c) TRADE RECEIVABLES	13	13,675.38		12,308.64
(d) CASH & BANK BALANCE	14	2,086.76		721.03
(e) SHORT - TERM LOANS & ADVANCES	15	2,145.51		1,341.21
(f) OTHER CURRENT ASSETS		-		-
			37,073.72	37,218.37
<b>TOTAL</b>			<b>43,315.22</b>	<b>41,679.80</b>

### SIGNIFICANT ACCOUNTING POLICIES NOTES TO ACCOUNTS

1 to 47

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI firm Registration No. 115187W

For and on behalf of the Board

**Pulindra M. Patel**  
Proprietor  
Membership No. 48991

**Darshana Patel**  
Chief Financial Officer

**Manhar R. Bhansali**  
Chairman  
DIN 00058699

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
DIN 00057931

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015

## Annual Report 2014-2015

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

	Notes No.	Current Year 31.03.2015	(₹ in Lakh) Previous Year 31.03.2014
I) REVENUE FROM OPERATIONS	16	32,155.53	31,383.96
II) OTHER INCOME	17	1,241.03	591.44
III) TOTAL REVENUE (I+II)		<u>33,396.56</u>	<u>31,975.40</u>
IV) EXPENSES :-			
COST OF MATERIALS CONSUMED	18	23,816.21	24,667.43
PURCHASES OF STOCK-IN-TRADE		1,547.39	2,823.20
CHANGES IN INVENTORIES OF FINISHED GOODS			
WORK-IN-PROGRESS AND STOCK-IN-TRADE	19	599.67	(2,022.98)
EMPLOYEE BENEFITS EXPENSES	20	761.07	658.74
FINANCE COSTS	21	228.85	339.04
DEPRECIATION / AMORTISATION	8	338.99	242.93
OTHER EXPENSES	22	3,330.19	2,866.06
TOTAL EXPENSES		<u>30,622.38</u>	<u>29,574.43</u>
V) PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III-IV)		2,774.17	2,400.97
VI) EXTRAORDINARY ITEMS	23	75.70	-
VII) PROFIT BEFORE TAX (V-VI)		<u>2,849.88</u>	<u>2,400.97</u>
VIII) TAX EXPENSES :			
(1) CURRENT TAX		664.78	649.75
(2) DEFERRED TAX		0.27	0.67
IX) PROFIT/(LOSS) FOR THE PERIOD FORM CONTINUING OPERATIONS		<u>2,184.82</u>	<u>1,750.56</u>
SHARE OF PROFIT/(LOSS) OF MINORITY INTEREST		59.78	43.51
		<u>2,125.05</u>	<u>43.51</u>
X) EARNINGS PER EQUITY SHARE (Face Value ₹10/-) :			
BASIC		8.52	6.84
DILUTED		8.52	6.84

#### SIGNIFICANT ACCOUNTING POLICIES

#### NOTES TO ACCOUNTS

1 to 47

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date attached

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI firm Registration No. 115187W

For and on behalf of the Board

**Pulindra M. Patel**  
Proprietor  
Membership No. 48991

**Darshana Patel**  
Chief Financial Officer

**Manhar R. Bhansali**  
Chairman  
DIN 00058699

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
DIN 00057931

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015



# Goldiam International Limited

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

(₹ in Lakh)

Particulars	2014-15	2013-14
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	2,849.88	2,400.97
ADJUSTMENT FOR :		
Depreciation (Notes 8)	338.99	242.93
(Profit)/Loss on sale of Investment (Net)	(261.78)	(337.45)
Revaluation (Profit)/Loss on Investment	15.03	(39.12)
(Profit)/Loss on sale of Assets	(79.64)	0.94
Dividend received	(79.88)	(2.54)
Miscellaneous expenditure written off	-	2.92
Share of Minority Interest	(109.18)	(26.68)
Adjustment for Change of Holding & Translation Reserves	159.48	52.37
Interest Income	(203.10)	(167.77)
Finance Cost	228.85	339.04
	<b>8.77</b>	<b>64.65</b>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<b>2,858.64</b>	<b>2,465.63</b>
ADJUSTMENT FOR :		
Trade and other Receivable	(2,042.10)	(282.75)
Inventories	2,225.61	(2,613.16)
Trade Payable	(760.00)	1,146.89
	<b>(576.49)</b>	<b>(1,749.02)</b>
CASH GENERATED FROM OPERATIONS	<b>2,282.15</b>	<b>716.61</b>
Direct Tax Paid (net)	<b>(770.18)</b>	<b>(586.31)</b>
	<b>(770.18)</b>	<b>(586.31)</b>
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>1,511.98</b>	<b>130.30</b>
NET CASH FROM OPERATING ACTIVITIES	<b>1,511.98</b>	<b>130.30</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(247.79)	(253.87)
Sale of Fixed Assets	238.93	7.20
Purchase of Investments	(31,101.96)	(20,408.91)
Sale of Investments	30,723.15	21,855.63
Interest received	203.10	167.77
Dividend received	79.88	2.54
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	<b>(104.69)</b>	<b>1,370.37</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayment) of Long Term Borrowing	496.61	(2,210.87)
Finance Cost	(228.85)	(339.04)
Dividend paid	(299.35)	(124.74)
NET CASH USED IN FINANCING ACTIVITIES	<b>(31.58)</b>	<b>(2,674.65)</b>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<b>1,375.70</b>	<b>(1,173.98)</b>
CASH AND CASH EQUIVALENTS AS AT 01.04.2014	<b>711.06</b>	<b>1,885.04</b>
CASH AND CASH EQUIVALENTS AS AT 31.03.2015	<b>2,086.76</b>	<b>711.06</b>

### Notes :

- 1) Figures in brackets represents Cash Outflows
- 2) Direct taxes paid are treated as arising from operating activities and are not bifurcated between Investing and financing activities.
- 3) The Cash and cash equivalents figures are net off overdrawn balance with bank reflected in other current liability (Note no.-6).

As per our report of even date attached

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI firm Registration No. 115187W

**Pulindra M. Patel**  
Proprietor  
Membership No. 48991

**Darshana Patel**  
Chief Financial Officer

For and on behalf of the Board

**Manhar R. Bhansali**  
Chairman  
DIN 00058699

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
DIN 00057931

Place : Mumbai  
Date : May 25, 2015

Place : Mumbai  
Date : May 25, 2015



## SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

### **SIGNIFICANT ACCOUNTING POLICIES :**

#### **A NATURE OF OPERATIONS :**

Goldiam International Limited ("Parent Company" or the "The Company"), a public limited company, together with its subsidiaries joint venture and associates (hereinafter collectively referred to as the "Group") operates as a manufacturer of diamond studded Gold, Platinum and Silver Jewellery. The business includes entire chain of marketing , production and distribution of Jewellery all over the world.

The Parent Company's shares are listed for trading on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

#### **B BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

- (i) a) The financial statements have been prepared in compliance with all material aspects with Accounting Standard prescribed under section 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 to the extent applicable and guidelines issued by the Securities and Exchange Board of India, to the extent applicable.
- b) The financial statements are based on historical cost convention and are prepared on accrual basis.
- c) Accounting Policies have been consistently applied by the Group and are consistent with those used in the previous year.
- d) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.
- (ii) These consolidated financial statements have been prepared and presented under the historical cost convention, except as disclosed in the financial statements, on accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standard (AS)-21 "Consolidated Financial Statements" and Accounting Standard (AS)- 27 "Financial Reporting of Interests in Joint Ventures" in consolidated financial statements to the extent applicable.
- (iii) The financial statements are prepared under historical cost convention, on accrual basis, and have been prepared in accordance with the Accounting Standards issued by The Institute of Chartered Accountants of India. The accounting policies have been consistently applied by the Group unless otherwise stated.
- (iv) In preparing Group's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period; actual results could differ from those estimates.
- (v) The financial statements of the Company, its subsidiaries and Joint Ventures are drawn up to the same reporting date i.e. 31<sup>st</sup> March, 2015.

#### **C PRINCIPLES OF CONSOLIDATION :**

- (i) The consolidated financial statements relate to GOLDIAM INTERNATIONAL LIMITED ("the Company"), its subsidiaries, consolidated financial statements of subsidiary and Joint Venture ("The Group") which have been prepared in accordance with Accounting Standards on Consolidated Financial Statements, (AS-21) and Financial Reporting of Interests in Joint Ventures (AS-27) issued by the Institute of Chartered Accountants of India.
- (ii) The financial statements of the Company and its subsidiary companies is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- (iii) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised and shown as Foreign Currency Translation Reserves.
- iv) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of Profit and Loss Account, being the profit or loss on disposal of investment in subsidiary.

## Goldiam International Limited

- v) The excess/deficit of cost to the Parent Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the financial statements as goodwill/capital reserve. The Parent Company's net worth in such entities is determined on the basis of the book values of assets and liabilities as per the financial statements of the entities as on the date of the investment.
- (vi) Minority interest in the net assets of the consolidated subsidiaries consists of :
  - (1) The amount of equity attributable to minorities at the date on which accounts are made.
  - (2) The minorities' share of movements in the reserves since the date the parent-subsidiary relationship came into existence.
- (vii) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.
- (viii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (ix) **The basis of consolidation for Joint Venture :**  
 In preparing consolidated financial statements the consolidation of Joint Venture is done on proportionate consolidation method.
  - (a) Revenue items are consolidated at the average rate prevailing during the year. Monetary items of Receivables and Payables of the Joint Venture have been translated using the closing exchange rate at the date of the Balance Sheet.
  - (b) Fixed Assets of the Joint Venture have been translated at the transaction date.
  - (c) The net exchange difference resulting from the translation of the items in the financial statements of Joint Venture have been recognised as income or expense for the period.

### D ACCOUNTING POLICIES:

#### (i) FIXED ASSETS :

##### I) Tangible Assets :

Fixed assets (excluding land & building) are stated at historical cost less accumulated depreciation. Land of one of the subsidiary has been revalued as on 31<sup>st</sup> March, 2007 at replacement values. Difference in replacement value and historical cost has been transferred to Revaluation Reserve account of the subsidiary in that year. No depreciation has been charged on revalued asset as the revaluation is with respect to Land.

##### II) Intangible Assets :

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises purchase price, and any cost directly attributable to bringing the asset to its working condition for the intended use.

#### (ii) DEPRECIATION :

##### I) Tangible Assets :

Depreciation on assets is provided on "Written-down Value" method and as per the rates prescribed under Rule II of the Companies Act, 2013. Depreciation on addition to fixed assets is provided on prorata basis from the date of acquisition or installation. Depreciation on assets sold, discarded, demolished or scrapped, is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

##### II) Intangible Assets :

Computer Software is amortised over a period of five years.

#### (iii) IMPAIRMENT OF ASSETS :

- i) At each Balance Sheet date, the Group determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS)-28 "Impairment of Assets". A provision for impairment loss is made wherever the carrying amount of an asset exceeds its recoverable amount. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if no impairment loss had been recognized.
- ii) After Impairment, depreciation is provided on the revised carrying amount of the assets.

**(iv) INVENTORIES :**

- i) Raw materials are valued at cost or market value, whichever is lower on First In First Out (FIFO) basis.
- ii) Stores and Spares are valued at cost on First In First Out (FIFO) basis.
- iii) Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Trading goods are valued at cost or net realisable value, whichever is lower.

