







# AuSom Enterprise Limited

## FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

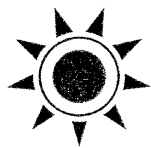
### Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	AUSOM ENTERPRISE LIMITED
2.	Annual financial statements for the year ended	31 <sup>ST</sup> MARCH, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	CEO/Managing Director	 Mr. Kishor Mandalia CEO/Managing Director
	CFO	 Mr. Rupesh Shah Chief Financial Officer
	Auditor of the company	 C. R. SHAREDALAL, Partner of M/s. C.R. SHAREDALAL & CO., Auditors
	Audit Committee Chairman	 Mr. Hitesh Adeshara Chairman of Audit Committee

Correspondence Address : 606 "SWAGAT", Near Lal Bungalow,  
C.G.Road, Ahmedabad-380 006. Phone : +91 79 2642 1422-1499  
Fax : +91 79 2656 9898 E-mail : ausom.ael@gmail.com www. ausom.in

Registered Office : 11-B, New Ahmedabad Industrial Estate,  
Sarkhej-Bavla Road, Village - Moraiya - 382 213.  
Dist. Ahmedabad, Gujarat, INDIA  
CIN : L67190GJ1984PLC006746

31st  
Annual Report 2014-15



AuSom Enterprise Limited

<b>CHAIRMAN</b>	:	MR. ZAVERILAL V. MANDALIA
<b>MANAGING DIRECTOR &amp; CHIEF EXECUTIVE OFFICER</b>	:	MR. KISHOR P. MANDALIA
<b>DIRECTORS</b>	:	MR. VIPUL MANDALIA MR. GHANSHYAMBHAI AKBARI MR. HITESH ADESHARA MRS. NIRUPAMA VAGHJIANI
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>		MR. RAVIKUMAR PASI
<b>CHIEF FINANCIAL OFFICER (CFO)</b>	:	MR. RUPESH SHAH
<b>AUDITORS</b>	:	M/S. C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD
<b>BANKERS</b>	:	HDFC BANK LIMITED INDUSIND BANK LIMITED AXIS BANK LIMITED ALLAHABAD BANK
<b>REGISTERED OFFICE</b>	:	11-B, NEW AHMEDABAD INDUSTRIAL ESTATE, SARKHEJ-BAVLA ROAD, VILLAGE MORAIYA-382 213. DIST.:- AHMEDABAD. GUJARAT.
<b>CORPORATE OFFICE</b>	:	606, SWAGAT BUILDING NR. LAL BUNGLOW, C.G. ROAD AHMEDABAD 380006.

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GROUP WHICH EXERCISES OR IN A POSITION TO EXERCISE CONTROL, DIRECTLY OR INDIRECTLY OVER **AUSOM ENTERPRISE LIMITED**.

FOLLOWING ARE INDIVIDUALS/PERSONS CONSTITUTING GROUP (AS DEFINED IN MRTP ACT, 1969), WHICH EXERCISES OR ARE IN A POSITION TO EXCISE CONTROL, DIRECTLY, OR INDIRECTLY OVER **AUSOM ENTERPRISE LIMITED**.

<b>SR. NO.</b>	<b>NAME OF THE INDIVIDUALS/PERSONS CONSTITUTING GROUP</b>	<b>REMARK</b>
1	KISHOR PRANJIVANDAS MANDALIA	ACQUIRER
2	MANDALIA VIPULKUMAR ZAVERILAL	ACQUIRER
3	ZAVERILAL V. MANDALIA	ACQUIRER
4	BHARATI ANIL PAWANI	ACQUIRER
5	CHANDRESH Z. MANDALIA	ACQUIRER
6	SAVITRI DAYARAM PAWANI	ACQUIRER
7	BHARAT PRANJIVANDAS MANDALIA	ACQUIRER
8	ARUNABEN KISHORBHAI MANDALIA	PAC*
9	FENNYBEN C. MANDALIA	PAC*
10	DAXABEN BHARATBHAI MANDALIA	ACQUIRER
11	PRAFULLABEN Z. MANDALIA	PAC*

