

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, 6th 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

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, Website: 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

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

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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 • Website: 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, 6th 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 27th Annual General Meeting until 30th 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

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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
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.

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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. 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 28th 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
 - 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 and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip in the PAN field.
Date of Birth (DOB) OR 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"> 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).

- 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 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.
 - 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 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, under help section or write an email to 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 and on the website of CDSL and shall be communicated to the Stock Exchanges.

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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 23rd 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 31st March, 2018 :

2. Remuneration:

The remuneration approved by members of the Company at 27th 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.

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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"> • Diagold Designs Limited • Goldiam Jewellery Limited • Goldiam Jewels Limited
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"> • Goldiam Jewellery Limited
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
Profit before taxation	1429.83	1,318.30
Current Tax & Prior Year	300.75	317.29
Deferred Tax Liability	13.67	1.38
Profit after taxation	1115.41	999.63
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
Balance carried forward to Balance Sheet	9745.21	9070.65

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.

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.