**(v) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES**

Monetary Assets (including bank account maintained in foreign currency) except those which are covered by forward exchange contracts and monetary liabilities, i.e. items to be received or paid in foreign currency, are stated at the exchange rates prevailing on the date of Balance Sheet. In case of transactions which are covered by forward exchange contracts, the difference between the forward rate and the spot rate is recognised as income or expense over the life of contracts. Realised gains and losses on foreign currency transactions are recognised in the Profit & Loss Account.

Reporting currency for the group is Indian Rupees. The functional currency of foreign subsidiary is US Dollar and of Joint Venture is HK Dollar. In preparing consolidated financial statements both monetary and non-monetary assets and liabilities are translated using the exchange rate as at the Balance Sheet date and revenues, cost and expenses are translated using average of exchange rates during the reporting period. Share capital and opening Reserves and Surplus, opening Fixed Assets are carried at historical cost. Resultant currency translation exchange gain/loss is disclosed as "Foreign Currency Translation Reserve" in Reserves and Surplus.

Monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and is recognised over the life of the contract.

Any profit or loss arising on cancellation or renewal of forward foreign exchange contracts is recognised as income or expense for the year. In respect of foreign currency option contracts which are entered into to hedge highly probable forecasted transactions the cost of these contracts, if any, is expensed over the period of the contract. Any profit or loss arising on settlement or cancellation of currency options is recognised as income or expense for the period in which settlement or cancellation takes place.

**(vi) INVESTMENTS :**

- i) Investments that are intended to be held for more than a year from the date of acquisition and those having fixed maturity period of more than a year are classified as long-term investments and are stated at cost. Provision for diminution in value of long-term investments is made, if the diminution is other than temporary.
- ii) Current investments are valued at cost or market value on scrip wise basis. Cost is determined on First In First Out (FIFO) basis.
- iii) Reclassification of investments are made at the lower of cost and fair value at the date of transfer.

**(vii) RECOGNITION OF INCOME AND EXPENDITURE :**

Revenues/Incomes and Costs/Expenditures are generally accounted on accrual basis as they are earned or incurred.

**SALES :**

Domestic sales are accounted on dispatch of products to customers and Export sales (net of returns) are accounted on the basis of dates of Airway Bills. Domestic Sales are disclosed net of Value Added Tax, discounts and returns as applicable.

**DIVIDEND :**

Revenue is recognised when the right to receive is established.

**INTEREST:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**(viii) RETIREMENT BENEFITS TO EMPLOYEES**

**a) Short-term employee benefits :**

All employee benefits payable within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia.

## Goldiam International Limited

**b) Defined Contribution Plan :**

Employee benefits in the form of contribution to Provident Fund managed by Government authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.

**c) Defined Benefit Plan :**

Retirement benefit in the form of Gratuity benefit is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation.

**Gratuity :**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of given years of service. The company makes contribution to employees group gratuity fund established by Life Insurance Corporation of India. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Profit and Loss account in the period in which they arise.

**(ix) SEGMENT INFORMATION :**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole and the Company has two business segments viz. Jewellery Manufacturing and Investment Activity.

**(x) BORROWING COST :**

Financial Income and borrowing costs include interest income on bank deposits and interest expense on loans recognised when the right to receive the payment is established.

**(xi) EARNING PER SHARE :**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period are adjusted for events of rights issue. For the purpose of calculating diluted earnings per share, the net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**(xii) PROVISION FOR CURRENT AND DEFERRED TAX :**

Tax expense comprises of Current and Deferred tax :

Income tax expense comprises current and deferred tax in Consolidated Profit and Loss Account is the aggregate of the amounts of tax expense appearing in the separate financial statements of the Parent Company and its subsidiaries and associates. The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to each entity using tax rates enacted or substantially enacted at the Balance Sheet date.

Deferred income tax reflects the impact of current year timing differences between taxable income / losses and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured on the tax rates and tax laws enacted or substantively enacted as at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be setoff.

**(xiii) PROVISIONS/ CONTINGENCIES :**

A Provision is created when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount and it is probable that an outflow of resources will be required to settle the obligation. A disclosure for contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognise assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtual certain that an inflow of economic benefits will arise, assets and related income are recognised in the financial statements of the period in which the change occurs.

## Annual Report 2014-2015

### CONSOLIDATED NOTES TO BALANCE SHEET AS ON 31<sup>ST</sup> MARCH, 2015

#### 1 SHARE CAPITAL :

(₹ in Lakh)

Particulars	As at 31.03.2015	As at 31.03.2014
<b>AUTHORISED CAPITAL</b>		
31000000 Equity Shares of ₹10/- each		
(Previous year 31000000 Equity Shares of ₹10/- each)	3,100.00	3,100.00
	<u>3,100.00</u>	<u>3,100.00</u>
<b>Issued capital</b>		
24945996 Equity Shares of ₹10/- each	2,494.60	2,494.60
(Previous year 24945996 Equity Shares of ₹10/- each)	2,494.60	2,494.60
	<u>2,494.60</u>	<u>2,494.60</u>
<b>Subscribed and Paid up Capital</b>		
24945996 Equity Shares of ₹10/- each	2,494.60	2,494.60
(Previous year 24945996 Equity Shares of ₹10/- each)	2,494.60	2,494.60
<b>TOTAL</b>	<u>2,494.60</u>	<u>2,494.60</u>

- 1.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: Details to be given for each class of shares separately for Issued, Subscribed and fully paid up and Subscribed but not fully paid up, as applicable.

Particulars	Opening Bal.	Closing Bal.
Equity shares with voting rights		
Year ended 31 March, 2014		
- Number of shares	24945996	24945996
- Amount (₹)	2,494.60	2,494.60
Year ended 31 March, 2015		
- Number of shares	24945996	24945996
- Amount (₹)	2,494.60	2,494.60
Equity shares with differential voting rights		
Year ended 31 March, 2014	-	-
Year ended 31 March, 2015	-	-

- 1.2 Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2015	As at 31 March, 2014
	Number of shares held	Number of shares held
	% holding in that class of shares	% holding in that class of shares
Equity shares with voting rights		
Mr. Manhar Bhansali	7103428	7103428
Mr. Rashes Bhansali	6000000	5900000
M/s Diajewel N.V.	2700000	2700000
	28.48%	28.48%
	24.05%	23.65%
	10.82%	10.82%
Equity shares with differential voting rights	-	-

- 1.3 Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Particulars	Aggregate number of shares As at 31.03.2015	As at 31.03.2014
Equity shares with voting rights		
Fully paid up pursuant to contract(s)		
without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-
Equity shares with differential voting rights		
Fully paid up pursuant to contract(s)		
without payment being received in cash	-	-
Fully paid up by way of bonus shares	-	-
Shares bought back	-	-

## Goldiam International Limited

		(₹ in Lakh)	
Particulars	As at 31.03.2015	As at 31.03.2014	
<b>2 RESERVES AND SURPLUS :</b>			
<b>1. Capital Redemption Reserve</b>			
As per last Balance Sheet	208.68	208.68	
<b>2. Capital Reserve</b>			
As per last Balance Sheet	547.91	547.91	
<b>3. General Reserve</b>			
As per last Balance Sheet	5,055.38	5,030.38	
Add : Transfer from P & L A/C	-	25.00	
	5,055.38	5,055.38	
<b>4. Surplus in the Statement of Profit &amp; Loss Account</b>			
As per last Balance Sheet	15,298.36	13,973.36	
Add : Net Profit after tax transferred from Statement of Profit and Loss	2,125.05	1,707.04	
Amount available for appropriation	17,423.41	15,680.40	
Less : Appropriations	-	-	
Transferred to General Reserve	-	25.00	
Interim Dividend	-	-	
Proposed Dividend	374.19	299.35	
Tax on Interim/Proposed Dividend	81.45	57.67	
Balance in profit and loss account	16,967.77	15,298.36	
<b>5. Foreign Currency Translation Reserves</b>	330.12	170.64	
<b>TOTAL</b>	<b>23,109.87</b>	<b>21,280.99</b>	
<b>3 DEFERRED TAXES :</b>			
Deferred Tax Liabilities :			
i) relating to Depreciation, amortisation and Impairment	118.31	107.71	
	118.31	107.71	
Less : Deferred Tax Assets :			
i) relating to Employee benefits & provision thereof	4.86	4.84	
ii) relating to Depreciation, amortisation and Impairment	24.74	12.79	
	29.59	17.64	
<b>TOTAL</b>	<b>88.72</b>	<b>90.08</b>	
<b>4 SHORT TERM BORROWINGS :</b>			
<b>a) Secured Loans :</b>			
<b>Working Capital Loans</b>			
<b>From Bank :</b>			
a) Foreign Currency Loans	7,200.37	6,867.58	
b) Rupee Loans	1,048.40	864.17	
<b>Working Capital Loans :</b>			
a) ₹ 2179.06 lakh Loan Taken from Citi Bank Secured by Secured by Pledge on investments in Fixed Maturity Plan (FMP) / Debt Mutual Funds and Deemad Promissory Note of ₹ 2500.00 Lacs and Letter of Continuity.			

## Annual Report 2014-2015

		(₹ in Lakh)	
		As at	As at
Particulars		31.03.2015	31.03.2014
Particulars	Unit		
Birla Sun Life Cash Plus - Growth - Regular Plan	352,152.825		
Franklin India Corporate Bond Opportunities Fund-Growth	3,735,731.369		
Franklin India Short Term Income Plan -Retail Plan-Growth	27,740.995		
ICICI Prudential Liquid - Regular Plan - Growth	237,875.542		
Franklin India Treasury Management Account Super Institutional Plan-Growth	2,278.340		
b) ₹ 1257.45 lakh Loan taken from HBSC Bank Secured by Pledge of Mutual Funds / Bonds and Deemad Promissory Note of ₹ 2750.00 Lacs.			
Particulars	Unit		
Birla Sun Life Savings Fund - Growth - Regular Plan	186266.53		
Birla Sun Life Dynamic Bond Fund - Retail - Growth - Regular Plan	2526145.61		
ICICI Prudential Flexible Income - Regular Plan - Growth	537293.11		
c) ₹ 981.39 lakh loan taken from Kotak Bank Limited secured by Pledge of Debt Funds/Income Funds / Fixed Maturity Plan with minimum Valuation of ₹ 2775.00 lacs or Lien over acceptable equity shares with minimum valuation of 5000.00 lacs or Lien over arbitrage fund with with minimum valuation of ₹ 2775.00 lacs or Lien over liquid fund with with minimum valuation of ₹ 2625.00 lacs and Deemad Promissory Note of ₹ 2500.00 lacs).			
Particulars	Unit		
DSP-Blackrock FMP Sr. 150-13 Months	1810000		
IDFC Fixed term Plan Sr. 79 Regular Plan-Growth	3000000		
Reliance Capital Builder Funds-Series A-Growth Plan	1000000		
JM Arbitrage Advantage Fund-Bouns Options-Bonus Units	1749436.900		
Infosys Ltd.	20000		
HDFC FMP 1184D January 2015 (1) Series 33-Regular-Growth	1000000		
d) ₹ 2,498.96 lakh is secured by hypothecation of Stock, Debtors and Inventories and equitable mortgage of Leasehold Land and Factory Building at R-1 Cama Industrial Estate, Walbhat Road, Goregaon (East), Mumbai-400063.			
e) ₹ 1,331.92 lakh is secured by first pari passu charge on present & future Inventories, Receivables, First and exclusive charge on Plant & Machinery & all moveable fixed assets of Goldiam Jewellery Limited and Corporate Guarantee by M/s. Goldiam International Limited and pledge of Mutual Funds/Bonds through HSBC Bank and Demand Promisory note for ₹ 3000.00 lacs.			
Particulars	Unit		
ICICI Prudential Flexible Income - Regular Plan - Growth	20238.02		
(Secured by first pari passu charge on Present & Future Inventories, Receivables and First and exclusive charge on Plant & Machinery & all moveable fixed assets and Corporate Guarantee by Holding Company M/S Goldiam International Ltd. and pledge of Mutual Funds/Bonds through HSBC Bank and Demand Promisory note for ₹ 300.00 lacs)			