\* PAC- PERSONS ACTING IN CONCERT

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**NOTICE**

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**NOTICE** is hereby given that the Thirty First (31<sup>st</sup>) Annual General Meeting of the Members of **M/S. AUSOM ENTERPRISE LIMITED** (CIN:L67190GJ1984PLC006746) will be held on Tuesday, the 29<sup>th</sup> day of September, 2015 at 10.30 a.m. at the Registered Office of the Company situated at 11-B, New Ahmedabad Industrial Estate, Village- Moraiya, Sarkhej - Bavla Road, Moraiya-382 213. Dist.-Ahmedabad to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Financial Statements for the year ended on 31st March, 2015, the Statement of Profit and Loss for the year ended on that date together with the Report of Board of Directors' and Auditor's thereon.
2. To appoint a Director in place of Mr. Zaverilal V. Mandalia (DIN: 00133262), who retires by rotation and being eligible, offers himself for re-appointment.
3. Appointment of auditors:-

To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and as per the recommendations of the Audit Committee and pursuant to the resolution passed by the members at the 30<sup>th</sup> Annual General Meeting held on 29th September, 2014, the Company hereby ratifies the appointment of M/s. C. R. SHAREDALAL & CO., Chartered Accountants, Ahmedabad (Firm's Registration No. 109943W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 33<sup>rd</sup> Annual General Meeting of the Company, at such remuneration as may be fixed by the Board of Directors of the Company.”

**SPECIAL BUSINESS:**

4. **Re-appointment Mr. Kishor P. Mandalia as Managing Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 read with Schedule V and any other applicable provisions, if any 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), to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if required, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. Kishor Mandalia (DIN: 00126209) as Managing Director and CEO of the Company for a further period of 5 (Five) years with effect from August 07, 2015 upon such terms and conditions, including remuneration, as set out in the explanatory statement to the resolution as per Item No. 4 of this Notice.

**“RESOLVED FURTHER THAT** Board of Directors in consultation with Nomination and Remuneration Committee be and is hereby authorized to pay remuneration and other perquisites in future if required and deem appropriate, upto limits prescribed under Section 196, 197, 203, read with Schedule V to the Companies Act, 2013 or any further statutory revision, modification, clarifications or re-enactments thereof from time to time in force and/or the guideline for managerial remuneration issued by the Central Government from the date the Statutory provisions and/or guidelines coming into force.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things, matters as may be considered necessary, desirable or expedient including alteration and vary the terms and condition of such re-appointment to give effect to this resolution.”

**5. Related Parties Transactions**

To consider and if thought fit, to pass the following resolution with or without modification(s), as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 188(1)(a) to (e) and any other applicable provisions of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’) which term shall be deemed to include any committee thereof, which the Board may have constituted or hereinafter constitute to the transaction or transactions or contracts or arrangements entered or to be entered into with any related parties and the Companies in which any of them or his/her/their relatives is/ are concerned or interested directly or indirectly as Director or member in any related parties Companies or firms for (1) sale, purchase or supply of any goods or materials directly or through appointment of agents exceeding twenty five per cent of the annual turnover as mentioned in clause (a) and clause (e) respectively of sub-section (1) of Section 188 of the said Act, (2) selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agents exceeding ten per cent of net worth as mentioned in clause (b) and clause (e) respectively of subsection (1) of Section 188 of the said Act, (3) leasing of property of any kind exceeding ten per cent of the net worth as mentioned in clause (c) of Sub-Section (1) of Section 188 of the said Act and (4) availing or rendering of any services including job work directly or through appointment of agents exceeding ten per cent of net worth as mentioned in clause (d) and clause (e) of Sub-Section (1) of Section 188 and (5) remuneration for underwriting the subscription of any securities or derivatives thereof of the company exceeding one percent of the net worth as mentioned in clause (g) of sub-section (1) of Section 188 of the Companies Act, 2013 provided however that aggregate value of such transactions, contracts or arrangement shall not exceed a sum of Rs. 1000 Crores on any day in any financial year.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms & condition related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.”