## Goldiam International Limited

(₹ in Lakh)		
Particulars	As at 31.03.2015	As at 31.03.2014
<b>b) Unsecured Loans</b>		
Rupee Loan from Others	-	20.40
<b>TOTAL</b>	<b>8,248.77</b>	<b>7,752.16</b>
4.2 Details of term of repayment and rate of interest are as set out below :		
Type of Loan	Rate of Interest	Maturity Period
Pre-shipment credit in foreign currency	1.58% to 1.89%	May-15 to Mar-16
Post shipment credit in foreign currency	1.52% to 1.90%	May-15 to Aug-15
Pre-shipment credit in foreign currency	1.46% to 2.00%	Apr-15
Post shipment credit in foreign currency	2.21% to 2.28%	June-15 to Sept-15
Pre-shipment credit in foreign currency	3.358% to 5.358%	Sep-14 to Sep -15
Post-shipment credit in foreign currency	3.358% to 5.358%	Sep-14 to Sep -15
Pre-shipment credit in rupee	11.00% to 13.00%	Sep-14 to Sep -15
Post-shipment credit in rupee	11.00% to 13.00%	Sep-14 to Sep -15
(₹ in Lakhs)		
Particulars	As at 31.03.2015	As at 31.03.2014
<b>5 TRADE PAYABLES :</b>		
i) Dues of Micro, Medium & Small enterprises (*)	70.90	51.29
ii) Others	7,035.62	7,525.48
	<b>7,106.52</b>	<b>7,576.77</b>
<b>TOTAL</b>	<b>7,106.52</b>	<b>7,576.77</b>
<b>6 OTHER CURRENT LIABILITIES :</b>		
a) Statutory dues payable	37.98	75.88
b) Accrued salaries and benefits :		
i) Salaries due to director	9.69	28.55
c) Provisions for expenses	104.40	160.87
d) Gratuity obligations	26.08	14.45
e) Unclaimed dividend	22.63	20.75
f) Security Deposit received	0.50	0.50
g) Overdrawn Balance with Bank	-	9.98
h) Advance received from clients	65.65	202.96
<b>TOTAL</b>	<b>266.92</b>	<b>513.93</b>
<b>(*) DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES :</b>		
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	70.90	51.29

## Annual Report 2014-2015

(₹ in Lakh)		
Particulars	As at 31.03.2015	As at 31.03.2014
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL	NIL
v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Media Enterprise Development Act, 2006.	NIL	NIL
<b>7 SHORT TERM PROVISIONS :</b>		
<b>a) Provision for employee benefits :</b>		
i) Provision for Leave	6.03	14.74
<b>b) Provision for others :</b>		
i) Proposed Dividend	374.19	299.35
ii) Provision for Tax on Proposed Dividend	66.66	50.87
iii) Provisions for Income Tax	177.07	193.27
iv) Provision for Wealth Tax	1.81	1.55
	<b>625.76</b>	559.79
<b>TOTAL</b>	<b>625.76</b>	559.79

# Goldiam International Limited

8 FIXED ASSETS										
(₹ in Lakhs)										
Sr. Description No.	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost as on 01.04.2014	Addition	Deduction	Cost as on 31.03.2015	As on 01.04.2014	For the Year	Deduction	As on 31.03.2015	As on 31.03.2015	As on 31.03.2014
<b>A) TANGIBLE</b>										
1 LAND	506.47	-	-	506.47	-	-	-	-	506.47	506.47
2 FACTORY BUILDING	609.23	-	-	609.23	469.37	12.79	-	482.17	127.07	139.86
3 OFFICE PREMISES	1,702.38	-	275.62	1,426.76	242.42	66.53	143.14	165.81	1,260.95	1,459.96
4 FURNITURE & FIXTURE	465.77	1.89	173.73	293.94	382.95	57.40	173.73	266.62	27.31	82.82
5 OFFICE EQUIPMENT	215.29	4.60	95.73	124.16	140.36	45.32	95.22	90.46	33.70	74.93
6 PLANT & MACHINERY	984.44	9.22	204.35	789.30	799.57	69.80	195.96	673.41	115.89	184.86
7 COMPUTERS	219.38	3.19	154.06	68.50	211.85	12.80	161.42	63.24	5.27	7.53
8 VEHICLES	374.87	30.61	67.35	338.14	203.53	64.64	42.08	226.09	112.05	171.34
<b>TOTAL (A)</b>	<b>5,077.83</b>	<b>49.51</b>	<b>970.84</b>	<b>4,156.50</b>	<b>2,450.06</b>	<b>329.29</b>	<b>811.55</b>	<b>1,967.80</b>	<b>2,188.71</b>	<b>2,627.77</b>
<b>B) INTANGIBLE</b>										
1 COMPUTER SOFTWARE	18.03	81.17	-	99.20	13.24	9.70	-	22.94	76.26	4.79
<b>TOTAL (B)</b>	<b>18.03</b>	<b>81.17</b>	<b>-</b>	<b>99.20</b>	<b>13.24</b>	<b>9.70</b>	<b>-</b>	<b>22.94</b>	<b>76.26</b>	<b>4.79</b>
<b>TOTAL (A+B)</b>	<b>5,095.86</b>	<b>130.68</b>	<b>970.84</b>	<b>4,255.70</b>	<b>2,463.30</b>	<b>338.99</b>	<b>811.55</b>	<b>1,990.73</b>	<b>2,264.97</b>	<b>2,632.56</b>
PREVIOUS YEAR	4,914.53	235.71	54.39	5,095.86	2,266.67	242.93	46.30	2,463.30	2,632.56	

Note: 1. Office Premises includes ₹ 0.05/- Lakhs the value of share in a co-operative society.  
2. Depreciation includes impairment loss of ₹ 27.81 Lacs (Previous year ₹ 9.30 lacs).

## Annual Report 2014-2015

9 NON - CURRENT INVESTMENT						(₹ in Lakhs)
Particulars	Number of Shares Bond Units	Face Value	As at 31.03.2015	Number of Shares Bond Units	As at 31.03.2014	
<b>(Long Term Investments)</b>						
<b>In Equity Shares - Unquoted, fully paid up</b>						
1) Sip Technologies Limited	1891	10	0.19	1,891	0.19	
2) Suashish Diamonds Ltd	1	10	0.00	-	-	
<b>OTHER THAN TRADE:</b>						
<b>In Equity Shares - Quoted, fully paid up</b>						
1) Classic Diamonds (I) Ltd	5	2	0.00	5	0.00	
2) Reliable Ventures Ltd	50000	10	6.42	50,000	7.75	
3) S B & T International Ltd	1	10	0.00	1	0.00	
4) Shrenuj & Co Ltd	10	2	0.00	5	0.00	
5) Suashish Diamonds Ltd	0	10	-	1	0.00	
6) Titan Industries Ltd	20	1	0.00	20	0.00	
7) Winsome Diamonds And Jewellery Ltd **	1	10	0.00	1	0.00	
** Name change of Suraj Diamonds & Jewellery Ltd						
<b>In Units of Mutual Fund (Debt Fund) - Quoted, fully paid up</b>						
1) DSP BlackRock FMP Series 150 - 13 Month - Growth	-	10	-	1810000.00	181.00	
2) HDFC FMP 1184D January 2015 (1) Series 33 - Regular - Growth	1000000.00	10	100.00	-	-	
3) ICICI Prudential FMP Series 68 - 369 D Plan K Regular Plan - Cumulative	9300000.00	10	930.00	-	-	
4) IDFC Fixed Term Plan Series 79 Regular Plan - Growth (390 Days)	-	10	-	3000000.00	300.00	
5) Kotak FMP Series 172 - Growth (Regular Plan)	1200000.00	10	120.00	-	-	
6) Reliance Fixed Horizon Fund XXV - Series 31- Growth Plan	-	10	-	1500000.00	150.00	
7) Reliance Fixed Horizon Fund XXVIII - Series14 - Growth Plan	750000.00	10	75.00	-	-	
8) Reliance Capital Builder Fund - Series A - Growth Plan	1000000.00	10	100.00	-	-	
9) Reliance Capital Builder Fund II - Series B - Growth	2000000.00	10	200.00	-	-	
<b>In Bond - Quoted, fully paid up</b>						
1) 8.20% Tax Free National Highways Authority of India 10 Years Bond	14834	1000	148.34	14834	148.34	
2) 8.10% Tax Free Housing and Urban Development Corporation Limited 10 Yrs Bond	8676	1000	86.76	8676	86.76	
3) 8.40% Tax Free Indian Railway Finance Corporation Ltd SR-92 15 Yrs Bond	20000	1000	200.00	20000	200.00	
<b>In Preference Shares - Quoted, fully paid up</b>						
15.99% IL&FS Limited Non Convertible Redeemable Cumulative Preference Share 16/05/2021	3760	7500	497.47	-	-	
<b>In Preference Shares - Unquoted, fully paid up</b>						
8.33% Tata Capital Limited Non-Convertible Redeemable Cumulative Preference Share 18/08/2021	20000	1000	200.60	-	-	
<b>In Units of Mutual Fund - Unquoted</b>						
1) BOI AXA Corporate Credit Spectrum Fund - Regular	1500000.00	10	150.00	-	-	
2) JP Morgan India Banking and PSU Debt Fund - Regular - Growth	1500000.00	10	150.00	-	-	
3) Kotak Medium Term Fund - Growth	1500000.00	10	150.00	-	-	
<b>In Others</b>						
1) ASK Real Estate Special Opportunities Fund - II	35	100000	21.00	-	-	
2) ICICI Prudential Real Estate AIF-I (Alternate Investment Fund)	200000	30	60.00	-	-	
3) Kotak Alternate Opportunities (India) Fund	-	-	196.67	-	284.20	
4) Kotak India Real Estate Fund - IV	5916.84	1000	59.17	18523.13	185.23	
5) Kshitij Venture Capital Fund (Previous Year Face Value ₹ 670)	30000	337.50	101.25	30000	115.50	
6) Orios Venture Partners Fund - I	187500.00	100	187.50	-	-	
<b>TOTAL</b>			<b>3,740.37</b>		<b>1,658.97</b>	
Aggregate amount of quoted investments			<b>2,463.99</b>		<b>1,073.85</b>	
Aggregate market value of listed and quoted investments			<b>2,711.70</b>		<b>1,084.17</b>	
Aggregate amount of unquoted investments			<b>1,276.37</b>		<b>585.12</b>	

## Goldiam International Limited

### 10 LONG - TERM LOANS AND ADVANCES :

Particulars	(₹ in Lakhs)	
	As at 31.03.2015	As at 31.03.2014
<b>(a) Security deposits</b>		
i) Unsecured, considered good	56.45	47.22
<b>(b) Other loans and advances</b>		
i) Unsecured, considered good	-	72.04
<b>TOTAL</b>	<b>56.45</b>	<b>119.26</b>

### 11 CURRENT INVESTMENT

CURRENT INVESTMENT				(₹ in Lakhs)	
Particulars	Number	Face Value	As at 31.03.2015	Number	As at 31.03.2014
In Equity Shares - Quoted, fully paid up					
1) Ajanta Pharma Limited	1532	2	13.96	-	-
2) Amara Raja Batteries Limited	2225	1	15.27	-	-
3) Asian Paints Limited	2365	1	16.43	-	-
4) Astral Poly Technik Limited	3812	1	13.81	-	-
5) Bajaj Finance Limited	479	10	15.12	-	-
6) Dhanuka Agritech Limited	1551	2	8.71	-	-
7) Havells India Limited	7154	1	20.71	-	-
8) Hero Motocorp Limited	449	2	11.87	-	-
9) ICICI Bank Limited	5000	2	15.77	-	-
10) IDFC Limited	10000	10	16.69	-	-
11) Indusind Bank Limited	2116	10	18.67	-	-
12) Infosys Limited	20000	5	-	-	-
13) Kotak Mahindra Bank Limited	1458	5	17.38	-	-
14) Lupin Limited	1237	2	18.56	-	-
15) Motherson Sumi Systems Limited	4207	1	18.10	-	-
16) Page Industries Limited	156	10	15.78	-	-
17) PI Industries Limited	3288	1	15.46	-	-
18) Pidilite Industries Limited	3635	1	16.28	-	-
19) Shree Cement Limited	116	10	11.23	-	-
20) Sun Pharmaceuticals Industries Limited	2335	1	20.76	-	-
21) Tata Consultancy Services Limited	727	1	18.52	-	-
22) Thermax Limited	966	2	8.66	-	-
23) Titan Industries Limited	3488	1	13.56	-	-
24) Yes Bank Limited	2000	10	16.33	-	-
In Units of Mutual Fund -Quoted					
1) Birla Sun Life Fixed Term Plan Series KQ (368 Days)-Growth-Regular	-	10	-	3000000	300.00
2) DSP BlackRock FMP Series 150 - 13 Month - Growth	1810000	10	181.00	-	-
3) HDFC FMP 370D July 2013 (3) Series 26 - Regular-Growth	-	10	-	5000000	500.00
4) ICICI Prudential FMP Series 68 - 369 D Plan K Regular Plan- Cumulative	-	10	-	12300000	1,230.00
5) ICICI Prudential FMP Series 73-369 Days Plan P Regular Plan Cumulative	-	10	-	1000000	100.00
6) ICICI Prudential Interval Fund III Quarterly Interval-Regular Plan-Growth	-	10	-	2216262	300.00
7) IDFC Fixed Term Plan Series 79 Regular Plan - Growth (390 Days)	3000000	10	300.00	-	-
8) Reliance Fixed Horizon Fund XXIII Series 5 - Growth Plan	-	10	-	750829.95	75.08
9) Reliance Fixed Horizon Fund XXV - Series 31- Growth Plan	15000000	10	150.00	-	-
10) UTI-Fixed Income Interval Fund-Annual Interval Plan-Retail Option-Growth	-	10	-	1522839.54	250.00
11) UTI Fixed Term Income Fund Series XV - VIII (368 Days)-Growth Plan	-	10	-	1500000	150.00

## Annual Report 2014-2015

(₹ in Lakhs)					
Particulars	No. of Shares	Face Value	As at 31.03.2015	No. of Shares	As at 31.03.2014
<b>In Units of Mutual Fund (Debt Fund) — Unquoted</b>	<b>No. of Units</b>			<b>No. of Units</b>	
1) Birla Sunlife Cash Plus - Growth - Regular Plan	352152.825	10	<b>694.70</b>	415692.461	819.70
2) Birla Sun Life Dynamic Bond Fund - Retail - Growth - Regular Plan	2526145.607	10	<b>500.00</b>	2526145.607	500.00
3) Birla Sun Life Saving Fund - Growth - Regular Plan	186266.538	10	<b>450.00</b>	186266.538	450.00
4) DWS Insta Cash Plus Fund -Super Institutional Plan-Growth	-	10	-	401115.210	644.20
5) DWS Medium Term Income Fund - Direct Plan - Growth	-	10	-	20000.000	2.00
6) DWS Short Maturity Fund Regular Plan - Annual Bonus	-	10	-	2207743.644	-
7) Franklin India Cash Management Account - Growth (Old name Templeton India Cash Management Account - Growth Plan)	137974.995	10	<b>29.63</b>	237052.908	47.93
8) Franklin India Corporate Bond Opportunities Fund-Growth	5874265.618	10	<b>800.00</b>	-	-
9) Franklin India Short Term Income Plan - Retail Plan-Growth	56807.863	1000	<b>1,550.00</b>	-	-
10) Franklin India Treasury Management Account Super Institutional Plan Growth (Old name Templeton India Treasury Management Account Super Institutional Plan Growth)	2278.340	1000	<b>41.80</b>	2278.340	41.80
11) HDFC Mid—Cap Opportunities Fund - Growth	477001.704	10	<b>168.00</b>	-	-
12) ICICI Prudential Value Discovery Fund-Regular Plan-Growth	142423.092	10	<b>150.00</b>	-	-
13) ICICI Prudential Flexible Income -Regular Plan - Growth	718313.434	10	<b>1,646.64</b>	978532.653	2,234.74
14) ICICI Prudential Income - Regular Plan - Growth	192013.851	10	<b>80.90</b>	-	-
15) ICICI Prudential Liquid - Regular Plan - Growth	237875.542	10	<b>431.21</b>	385501.542	698.81
16) IDFC Money Manager Fund - Treasury Plan - Growth - Regular Plan	-	10	-	1783646.370	352.34
17) IDFC Super Saver Income Fund - Medium Term Plan - Growth	-	10	-	486229.967	100.00
18) JM Money Manager Fund - Super Plus Plan - Bonus Option	-	10	-	1577287.066	-
19) JM Arbitrage Advantage Fund - Bonus Option - Principal Units	5040674.408	10	-	-	-
20) Kotak Floater Short Term - Growth	-	1000	-	9884.388	300.00
21) L & T Cash Fund Growth	-	1000	-	15769.668	-
22) Reliance Income Fund - Growth Plan - Bonus Option	-	10	-	342868.898	-
23) Reliance Banking Fund - Growth Plan - Growth Option	52718.509	10	<b>92.66</b>	-	-
24) Sundaram Flexi Fund Short Term Plan Bonus	503363.453	10	-	1006618.439	-
25) Sundaram Flexible Fund - Short Term Plan Regular-Growth	-	10	-	498805.361	100.00
26) Sundaram S.M.I.L.E Fund Regular Plan Growth	229269.105	10	<b>150.00</b>	-	-
<b>In Debentures — Unquoted, fully paid up</b>					
Mantri Mansion Private Limited — 18 NCD 17 June 2014	-	5000000	-	2	<b>33.33</b>
Note (*) : (NCD refers to Non Convertible Debentures.)					
<b>TOTAL</b>			<b>7,774.15</b>		<b>9,229.94</b>
Aggregate amount of quoted investments			<b>988.63</b>		2,905.08
Aggregate market value of listed and quoted investments			<b>1,548.57</b>		3,061.28
Aggregate amount of unquoted investments			<b>6,785.53</b>		6,324.86
The following Mutual Fund units has been earmarked against the secured loan taken from bank :					
<b>Particulars</b>	<b>Number of Units</b>				
Birla Sun Life Cash Plus - Growth - Regular Plan	352152.825				
Birla Sun Life Dynamic Bond Fund - Retail - Growth - Regular Plan	2526145.607				
Birla Sun Life Savings Fund - Growth - Regular Plan	186266.528				
DSP-Blackrock FMP Sr. 150-13 Months	1810000.000				
Franklin India Corporate Bond Opportunities Fund-Growth	3735731.369				
Franklin India Short Term Income Plan -Retail Plan-Growth	27740.995				
Franklin India Treasury Management Account Super Institutional Plan-Growth	2278.340				
HDFC FMP 1184D January 2015 (1) Series 33-Regular-Growth	1000000.000				
ICICI Prudential Flexible Income - Regular Plan - Growth	557531.120				
ICICI Prudential Liquid - Regular Plan - Growth	237875.542				
IDFC Fixed term Plan Sr. 79 Regular Plan-Growth	3000000.000				
Infosys Ltd.	20000.000				
JM Arbitrage Advantage Fund-Bouns Options-Bonus Units	1749436.900				
Reliance Capital Builder Funds-Series A-Growth Plan	1000000.000				

## Goldiam International Limited

(₹ in Lakhs)		
Particulars	As at 31.03.2015	As at 31.03.2014
<b>12 INVENTORIES :</b>		
i) Raw Materials	5,569.95	7,195.16
ii) Work in Process	248.83	256.22
iii) Finished Goods	5,549.74	6,142.02
iv) Stock of consumable Stores & Spare parts	23.41	24.14
	<b>11,391.93</b>	<b>13,617.54</b>
<b>TOTAL</b>	<b>11,391.93</b>	<b>13,617.54</b>
12.1 Inventories except Consumables Stores and Spares are valued at cost or net realisable value whichever is less. Consumables Stores and Spares are valued at cost.		
<b>13 TRADE RECEIVABLES :</b>		
(Unsecured)		
a) Outstanding for a period exceeding six months from due date		
- considered good	467.65	442.72
- considered doubtful	-	-
b) Other Debts-considered good	-	-
- considered good	13,207.73	11,865.92
- considered doubtful	-	-
	<b>13,675.38</b>	<b>12,308.64</b>
<b>TOTAL</b>	<b>13,675.38</b>	<b>12,308.64</b>
<b>14 CASH &amp; BANK BALANCE :</b>		
Cash On Hand	19.81	28.74
Balance with Bank		
i) Current Account	1,144.81	152.19
ii) EEFC Account	855.95	484.12
iii) Fixed Deposit with Banks	66.19	55.98
	<b>2,086.76</b>	<b>721.03</b>
<b>TOTAL</b>	<b>2,086.76</b>	<b>721.03</b>
Balance in current account includes earmarked balance ₹ 22.63 lakh (previous year ₹ 20.75 Lakh).		
<b>15 SHORT TERM LOANS &amp; ADVANCES :</b>		
a) Prepaid Expenses	58.37	49.25
b) Balances with government authorities :		
i) Vat & Service Tax Receivable	405.59	359.71
c) Inter Corporate Deposits	525.00	225.00
d) Others :		
i) Secured, considered good	-	-
ii) Unsecured, considered good	1,038.67	658.47
iii) Doubtful	-	-
e) Advance Tax (Net off Provision)	117.88	48.78
	<b>2,145.51</b>	<b>1,341.21</b>
<b>TOTAL</b>	<b>2,145.51</b>	<b>1,341.21</b>