**By Order of the Board of Directors  
For AUSOM ENTERPRISE LIMITED**

**Place: Ahmedabad  
Date: - 10th August, 2015**

**RAVIKUMAR PASI  
COMPANY SECRETARY**

**Registered Office:**  
11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,  
SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213.  
DIST.-: AHMEDABAD.GUJARAT.  
CIN: L67190GJ1984PLC006746,  
Phone: +91 79 2642 1422-1499 Fax: +91 79 2656 9898  
E-mail: ausom.ael@gmail.com Website: www. ausom.in

**NOTES:**

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY INSTEAD OF HIMSELF TO ATTEND AND VOTE AT THE MEETING. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME AT WHICH THE MEETING IS SCHEDULED TO BE HELD. THE PROXY FORM IS ATTACHED HEREWITH.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.
4. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting (AGM) pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the AGM.
5. The Company in addition to resolutions provided in this notice is also proposing to pass the following two resolutions through Postal Ballot:
  - Alteration/Inserting new Clause of the Main Objects of the Memorandum of Association.
  - To make investments, give loans, guarantees and provide securities beyond the prescribed limits.

The Notice being sent separately with a request to read the instructions carefully.

6. Electronic copy of the Annual Report 2014-15 including Notice of the 31st Annual General Meeting (AGM), Instructions for e-voting, Attendance Slip and Proxy Form is being sent to all the members whose e-mail ids are registered with the Registrar and Transfer (R & T) Agent. Members other than these have been sent the physical copies of the Annual Report 2014-15, Notice of 31st AGM, Postal Ballot Form, instructions for e-voting, Attendance Slip and Proxy Form by the permitted mode at their address registered with the Company.
7. Soft copy of 'Annual Report 2014-15' and 'Postal Ballot Notice' is available on Company's website [www.ausom.in](http://www.ausom.in).
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act 2013, will be available for inspection by the members at the AGM.
9. The Register of Contracts and Arrangements in which the directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Register of Members and Share Transfer Books shall remain closed from Thursday, the 24<sup>th</sup> September, 2015 to Tuesday the 29<sup>th</sup> September, 2015 (both days inclusive).
11. Members are advised to avail Nomination facility as well as Dematerialization facility.
12. The Company has appointed M/s. Link Intime India Private Limited (Formerly known as Intime Spectrum Registry Limited), 303, 3<sup>rd</sup> Floor, Shopper's Plaza-5, Near Govt. Soc., Opp. Municipal Market, C.G. Road, Navrangpura,

Ahmedabad – 380 009 as Registrar and Transfer (R & T) Agent for carrying out work relating to transfer as well as dematerialization of shares. The members/ investors are requested to communicate their queries in regards to transfer and dematerialization of shares to this agency at the address mentioned above.

13. The company for the purpose of redressal of investor grievances has created an Email ID “investorcomplaints@gmail.com”. This will facilitate to the investors to communicate any complaint/grievances to the company directly.
14. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the company, atleast 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
15. The Company, has provided facility to its shareholders to cast their vote through electronic means.
  - I. In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management & Administration) Rule, 2014 read with Clause 35 B of Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The facility for voting through ballot papers will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot papers. Members who have cast their votes by remote e-voting prior to AGM may attend the AGM but shall not be entitled to cast their votes again
  - II. The Instruction for members for voting electronically are as under:-

**The instructions for shareholders voting electronically are as under:**

**(A) The Company is pleased to offer e-Voting facility for its Members to enable them to cast their Votes electronically.**

**The procedure and instructions for the same are as follows:**

- (i) The voting period begins on Saturday, 26th day of September, 2015 at 10:00 A.M. and ends on Monday, 28th day of September, 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 (record date) of 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.



(vii) 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 Address slip or send with email indicated in the PAN Field.</li> </ul>
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <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 (iv).</li> </ul>

(viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **AUSOM ENTERPRISE LIMITED (EVSN : 150819064)** on which you choose to vote.
- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) 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 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.

(xix) 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).

**(B) In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xix) as mentioned in (A) above to cast vote.

**Other Instructions**

Mr. NIRAJ TRIVEDI, Company Secretary in Practice (Membership No.: FCS 3844, C.P. No.: 3123) Email ID [mailneerajtrivedi@gmail.com](mailto:mailneerajtrivedi@gmail.com) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding two (2) working days from conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing who shall countersign the same of the Company.