## Annual Report 2014-2015

(₹ in Lakhs)		
Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>16 REVENUE FROM OPERATIONS :</b>		
a) Sales of Manufactured Goods	30,887.43	30,001.77
b) Sales of Trading Goods	1,106.09	1,310.52
c) Sale of Services	162.02	71.67
<b>TOTAL</b>	<b>32,155.53</b>	<b>31,383.96</b>
<b>Sale of products comprises :</b>		
<b>a) Manufactured goods :</b>		
i) Sales of gold Jewellery	30,811.31	29,947.31
ii) Sales of Silver Jewellery	76.07	54.32
iii) Sales of Other Misc. Products	0.05	-
iv) Sales of Silver Masters	-	0.14
	<b>30,887.43</b>	<b>30,001.77</b>
<b>b) Traded goods :</b>		
i) Sales of Cut & Polished Diamond	1,102.80	1,063.20
ii) Sales of Alloy	-	0.33
iii) Sales of Platinum	-	3.52
iv) Sales Gold	3.29	243.46
	<b>1,106.09</b>	<b>1,310.52</b>
<b>c) Sales of Services :</b>		
i) Job work Income	162.02	71.67
	<b>162.02</b>	<b>71.67</b>
<b>17 OTHER INCOME :</b>		
a) Dividend income from investments	59.91	2.54
b) Dividend on Shares	19.97	-
b) Net gain on sale of current and non current investments	261.78	337.45
c) Interest received on Bond	6.08	6.08
d) Interest Received on Loan	197.02	161.69
e) Net gain on foreign currency transactions and translation	635.99	29.60
g) Misc. Income	19.73	41.32
h) Rent Income	0.00	0.00
h) Commission received	0.00	11.62
i) Profit on sale of Assets	3.94	-
j) Credit Balance written back	36.61	1.14
<b>TOTAL</b>	<b>1241.03</b>	<b>591.44</b>
<b>18 RAW MATERIALS CONSUMED :</b>		
Opening Stock :	7,195.16	6,606.83
Add: Purchases :	22,191.01	25,255.76
	<b>29,386.16</b>	<b>31,862.59</b>
Less : Closing Stock	5,569.95	7,195.16
<b>TOTAL</b>	<b>23,816.21</b>	<b>24,667.43</b>

## Goldiam International Limited

				₹ in Lakhs)
Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014		
<b>19 CHANGES IN INVESTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE :</b>				
<b>I) Inventories at the end of the year :</b>				
a) Stock in Process	248.83	256.22		
b) Finished Goods	5,549.74	6,142.02		
	5,798.57	6,398.24		
<b>II) Inventories at the beginning of the year :</b>				
a) Stock in Process	256.22	675.40		
b) Finished Goods	6,142.02	3,699.87		
	6398.24	4,375.26		
<b>TOTAL</b>	<b>599.67</b>	<b>(2,022.98)</b>		
<b>20 EMPLOYEE BENEFITS EXPENSES :</b>				
<b>WAGES, SALARIES AND OTHER BENEFITS :</b>				
a) Salaries, Wages, Bonus & Ex-gratia	709.11	611.92		
b) Contribution to E.S.I.C.	2.91	2.46		
c) Contribution to Provident Fund	7.28	5.19		
d) Contribution to LIC Group Gratuity Scheme	8.42	5.09		
e) Workmen & Staff Welfare Expenses	33.35	34.08		
<b>TOTAL</b>	<b>761.07</b>	<b>658.74</b>		
<b>20.01 GRATUITY :</b>				
The Company makes annual contribution to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days service for each completed year of service or part thereof depending on the date of joining. The benefit vests after five years of continuous service.				
(₹ in Lakhs)				
Assumptions	Gratuity Funded 31 <sup>st</sup> March, 2015	Gratuity Funded 31 <sup>st</sup> March 2014	Leave Encashment Non Funded 31 <sup>st</sup> March, 2015	Leave Encashment Non Funded 31 <sup>st</sup> March, 2014
<b>Reconciliation of opening and closing balances of the present value of the defined benefit obligation:</b>				
Present Value of obligation as at beginning of year	14.44	13.25	14.74	3.62
Current service cost	6.05	18.99	2.53	2.21
Interest cost	1.07	0.95	1.02	0.20
Actuarial (gain)/loss	5.85	(16.76)	(9.07)	11.62
Benefits paid	(1.34)	(1.99)	(3.19)	(2.91)
Present Value of obligation as at end of the year	26.07	14.44	6.03	14.74
<b>Change in Plan assets</b>				
Plan assets at period beginning, at fair value	12.24	9.86	-	-
Expected return on plan assets	1.00	0.82	-	-
Actuarial (gain)/loss	(0.19)	0.79	-	-
Contribution	2.03	2.77	3.19	2.91
Benefits paid	(1.34)	(1.99)	(3.19)	(2.91)
Plan assets at period end 2013, at fair value	13.75	12.24	-	-

## Annual Report 2014-2015

(₹ in Lakhs)				
Assumptions	Gratuity Funded 31 <sup>st</sup> March, 2015	Gratuity Funded 31 <sup>st</sup> March 2014	Leave Encashment Non Funded 31 <sup>st</sup> March, 2015	Leave Encashment Non Funded 31 <sup>st</sup> March, 2014
<b>Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at the beginning of the year	11.49	9.86	-	-
actual return on plan assets	1.11	0.86	-	-
Contributions	2.03	2.77	0.39	-
Benefits paid	(1.34)	(1.99)	(2.00)	(2.11)
Fair Value of Plan Assets at the end of the year	13.67	11.49	-	-
Funded status	-	(2.95)	(5.44)	7.97
Excess of Actual over estimated return	26.96	20.04	-	-
<b>Reconciliation of present value of the obligation and the fair value of plan assets</b>				
Fair value of plan assets at the end of the period	22.00	13.25	-	-
Present value of the defined benefit obligation at the end of the period	(2.41)	14.44	(2.39)	0.59
Assets/(Liability) recognised in the Balance Sheet	0.00	(2.95)	(2.98)	(7.97)
Net asset/(liability) recognized in Balance Sheet	0.00	(2.95)	(6.03)	(7.97)
<b>Expenses for the year</b>				
Current service cost	6.05	18.99	2.53	2.21
Interest cost on benefit obligation	1.07	0.95	1.02	0.20
Expected return on plan assets	(1.00)	(0.03)	-	-
Net actuarial (gain)/loss recognised in the year	5.29	(14.91)	(12.17)	11.61
Total expenses recognised in the Profit and Loss Account	11.40	5.00	(8.62)	14.02
<b>Assumptions</b>				
	31 <sup>st</sup> March, 2015 Gratuity	31 <sup>st</sup> March, 2014 Gratuity	31 <sup>st</sup> March, 2015 Leave Encashment	31 <sup>st</sup> March, 2014 Leave Encashment
Discount Rate	7.82%	8.05%	7.82%	9.16%
Employee Turnover	5.00%	5.00%	5.00%	5.00%
Mortality	1994-96 LIC Mortality Table (Std)			

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.

Amounts recognised as an expense:

(i) **Defined Benefit Plan :**

Gratuity includes gratuity cost of ₹ 1.34 lakh (Previous year ₹ 1.99 lakh).

Leave Encashment ₹ 3.19 lakh (Previous year ₹ 2.91 lakh).

(ii) **Defined Contribution Plan :**

Contribution to Provident Fund is ₹ 7.28 lakh (Previous year ₹ 5.19 lakhs), ESIC includes ₹ 2.91 lakh (Previous year ₹ 2.46 lakhs).

Temple Designs LLP, a Joint venture of Diagold Designs Limited, has not provided gratuity on actuarial valuation, as the firm has closed its manufacturing activity during the current year and as on date only one employee is employed by the firm.

With respect to foreign subsidiaries and Joint Ventures the same has been accounted as per the respective laws in the country of their incorporation.

## Goldiam International Limited

(₹ in Lakh)		
Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
<b>21 FINANCE EXPENSES :</b>		
a) Interest on loan	221.16	336.20
b) Stamp Duty	7.68	2.84
<b>TOTAL</b>	<b>228.85</b>	<b>339.04</b>
<b>22 OTHER EXPENSES :</b>		
a) Stores & Spares	91.29	78.73
b) Power & Water	136.41	135.27
c) Repairs & Maintenance	48.21	46.27
d) Machinery & Electrical Repairs	11.68	14.18
e) Assortment Labour and Grooving charges	302.59	401.74
f) Insurance	12.01	18.62
g) Other Manufacturing Expenses	697.66	546.49
h) Rent Rates & Taxes	177.63	84.59
i) Donations	4.83	0.32
j) Bank Charges	73.03	80.75
k) Commission on purchase & sales	367.47	296.32
l) Travelling and conveyance	124.69	144.35
m) Telephone charges	22.09	21.60
n) Printing & Stationery	11.68	13.48
o) Corporate Social Responsibility contribution	43.11	-
p) Portfolio Management fees	1.86	-
q) Security Transaction Tax	3.00	-
r) Discount to Customers	170.80	254.88
s) Selling and distribution expenses	350.24	204.15
t) Bad Debts	60.79	-
u) Vehicle Expenses	17.78	13.28
v) Auditors' Remuneration	5.94	6.51
w) Preliminary Expenses Written off	-	2.92
x) General Expenses	580.37	492.42
y) Provision for Diminution in the Value of Investments	15.03	8.26
z) Loss on Sale of Fixed Assets	-	0.94
<b>TOTAL</b>	<b>3330.19</b>	<b>2,866.06</b>
<b>23 EXTRAORDINARY ITEMS:</b>		
a) Profit / (Loss) on Sale of Fixed Assets	75.70	-
<b>TOTAL</b>	<b>75.70</b>	<b>-</b>
<b>24</b>	The consolidated accounts for the year ended 31 <sup>st</sup> March, 2015 were consolidated on the basis of the audited accounts presented by the subsidiaries, Diagold Designs Limited, Goldiam Jewellery Limited and Limited Review Report presented by subsidiary, M/s. Goldiam USA, Inc.	
<b>25</b>	The consolidated accounts for the year ended 31 <sup>st</sup> March, 2015 were consolidated on the basis of the audited accounts presented by the Joint Venture, M/s. Goldiam HK Limited.	
<b>26</b>	The accounts of Temple Designs LLP have where in one of the subsidiary M/s. Diagold Designs Limited is a designated partner with a profit sharing of 51% in the said LLP been consolidated as per the audited accounts presented and as per the Financial Reporting of Interests in Joint Ventures (AS-27) issued by the Institute of Chartered Accountants of India.	

## Annual Report 2014-2015

- 27** The accounts of Joint Venture, Goldiam HK Limited, have been consolidated on the basis of total holding of 49.96% of which Goldiam International Limited's stake is 49.93% and Diagold Designs Limited's stake is 0.03% in the paid up equity capital of the Joint Venture. The accounts have been consolidated as per the total holding by the Group as per Financial Reporting of Interests in Joint Ventures (AS-27) issued by the Institute of Chartered Accountants of India.

**28 Subsidiaries :**

The subsidiary companies considered in the financial statements are :

Name of the Subsidiary	Country of incorporation	Proportion of ownership interest in (%)	
		2014-15	2013-14
Diagold Designs Limited	India	50.99%	50.99%
Goldiam Jewellery Limited	India	100.00%	100.00%
Goldiam USA, Inc.	USA	100.00%	100.00%

Note : "Goldiam Jewels Limited" was Subsidiary of the company upto 28<sup>th</sup> September, 2012

**29 Joint Ventures :**

- a) The financial statements of the following companies which are in the nature of jointly controlled entities have been consolidated as per AS-27 issued by The Institute of Chartered Accountants of India.

Name of the Company	Incorporated in	Percentage Holding (%)	
		For the Year ended 31.03.2015	For the period ended 31.03.2014
Goldiam HK Limited (Joint venture of Holding Company)	Hongkong	49.96%	49.96%

The movement in the Group's share of the aggregate post acquisition reserves of Joint Ventures are as follows :  
(₹ in Lakhs)

	Goldiam HK Limited	Goldiam HK Limited
	For the year ended 31.03.2015	For the year ended 31.03.2014
Proportionate Reserves and Surplus as at the beginning of the year	1.35	(15.16)
Proportionate Reserves and Surplus		
Proportionate Transfer to Reserves	—	—
Proportionate surplus/(deficit) in Profit and Loss Account (net of transfer to reserves, dividend etc.)	6.27	16.50
Proportionate Reserves and Surplus as at the end of the year	7.62	1.35

The following are the Group's shares in the contingent liabilities and commitments of ventures in relation to its Joint Venture.

Name of the Joint Venture Company	% of Holding	Capital Commitment	Contingent Commitment
Goldiam HK Limited	49.96%	-	-

In compliance with the Accounting Standard relating to "Financial Reporting of Interests in Joint Ventures" (AS-27) issued by the Institute of Chartered Accountants of India, the Company has interests in the following jointly controlled entity, which is incorporated out of India.

Name of the Company & Country of Incorporation	Percentage of Shareholding %	As at year ended 31 <sup>st</sup> March, 2015		For the year ended 31 <sup>st</sup> March, 2014	
		Assets	Liabilities	Income	Expenditure
<b>Goldiam HK Limited, Hong Kong</b>	<b>49.96%</b>	<b>645.25</b>	<b>183.25</b>	<b>795.34</b>	<b>788.72</b>
(Year ended 31 <sup>st</sup> March, 2014)	49.96%	943.41	505.82	1,380.93	1,360.75

## Goldiam International Limited

b) The share of interest in Joint Venture is as given below :

### **Consolidated Proportionate share of Joint Venture :**

Share of interest in Joint Ventures Goldiam HK Limited and Temple Designs LLP is as given below:

	(₹ in Lakh)			(₹ in Lakh)		
	For the year ended 31 <sup>st</sup> March, 2015			For the year ended 31 <sup>st</sup> March, 2014		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
I) REVENUE FROM OPERATIONS	31,258.10	897.43	32,155.53	22,994.33	1,854.58	31,383.96
II) OTHER INCOME	1,240.49	0.54	1,241.03	518.60	1.14	591.44
III) TOTAL REVENUE (I+II)	32,498.59	897.96	33,396.56	23,512.93	1,855.72	31,975.40
IV) EXPENSES :-						
COST OF MATERIALS CONSUMED	22,975.94	840.27	23,816.21	17,606.51	1,353.84	24,667.43
PURCHASES OF STOCK-IN-TRADE	1,538.36	9.03	1,547.39	1,657.27	-	2,823.20
CHANGES IN INVENTORIES OF FINISHED GOODS	-	-	-	-	-	-
WORK-IN-PROGRESS AND STOCK-IN-TRADE	665.12	(65.45)	599.67	(970.09)	175.24	(2,022.98)
EMPLOYEE BENEFITS EXPENSES	720.04	41.03	761.07	444.99	62.15	658.74
FINANCE COSTS	227.52	1.33	228.85	240.45	42.70	339.04
DEPRECIATION/ AMORTISATION	337.46	1.53	338.99	199.71	4.41	242.93
OTHER EXPENSES	3,184.11	146.08	3,330.19	2,221.14	260.82	2,866.06
	29,648.56	973.82	30,622.38	21,399.99	1,899.15	29,574.43

### **30 CONTINGENT LIABILITIES NOT PROVIDED FOR :**

- The Group has outstanding performance guarantee of ₹ 2269.90 lakhs as on the Balance Sheet date, executed in favour of Deputy Commissioner of Customs. (Previous year ₹ 2269.90 lakh)
- The Municipal Corporation of Greater Mumbai has preferred an appeal in the High Court of Judicature at Bombay against the order of Small Causes Court rejecting the claim of Municipal Corporation of Greater Mumbai for an amount of ₹136.97 lakh (Previous year ₹ 136.97 lakh) on account of property tax.
- The Group has outstanding demand of Income tax of ₹ 4.27 lakh (Previous Year ₹ 4.27 lakh) for Assessment Year 2004-05 and of ₹ 5.15 lakh (Previous year ₹ 5.15 lakh) for the Assessment year 2006-2007 as on the Balance Sheet date. The said demand is outstanding and not provided for as it is disputed in appeal.
- The Company has executed Bank Guarantee of ₹ 3550 lakh (Previous year ₹ 3250 lakh) favouring The Hongkong and Shanghai Banking Corporation Limited

		(₹ in Lakhs)	
Particulars		2014-15	2013-14
<b>31 VALUE OF IMPORTS ON C.I.F. BASIS :</b>			
1 Raw Materials		8,118.20	7,990.94
2 Consumable Stores		12.10	27.39
3 Capital Goods		9.39	13.31
<b>32 EXPENDITURE IN FOREIGN CURRENCY :</b>			
Foreign Travels		33.49	60.96
Other Expenses		83.16	46.09

## Annual Report 2014-2015

		(₹ in Lakhs)	
Particulars	2014-15	2013-14	
<b>33 REMITTANCE IN FOREIGN EXCHANGE CURRENCY ON ACCOUNT OF DIVIDEND:</b>			
Year to which dividend relates	2014-15	2013-14	
No. of Foreign Company	1	1	
No. of shares on which remittances were made	2,700,000	2,700,000	
Net Dividend (₹)	32.40	13.50	
<b>34 EARNINGS IN FOREIGN EXCHANGE:</b>			
F.O.B.Value of Exports	29,245.23	29,586.93	
<b>35 Unhedged foreign currency exposure :</b>			
<b>Particulars</b>	<b>31.03.2015</b>		<b>31.03.2014</b>
	In \$ lakh	₹ in lakh	In \$ lakh ₹ in lakh
Outstanding Receivables	\$ 212.81	13,142.83	\$ 173.71 10,414.01
Outstanding creditors for goods and spares	\$ 103.02	6,387.26	\$ 121.69 7,241.06
Exchange Earner's Foreign Currency account with Banks	\$ 13.89	855.95	\$ 8.25 484.12
Outstanding creditors for spares (EURO)	0.01	0.79	0.12 7.28
Bill Discounted with the bank			
Outstanding Payable for Packing Credit Loan in Foreign Currency	\$ 70.17	4,396.06	\$ 71.70 4,354.62
Post shipment credit in foreign currency with Bank	\$ 45.11	2,804.31	\$ 42.56 2,512.96
<b>36 MANAGERIAL REMUNERATION :</b>			
<b>Particulars</b>	<b>2014-15</b>		<b>2013-14</b>
i) Salaries	156.83	84.00	
ii) Perquisites	-	9.75	
iii) Sitting Fees	5.39	2.05	
iv) Commission	7.68	28.55	
	<u>169.90</u>	<u>124.36</u>	
<b>37 EARNING PER SHARE :</b>			
Profit after Tax (₹ in Lakhs)	2,125.05	1,707.04	
No. of shares outstanding	24945996	24945996	
Weighted Average no. of shares + potential shares outstanding	24945996	24945996	
Earning per share (Basic) (₹)	8.52	6.84	
Earning per share (Diluted) (₹)	8.52	6.84	
<b>38 RELATED PARTY TRANSACTIONS :</b>			
As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with related parties as defined in the Accounting Standard are given below:			
<b>a) Related parties and relationship where control exists or with whom transactions were entered into :</b>			
<b>1) HOLDING COMPANY :</b>			
Goldiam International Limited			
<b>2) JOINT VENTURE :</b>			
Goldiam HK Limited			
<b>3) KEY MANAGERIAL PERSONNEL OF HOLDING COMPANY :</b>			
Mr. Rashesh M. Bhansali			



## Goldiam International Limited

### 4) KEY MANAGERIAL PERSONNEL OF SUBSIDIARIES :

Mrs. Ami R. Bhansali  
Mr. Milan Mehta  
Mr. Nirav Mehta  
Mr. Nehal Mehta

### b) Transactions during the year with related parties: (₹ in Lakhs)

Sr. No.	Nature of Transaction	Key Management Personnel	
		2014-15	2013-14
i)	Payments to & provisions for Directors' remuneration	164.51	122.31
ii)	Professional charges	63.19	-
iii)	Commission Paid	4.50	-
a)	Outstanding Payables as on 31 <sup>st</sup> March, 2015	20.49	28.55

### c) Disclosure in respect of Transactions with related parties during the year (₹ in Lakhs)

Sr. No.	Nature of Transaction	Current Year	Previous Year
i)	<b>Payments to &amp; provisions for Directors' remuneration :</b>		
	Rashesh M. Bhansali	62.71	56.42
	Ami R. Bhansali	58.45	46.91
	Milan Mehta	3.75	9.49
	Nirav Mehta	28.25	9.49
	Kunal Vora	11.35	-
ii)	<b>Professional Charges :</b>		
	Tulsi Bhansali	3.44	-
	Nehal Vora	42.25	-
	Nehal Mehta	17.50	-
iii)	<b>Commission</b>		
	Nehal Mehta	4.50	-
a)	<b>Outstanding Payables as on 31<sup>st</sup> March</b>		
	Rashesh M. Bhansali	3.33	20.42
	Ami R. Bhansali	4.96	4.16
	Milan Mehta	—	2.24
	Nirav Mehta	—	1.74
	Tulsi Bhansali	0.45	—
	Nehal Vora	10.35	—
	Kunal Vora	1.40	—

### 39 INFORMATION GIVEN IN ACCORDANCE WITH THE REQUIREMENTS OF (AS) 17 ON "SEGMENT REPORTING" :

The Company has identified two reportable segments viz. Jewellery Manufacturing and Investment Activity. Segments have been identified and reported taking into account nature of products and services, the different risks and returns and the internal business reporting systems.

- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

## Annual Report 2014-2015

- b) Segment Assets and Segment Liabilities represents assets and liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**(i) Primary Segment Information :**

(₹ in Lakhs)

	JEWELLERY	Year to 31.03.2015 INVESTMENT ACTIVITY	OTHERS (Unallocated)	TOTAL
Segment Revenue	32,851.80	529.72	—	33,381.53
Segment Results	2,680.68	509.02		3,189.70
Less: unallocated expenses net of unallocated (income)			(186.68)	(186.68)
Interest expenses (Net)				228.85
Profit before tax				2,774.17
Depreciation and Amortisation				338.99
Non cash expenses other than Depreciation and Amortisation				—
Segment Assets	28,118.11	13,081.33	2,115.78	43,315.22
Segment Liabilities (excluding Shareholders' Funds)	16,945.88	20.80	744.07	17,710.75

(₹ in Lakhs)

	JEWELLERY	Year to 31.03.2014 INVESTMENT ACTIVITY	OTHERS (Unallocated)	TOTAL
Segment Revenue	31,467.63	499.50	—	31,967.13
Segment Results	2,336.73	499.35	—	2,836.08
Less: unallocated expenses net of unallocated (income)			(96.06)	(96.06)
Interest expenses (Net)				339.04
Profit before tax				2,400.97
Depreciation and Amortisation				242.93
Non cash expenses other than Depreciation and Amortisation				—
Segment Assets	29,243.85	11,697.28	738.67	41,679.81
Segment Liabilities (excluding Shareholders' Funds)	17,236.72	—	667.50	17,904.22

As per Accounting Standard (AS) 17 "Segment Reporting", the Company has reported segment information on consolidated basis including business conducted through subsidiaries and associates.

The Company has identified Geographic segments as its Secondary Segments.

Secondary segmental reporting is based on the geographical location of the customers. The geographical segments have been disclosed on revenues within India (Sales to customers in India ) and revenues outside India (Sales to customers outside India).

## Goldiam International Limited

(₹ in Lakhs)

Particulars	2014-15	2013-14
<b>(ii) Secondary Segment Information :</b>		
<b>1. Segment Results :</b>		
Within India	(44.27)	0.78
Exports outside India	2,724.95	2,335.95
Total Revenue	2,680.68	2,336.73
<b>2. Segment Assets :</b>		
Within India	500.94	719.06
Exports outside India	27,617.17	28,524.79
Total Assets	28,118.11	29,243.85
<b>3. Segment Liabilities :</b>		
Within India	1.11	22.78
Exports outside India	16,944.77	17,213.93
Total Liabilities	16,945.88	17,236.72

**40 REPORTING AS PER THE REQUIREMENT UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013**

a) List of Companies to which Guarantee is Provided during the year :-

Sr. No.	Particulars	Amount (₹ in lakh)	Receipient Company	Purpose
1	Corporate Bank Guarantee	300.00	Goldiam Jewellery Limited	Obtaining working capital loan from bank for export of jewellery.

b) List of Companies to which Loan has been Given during the year :-

Sr. No.	Particulars	Amount (₹ in lakh)	Receipient Company	Purpose
1	Unsecured Loan	300.00	Aristocrat Marketing Limited	For working capital requirements
2	Unsecured Loan	50.00	Lotus Ornaments private Limited	For working capital requirements
3	Unsecured Loan	200.00	Amrut Exports	For working capital requirements

c) List of Companies in which investments made in equity shares during the year :-

Sr No.	Name of Company	No. of shares	Amount (₹ in lakh)
1	Ajanta Pharma Limited	2556.00	35.39#
2	Asian Paints Limited	4081.00	27.86#
3	Atul Limited	1179.00	15.09#
4	Amara Raja Batteries Limited	4451.00	29.94#
5	Astral Poly Technik Limited	6935.00	24.55#
6	Bajaj Finance Limited	1013.00	30.89#
7	Dhanuka Agritech Limited	2902.00	16.01#
8	Divis Laboratories Limited	1342.00	24.50#
9	Havells India Limited	12785.00	36.78#
10	Hero Motocorp Limited	904.00	26.94#
11	Indusind Bank Limited	2116.00	18.67
12	kotak mahindra bank limited	2571.00	30.25#
13	Lupin Limited	2298.00	33.69#
14	Motherson Sumi Systems Limited	7526.00	32.00#
15	Page Industries Limited	339.00	33.24#
16	Pi Industries Limited	6911.00	31.72#
17	Pidilite Industries Limited	7099.00	30.59#

## Annual Report 2014-2015

Sr No.	Name of Company	No. of shares	Amount ( ₹ in lakh)
18	Shree Cement Limited	232.00	22.04#
19	Sun Pharmaceuticals Industries Limited	4099.00	35.82#
20	Tata Consultancy Services Limited	1145.00	29.70#
21	Thermax Limited	1589.00	14.25#
22	Titan Industries Limited	6286.00	204.44#
23	ICICI Bank Limited	5000.00	15.77#
24	IDFC Limited	10000.00	16.69#
25	YES Bank Limited	2000.00	17.51#
26	Infosys Technologies Limited	20000.00	781.99#
27	Multi Commodity Exchange of India Limited	10000.00	86.27#

d) List of Companies in which investments made in Preference shares during the year :-

Sr No.	Name of Company	No. of shares	Amount ( ₹ in lakh)
1	15.99% IL&FS Limited Non Convertible Redeemable Cumulative Preference shares	3760	497.47
2	8.33% TATA CAPITAL LTD (Non-Convertible Redeemable Cumulative Preference Share 18/08/2021)	3288	15.46

Note : 1 # refers to either share sold in part or entire shares sold during the year.

2 This being the first year of reporting under section 186 (4) of the Companies Act,2013, therefore no previous year figures provided.

#### 41 Consolidated Proportionate share of Joint Venture :

Share of interest in Joint Ventures Goldiam HK Limited and Temple Designs LLP is as given below:

(₹ in lakh)

	As at 31 <sup>st</sup> March, 2015			As at 31 <sup>st</sup> March, 2014		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
<b>i) EQUITY &amp; LIABILITIES :</b>						
<b>1) SHAREHOLDERS' FUNDS :</b>						
(a) SHARE CAPITAL	2,494.60	-	2,494.60	2,494.60	-	2,494.60
(b) RESERVES AND SURPLUS	23,109.87	-	23,109.87	21,280.99	-	21,280.99
<b>2) MINORITY INTEREST</b>	<b>1,344.46</b>	<b>-</b>	<b>1,344.46</b>	1,393.86	-	1,393.86
<b>3) NON-CURRENT LIABILITIES</b>						
(a) LONG - TERM BORROWINGS				-		-
(b) DEFERRED TAX LIABILITY (NET)	118.31	-	118.31	107.71	-	107.71
(c) OTHER LONG TERM LIABILITIES				-		-
(d) LONG - TERM PROVISIONS				-		-
<b>4) CURRENT LIABILITIES</b>						
(a) SHORT TERM BORROWINGS	8,248.77	-	8,248.77	7,689.72	62.44	7,752.16
(b) TRADE PAYABLES	6,929.02	177.50	7,106.52	7,123.99	452.78	7,576.77
(c) OTHER CURRENT LIABILITIES	259.90	7.02	266.92	500.54	13.39	513.93
(d) SHORT - TERM PROVISIONS	625.76	-	625.76	559.79	-	559.79
<b>TOTAL</b>	<b>43,130.70</b>	<b>184.52</b>	<b>43,315.22</b>	<b>41,151.20</b>	<b>528.61</b>	<b>41,679.80</b>

## Goldiam International Limited

	(₹ in lakh)					
	As at 31 <sup>st</sup> March, 2015			As at 31 <sup>st</sup> March, 2014		
	Group	Joint Ventures	Total	Group	Joint Ventures	Total
<b>II) ASSETS :</b>						
<b>1) NON - CURRENT ASSETS</b>						
(a) FIXED ASSETS	2,188.71	-	2,188.71	2,603.39	24.38	2,627.77
(i) TANGIBLE ASSETS	76.26	-	76.26	4.79	-	4.79
(ii) INTANGIBLE ASSETS					0.53	
(iii) CAPITAL WORK-IN-PROGRESS	150.12	-	150.12	33.01	-	33.01
(iv) INTANGIBLE ASSETS UNDER DEVELOPMENT						
(b) NON - CURRENT INVESTMENT	3,740.37	-	3,740.37	1,658.97	-	1,658.97
(c) DEFERRED TAX ASSETS (NET)	29.59		29.59	17.64	-	17.64
(d) LONG-TERM LOANS & ADVANCES	56.45		56.45	117.58	1.67	119.26
(e) OTHER NON - CURRENT ASSETS	-		-	-	-	-
<b>2) CURRENT ASSETS</b>						
(a) CURRENT INVESTMENT	7,774.15	-	7,774.15	9,229.94	-	9,229.94
(b) INVENTORIES	10,863.58	528.35	11,391.93	12,991.30	626.23	13,617.53
(c) TRADE RECEIVABLES	13,503.78	171.60	13,675.38	11,707.22	601.42	12,308.64
(d) CASH & BANK BALANCE	2,081.26	5.50	2,086.76	713.69	7.35	721.03
(e) SHORT - TERM LOANS & ADVANCES	2,126.05	19.46	2,145.51	1,314.93	26.29	1,341.21
(f) OTHER CURRENT ASSETS						
<b>TOTAL</b>	<b>42,590.31</b>	<b>724.91</b>	<b>43,315.22</b>	<b>40,392.46</b>	<b>1,287.87</b>	<b>41,679.80</b>

## Annual Report 2014-2015

### 42 STATEMENT OF PERCENTAGE SHARE OF ASSETS AND PROFITS OF SUBSIDIARIES AND JOINT VENTURE INCLUDED IN CONSOLIDATION :

Name of the Entity in the	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss after Tax	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)
1	2	3	4	5
<b>Parent Subsidiaries</b>				
<b>Indian :</b>				
1. Goldiam International Ltd.	59.16%	15,146.83	47.61%	1,040.25
2. Goldiam Jewellery Ltd	27.32%	6,994.05	44.15%	964.51
3. Diagold Designs Ltd	10.71%	2,742.39	5.45%	119.10
<b>Foreign :</b>				
1. Goldiam USA Inc.	1.03%	263.04	2.51%	54.85
<b>Minority Interests in all Subsidiaries Associates</b> (Investment as per the equity method)				
<b>Indian :</b>				
<b>Foreign :</b>				
<b>Joint Ventures</b> (as per proportionate consolidation/ investment as per the equity method)				
<b>Indian :</b>				
<b>Foreign :</b>				
1. Goldiam HK Limited	1.79%	458.16	0.28%	6.12
<b>TOTAL</b>	<b>100.00%</b>	<b>25,604.47</b>	<b>100.00%</b>	<b>2,184.82</b>

- 43 Effective from April 1,2014, the Group has charged depreciation based on the revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013. The balance useful life of the Fixed Assets has been taken as difference between the total use full life prescribed under schedule II and assets already used. ₹ 26.85 lacs has been debited to Depreciation account over and above the current year depreciation for the assets which has completed their useful life. Due to above depreciation charge for the year ended March, 2015 is higher by ₹ 91.48 lacs.
- 44 A sum of ₹ 136.95 lacs towards Municipal Property Tax and penalty has not been provided in the books by the Group (Holding Company) as disputed and the matter is pending with Bombay High Court.
- 45 Reporting under sub clause 32 of clause 49 of listing agreement issued by Securities and Exchange Board of India (SEBI), is not applicable to the company, as there is no loan given to subsidiary or Associates as defined under section 186 of the Companies Act, 2013 and no loans and advances are given which is outstanding for a period of more than seven yeras.