The result shall be declared after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.ausom.in](http://www.ausom.in) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the company and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

All Documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office the Company during normal business hours (11:00 am to 5:00 pm) on all working days except Saturday and other public holidays, up to and including the date of the Annual General Meeting of the Company.

**By Order of the Board of Directors  
For AUSOM ENTERPRISE LIMITED**

**Place: Ahmedabad**

**Date: - 10th August, 2015**

**RAVIKUMAR PASI  
COMPANY SECRETARY**

**Registered Office:**

11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,  
SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213.  
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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013****Item No. 4**

At the Board Meeting held on 30/07/2012 Mr. Kishor Mandalia was re-appointed as Managing Director for a term of 3 years with effect from 07/08/2012. The said appointment was confirmed by the shareholder at the meeting held on 28/09/2012. The said term of appointment will be expired on 07/08/2015. Considering his experience, dedication and leadership, the Board of Directors at their meeting held on 10/08/2015 with the recommendation of Nomination and Remuneration Committee has decided to re-appoint Mr. Kishor Mandalia as Managing Director and CEO for further period of 5 years on the terms and condition as mentioned below. His re-appointment as Managing Director will be of immense help to the company considering the exposure he has. Even in compliance of the requirements of Section 203 of Companies Act, 2013 the company being a listed company suppose to have a Managing Director as KMP.

The terms and conditions of his appointment, in brief, are;

Salary: -Nil. However he shall be eligible out of pocket expenses if any on actual basis.

Term: - 5 Years with effect form 07/08/2015.

Pursuant to section 196, 197, 203 and other applicable provision of the Companies Act, 2013 read with Articles of Association of the Company appointment of Managing Director shall be subject to confirmation of the Shareholders of the Company.

The Board of Directors of your Company accordingly recommends the Resolution as set out in Item No. 4 of the accompanying Notice for the approval of members of the Company as an Ordinary Resolution.

None of the Directors except Mr. Zaverilal Mandalia, Mr. Kishor Mandalia and Mr. Vipul Z. Mandalia or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolutions.

**Item No 5**

Pursuant to Section 188 of the Companies Act, 2013 the Company can enter into transaction mentioned under aforesaid resolution which are not in the ordinary course of business and/or are not on arm length basis, only with the approval of the shareholders accorded by way of an ordinary resolution. Though your Company always seeks to enter transactions with related parties in the ordinary course of business and at arm's length basis; still there may be some such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

The Board of Directors of your Company accordingly recommends the Resolution as set out in Item No. 5 of the accompanying Notice for the approval of members of the Company as Special Resolution.

None of the Directors except Mr. Zaverilal Mandalia, Mr. Kishor Mandalia and Mr. Vipul Z. Mandalia or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolutions.

**By Order of the Board of Directors  
For AUSOM ENTERPRISE LIMITED**

**Place: Ahmedabad**

**Date: - 10th August, 2015**

**RAVIKUMAR PASI  
COMPANY SECRETARY**

**Registered Office:**

11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,  
SARKHEJ-BAVLA ROAD, VILLAGE – MORAIYA-382 213.

DIST.:- AHMEDABAD.GUJARAT.

CIN: L67190GJ1984PLC006746,

Phone: +91 79 2642 1422-1499 Fax: +91 79 2656 9898

E-mail: ausom.ael@gmail.com Website: www. ausom.in

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**INFORMATION AS REQUIRED PURUSANT TO CLAUSE 49(iv)(G)(i), A BRIEF RESUME ETC. OF APPOINTEE DIRECTORS:-****SHRI KISHOR MANDALIA (PROPOSED TO BE APPOINTED AS MANAGING DIRECTOR)**

Qualification	Under graduate
Area of expertise	25 years of experience and exposure in jewellery and wholesale gold, silver and other precious metals, precious stones business and Import-Export of Bullion and Ornaments etc.
His role in the company	Managing Director
No. of shares in this company	11,89,102 Equity Shares & 25,00,000 Preference Shares
Other directorship	12
Other membership in committee	NIL

To  
The Members,

**M/s. AUSOM ENTERPRISE LIMITED**  
**Ahmedabad**

Your Directors have pleasure in submitting their 31st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2015.

### 1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

PARTICULARS	Particulars for Year ended (Amount in ₹)	
	Current Year 31 <sup>st</sup> March 2015	Previous Year 31 <sup>st</sup> March 2014
Net Sales /Income from Business Operations	10,96,96,20,645	4,14,88,02,903
Other Income	4,18,51,284	2,80,39,588
Total Income	11,01,14,71,929	4,17,68,42,491
Profit before Depreciation	25,03,45,961	15,27,42,665
Less Depreciation	98,916	28,232
Profit after depreciation	25,02,47,045	15,27,14,433
Less Current Income Tax	4,23,56,226	Nil
Less Previous year adjustment of Income Tax ,	Nil	Nil
Less Deferred Tax	Nil	Nil
Net Profit after Tax	20,78,90,819	15,27,14,433
Dividend (including Interim if any and final )	Nil	Nil
Net Profit after dividend and Tax	20,78,90,819	15,27,14,433
Amount transferred to General Reserve	Nil	Nil
Balance carried to Balance Sheet	20,78,90,819	15,27,14,433
Earnings per share (Basic)	15.26	11.21
Earnings per Share(Diluted)	15.26	11.21

### 2. DIVIDEND

No Dividend was declared for the current financial year under review.

### 3. AMOUNTS TRANSFERRED TO RESERVES

During the year Company earned profit of Rs. 20.78 Cr. which has been transferred to Surplus / (Deficit) in the statement of profit and loss account. As a result as on 31-03-2015 the total reserve and surplus is amounting to Rs. 26.92. Cr.

### 4. STATE OF COMPANY AFFAIRS AND OUTLOOK

The Company, in the year under consideration, has carried out activities in the field of trading of commodities, bullions, gold jewellery, shares & securities, units of mutual funds, diamonds and derivatives. The Company has achieved a turnover of Rs. 1101.15 Cr. as against Rs. 417.68 Cr. for the previous year. Similarly, the Company has generated net profit amounting to Rs. 20.79 Cr. (PAT).

The Company during current year is anticipating to achieve gross turnover of Rs. 1500 Cr. and for that necessary efforts has been initiated. The management of the Company is of the view that the target of gross turnover will definitely be achieved and necessary resources for the same have also been generated.

During the year under review, there is no change in the nature of business.

**5. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of signing of this report.

**6. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

During the year no significant and material order were passed for or against the company by any authorities.

**7. INTERNAL FINANCIAL CONTROLS**

The company has adequate internal financial control system with reference to the Financial Statements.

**8. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

No company has become or ceased to become the Subsidiary, Joint venture or Associate Company during the year under review. The Company does not have any Subsidiary, Joint venture or Associate Company.

**9. PARTICULARS OF LOANS/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR**

There are no outstanding loans/ advances/ investments during the financial year 2014-15.

**10. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**11. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO SHAREHOLDERS**

Your Company has complied with all the mandatory requirements of Corporate Governance norms as mandated by Clause 49 of the Listing Agreement with Stock Exchanges. A separate report on Corporate Governance together with the Certificate of M/s. C. R. Sharedalal & Co., Chartered Accountants, Ahmedabad forms part of this Annual Report as **Annexure –'A'**.

The Management Discussion & Analysis report also forms part of this Annual Report **Annexure –'B'**.

**12. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Company has constituted a Corporate Social Responsibility Committee in compliance with Section 135 of the Companies Act, 2013.

The Company for the year under consideration did not spend any amount towards CSR activities mainly due to the reason that the Company could not identify the appropriate activities falls under Schedule VII and CSR policy. The Company will identify such activity in and around the Registered Office and accordingly will spend.

The Company as per Section 135(4) adopted the CSR Policy and has placed it on the Company's website:

<http://ausom.in/PDF/POLICY/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>

The requisite details that is Annual Report on CSR activities pursuant to Section 135 of the Companies Act, 2013 that with its rules is attached at **Annexure- 'C'**.

**13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013, the Company has constituted the Nomination and Remuneration Committee and

their policy and the same is approved by the Board. The Policy is attached at **Annexure-'D'**.

#### **14. EXTRACT OF ANNUAL RETURN**

The extract of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in **Annexure -'E'**.