## Goldiam International Limited

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

47 The previous year's figures have been regrouped and rearranged wherever necessary to make in compliance with the current financial year.

The notes referred to above form an integral part of these consolidated financial statements

As per our report of even date.

**For Pulindra Patel & Co.**  
Chartered Accountants  
ICAI firm Registration No. 115187W

For and on behalf of the Board

**Pulindra M. Patel**  
Proprietor  
Membership No. 48991

**Darshana Patel**  
Chief Financial Officer

**Manhar R. Bhansali**  
Chairman  
DIN 00058699

**Rashesh M. Bhansali**  
Vice Chairman & Mg. Director  
DIN 00057931

Place : Mumbai  
Date : 25<sup>th</sup> May, 2015

Place : Mumbai  
Date : 25<sup>th</sup> May, 2015

## FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES

### FORM AOC-1

(Pursuant to first proviso to Sub-Section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

### PART "A": Subsidiaries

1	Sl. No.	1	2	3	
2	Name of the Company	Goldiam Jewellery Limited	Diagold Designs Limited	Goldiam USA, Inc.	
		₹ in Lacs	₹ in Lacs	₹ in Lacs	US\$ in Lacs
3	Reporting Currency	INR	INR	INR	USD
4	Share Capital	100.00	399.99	0.00	0.0
5	Reserves & surplus	6,894.05	2,316.58	260.57	4.16
6	Total Assets	10,919.58	6,785.93	6,783.97	108.39
7	Total Liabilities	3,925.53	4,069.35	6,523.41	104.22
8	Investments	1,823.35	81.35	-	-
9	Turnover/Total Income	12,693.97	6,592.72	10,652.28	170.19
10	Profit Before Taxation	1,211.67	180.78	72.18	1.15
11	Provision for Taxation	247.16	84.63	18.23	0.29
12	Exceptional Items	-	-	-	-
13	Profit After Taxation	964.51	96.15	53.95	0.86
14	Proposed Dividend	-	-	-	-
15	% of shareholding	100.00	50.99	100.00	
	Country	India	India	USA	USA

As on 31<sup>st</sup> March, 2015 US\$ 1= ₹ 62.5908



## *Annual Report 2014-2015*

### **PART “B”: Associates**

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies.

	<b>Name of Associates</b>	<b>Goldiam HK Limited</b>
<b>1</b>	<b>Latest audited Balance Sheet Date</b>	<b>3/31/2015</b>
<b>2</b>	<b>Shares of Associate held by the company on the year end</b>	
	a) No. of shares	5986625
	b) Amount of investment in Associate	328.01
	c) Extend of holding %	49.96%
<b>3</b>	<b>Description of how there is significant influence</b>	
<b>4</b>	<b>Reason why the associate is not consolidated</b>	N.A.
<b>5</b>	<b>Networth attributable to shareholding as per latest audited balance sheet</b>	462.00
<b>6</b>	<b>Profit/Loss for the year</b>	6.12
<b>7</b>	<b>Total Liabilities</b>	
	a) Considered in Consolidation	183.25
	b) Not Considered in Consolidation	0

## *Goldiam International Limited*

### Notes

## Annual Report 2014-2015

### GOLDIAM INTERNATIONAL LIMITED

CIN: L36912MH1986PLC041203

Registered Address: Gems & Jewellery Complex, M.I.D.C., Seepz, Andheri (East), Mumbai - 400 096.

Tel: (022) 2829 1893, 2829 0396, 2829 2397 • Fax: (022) 2829 2885, 2829 0418

Email: goldiam@vsnl.com • Website: www.goldiam.com

**Form No. MGT - 11**

### Proxy Form

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014

28<sup>th</sup> Annual General Meeting

Name of Member(s):	<input type="text"/>
Registered Address:	<input type="text"/>
Email:	<input type="text"/>
Folio no/Client No:	<input type="text"/>
DP ID:	<input type="text"/>

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

1. Name: .....

Address: .....

.....

E-mail Id: ..... Signature:

Or failing him

2. Name: .....

Address: .....

.....

E-mail Id: ..... Signature:

Or failing him

3. Name: .....

Address: .....

.....

E-mail Id: ..... Signature:

## Goldiam International Limited

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company, to be held on the Wednesday, September 30, 2015 At 11.00 A.M., at 'TRIBUNE 1', Banquet all, 6th Floor, Hotel Tunga International, M.I.D.C, Central Road, Andheri (East), Mumbai – 400093 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.no.	Resolutions	Optional*	
		For	Against
ORDINARY BUSINESS			
1.	Adoption of the Audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.		
2.	Declaration of Dividend on Equity Shares		
3.	Re-appointment of Mrs. Ami R. Bhansali who retires by rotation		
4.	Ratification of appointment of M/s Pulindra Patel & Co., Chartered Accountants as statutory auditor and to fix their remuneration		
SPECIAL BUSINESS			
5.	Approval for increase in the remuneration to Mr. Rashesh M. Bhansali, Vice Chairman & Managing Director and re-appointment of Mr. Rashesh M. Bhansali as Vice Chairman & Managing Director.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

\_\_\_\_\_  
Signature of shareholder

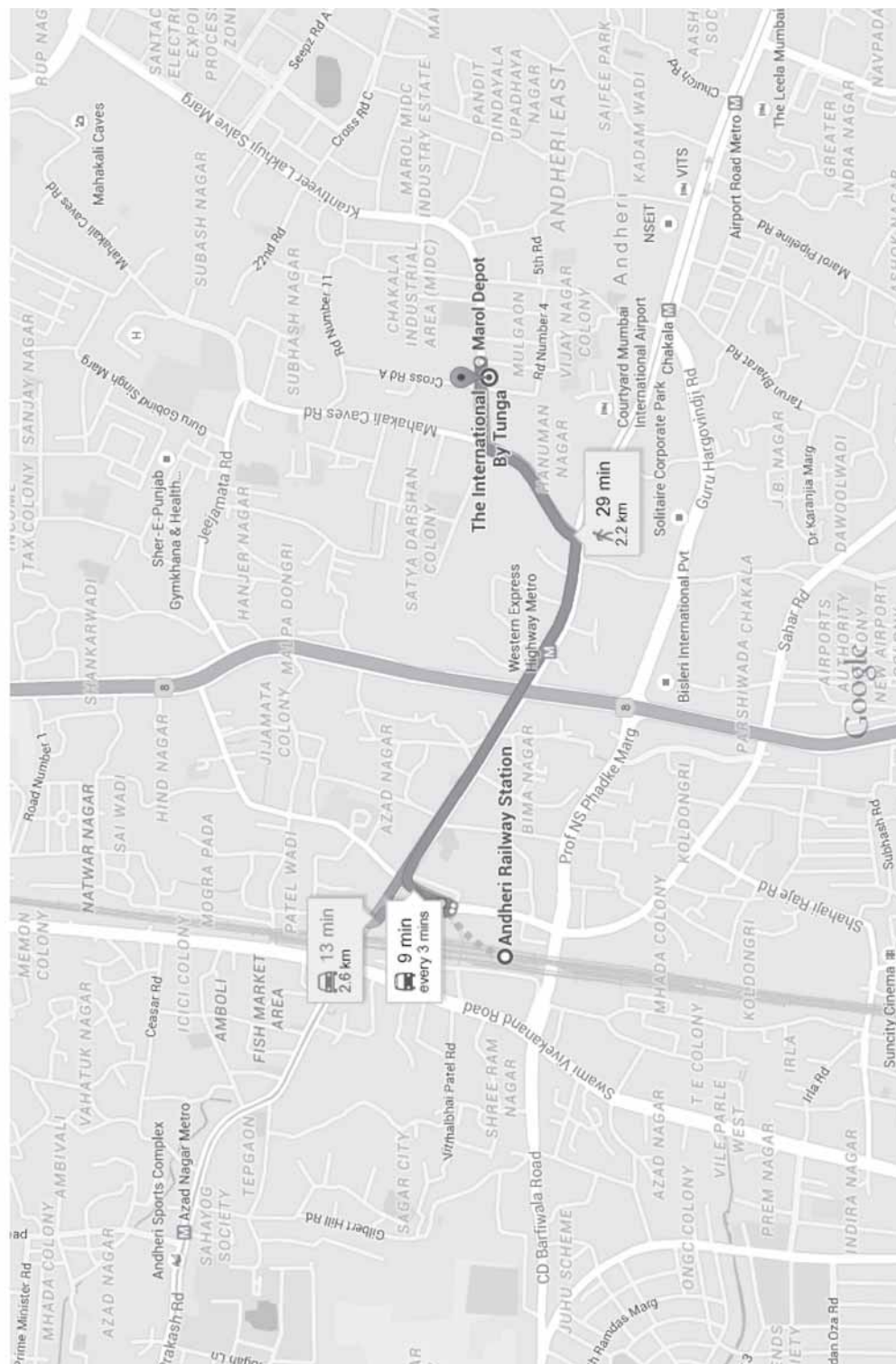
\_\_\_\_\_  
Signature of proxy holder(s)

**Affix ₹1  
Revenue  
Stamp**

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- It is optional. Please put a 'X' in the appropriate column against the respective Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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.

Directions from Andheri Railway Station to AGM Venue



## *Goldiam International Limited*

### Notes



# GOLDIAM INTERNATIONAL LIMITED

CIN: L36912MH1986PLC041203

**Registered Office :** Gems & Jewellery Complex, M.I.D.C., Seepz, Andheri (East), Mumbai -400 096.

Tel: (022) 2829 1893, 2829 0396, 2829 2397 • Fax: (022) 2829 2885, 2829 0418

Email: goldiam@vsnl.com • Website: www.goldiam.com

## ATTENDANCE SLIP

### **28<sup>th</sup> Annual General Meeting**

(To be handed over at the entrance to the Meeting Hall)

Sr. No. :

Registered Folio / DP ID & Client ID	
Name and address of the Shareholder	
Joint Holder 1 Joint Holder 2	
No. of Shares	

I/We hereby record my/our presence at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company at TRIBUNE 1' Banquet hall, 6<sup>th</sup> Floor, Hotel Tunga International, M.I.D.C Central Road, Andheri (East), Mumbai-400 093 on Wednesday, September 30, 2015 at 11.00 a.m.

Member's Folio/DP ID/Client ID No.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note:

1. Please complete the Folio/DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

## ELECTRONIC VOTING PARTICULARS

<b>EVSN</b> <b>(Electronic Voting Sequence Number)</b>	<b>*Default PAN</b>
150826065	

\* Only Members who have not updated their PAN with the Company / Depository Participant shall use the default PAN in the PAN field.

Note: Please read the instructions printed under the Note (16) to the Notice of 28<sup>th</sup> Annual General Meeting dated May 25, 2015. The Voting period starts from September 27, 2015 (9.00 a.m.) and ends on September 29, 2015 (5.00 p.m.). The voting module shall be disabled by CDSL for voting thereafter.



If undelivered, please return to:

**GOLDIAM INTERNATIONAL LIMITED**

Gems & Jewellery Complex,

SEEPZ, Andheri (East),

Mumbai - 400 096