#### **15. AUDITORS**

##### **STATUTORY AUDITORS**

M/s C. R. Sharedalal & Co., Chartered Accountants, Ahmedabad was appointed as Statutory Auditors who shall hold such office until the conclusion of 33rd Annual General Meeting. Their continuance of appointment and payment of remuneration are to be ratified in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. The Auditors Report do not contain any qualification, reservation and adverse remarks.

##### **SECRETARIAL AUDITOR**

The Board pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has appointed MR. NIRAJ TRIVEDI, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report in prescribed format MR-3 for the financial year ended March 31, 2015 is annexed here with marked as **Annexure-'F'** to this Report.

As regards the observations made in the said Secretarial Audit Report, regarding not spending on CSR activities, explanation is given in this Board Report under the heading 'Corporate Social Responsibility'.

#### **16. WHISTLE BLOWER POLICY**

The Company has formulated a Whistle Blower policy to establish a vigil mechanism for Directors and Employees of the Company to report concern about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. The policy is attached at **Annexure-'G'**.

#### **17. SHARES**

##### **a) BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

##### **b) SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

##### **c) BONUS SHARES**

No Bonus Shares were issued during the year under review.

##### **d) EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

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

The provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 do not apply to our Company considering the nature of activities that is trading of commodities, bullions, gold jewellery, shares and securities, units of mutual funds, diamonds and derivatives.

The Company has earned Foreign Exchange amounting to Rs. 795.95 Cr. (Previous years Rs. Nil) by way of direct export and has not spent any amount on purchase of Trade goods or Commodities during the year.

## **19. CHANGE IN DIRECTORS / KEY MANAGERIAL PERSONNELS**

### Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Zaverilal V. Mandalia (DIN: 00133262) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment. The Board recommends his reappointment.

### Cessation:

Mr. Mukesh Adeshara (DIN: 02725479), Director of the Company ceased to be a director w.e.f 22<sup>nd</sup> August, 2014. Your directors have appreciated the valuable services rendered by Mr. Mukesh Adeshara as Director of the Company.

### Re-appointment:

Mr. Kishor Mandalia, Managing Director, whose tenure expired on 07th August, 2015 and as per the recommendation of Nomination and Remuneration Committee, Board of Directors has subject to the approval of the members, re-appointed him as Managing Director for further period of five years w.e.f. 07th August, 2015. You are requested to accord your consent.

The details about the education qualification, experience, nature of work etc. of Directors retire by rotation etc. provided in the Report of Corporate Governance forming part of this report.

## **FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of its committees. The performance evaluation of the Independent directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

## **DECLARATION OF INDEPENDENT DIRECTORS(s)**

All the Independent Directors have submitted their declaration to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

## **20. PERSONNEL**

### **A. Disclosure under section 197 (12) and rules 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.**

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above rules are annexed at **Annexure –'H'** to this report.

### **B. Statement of Particulars of Employees Pursuant to Rule 5 (2) Companies (Appointment And Remuneration of Managerial Personnel) Rules, 2014**

- (i) Employed throughout the year and were in receipt of remuneration of not less than Rs. 60 Lacs per annum: Not Applicable
- (ii) Names of employees employed for part of the year and were in receipt of remuneration of not less than Rs. 5 Lacs per month: Not Applicable.
- (iii) The Percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub rule (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable
- (iv) None of the Company's employees is related to any directors.



**21. NUMBER OF BOARD MEETINGS**

During the Financial Year 2014-15, total 5 (Five) meetings of Boards held respectively on 29/05/2014, 30/07/2014, 23/08/2014, 12/11/2014 and 02/02/2015.

**22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements (Please refer to Note 10 and 38 to the Financial Statement).

**23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:

<http://www.ausom.in/PDF/POLICY/Material%20Related%20Party%20Transaction%20Policy.pdf>

The particulars in prescribed form AOC-2 is attached as **Annexure – 'I'**.

**24. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its Responsibility Statement:—

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors, in the case of a **listed company**, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(Internal financial control means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.)

- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**25. RISK MANAGEMENT POLICY**

During the year, your Directors have voluntarily constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Group Risk Management Policy was reviewed and approved by the Committee.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviours that governs how the Group conducts the business of the Company and manages associated risks.

The Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities. This integration is enabled by all three being fully aligned across Group wide Risk Management, Internal Control and Internal Audit methodologies and processes.

**26. REPORT ON THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013.**

In terms of section 22 of the SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013 we report that, during 2014-15, no case has been filed under the said act.

**27. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**FOR AUSOM ENTERPRISE LIMITED  
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

**PLACE: AHMEDABAD  
DATE: 10th August, 2015**

**KISHOR P. MANDALIA  
MANAGING DIRECTOR  
DIN: 00126209**

**VIPUL Z. MANDALIA  
DIRECTOR  
DIN: 02327708**

**REPORT ON CORPORATE GOVERNANCE**

The detailed report on Corporate Governance in accordance with the provisions contained in Clause 49 of the Listing Agreement, as amended, is set as below:

**MANDATORY REQUIREMENTS**
**A. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company has accepted the concept of Corporate Governance as a challenge and is committed to achieve highest level of Corporate Governance. Corporate Governance is nothing but to maintain high standards of transparency and fairness. To achieve the same, the Company has developed a team of educated, experienced and qualified management personnel. The Board of Directors of the Company effectively monitors the management progress and corporate decisions.

**B. BOARD OF DIRECTORS**

As per the present requirements of Corporate Governance, the composition of Board of Directors consisting of Executive Directors as well as Non-Executive and Independent Directors.

**Composition and Category of Board of Directors**

Presently, the Company has 6 (Six) Directors. Mr. Zaverilal Mandalia is the Chairman of the Board and is also a Non-Executive Promoter Director. The composition of the Board comprises of Five (05) Non-Executive Directors, of which, three (03) Directors are Independent including one (01) Woman Director and one (01) Executive Director. The company has valid composition of Board as required under Clause 49 of the Listing Agreement. The details of such directors are;

Sr. No.	Name of Directors	Category of Directorship	Directors inter-se relationship, if any	No. of other Directorship held in Companies	No. of Committee positions held in other Public Company		No. of Shares/(%)
					Chairman	Member	
1	Mr. Zaverilal Mandalia	Promoter/ Non-Executive Director	Relative of Mr. Kishor Mandalia and Mr. Vipul Mandalia	08	NIL	NIL	804547/(5.91)
2	Mr. Kishor Mandalia	Promoter/ Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Vipul Mandalia	12	NIL	NIL	1189102/(8.73)
3	Mr. Vipul Mandalia	Promoter/Non-Executive Director	Relative of Mr. Zaverilal Mandalia and Mr. Kishor Mandalia	04	NIL	NIL	836420/(6.14)
4	Mr. Hitesh Adeshara	Non Executive / Independent Director	Relative of Mr. Mukesh Adeshara	NIL	NIL	NIL	NIL
5	Mr. Mukesh Adeshara*	Non Executive / Independent Director	Relative of Mr. Hitesh Adeshara	NIL	NIL	NIL	NIL
6	Mr. Ghanshyambhai Akbari	Non Executive / Independent Director	Not Applicable	01	NIL	NIL	NIL
7	Mrs. Nirupama Vaghjiani#	Non Executive / Independent Women Director	Not Applicable	NIL	NIL	NIL	NIL

\*Ceased to be a Director w.e.f. August 22, 2014, 02(Two) meetings were held during his tenure.

# Appointed as Director w.e.f. August 23, 2014, 02 (Two) meetings were held during her tenure.

### **Appointment of Independent Directors**

During the year, appointments of Independent Directors were made in accordance with the provisions of the Companies Act, 2013 read with the Rules framed there under and the Listing Agreement. Pursuant to the same, the Letters of Appointment to the Independent Directors were issued by the Company. The Terms and Conditions of the appointment of the Independent Directors are available on the website of the Company:

<http://ausom.in/PDF/POLICY/Formal%20Letter%20of%20Appointment%20of%20Independent%20Director.pdf>

### **Familiarisation Programme**

The Company has formulated policy for the Independent Directors to familiarize them 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. through various programmes from time to time. The said Policy is available on the website of the Company:

[http://ausom.in/PDF/POLICY/familiarisation\\_programme\\_for\\_independent\\_non-executive\\_directors.pdf](http://ausom.in/PDF/POLICY/familiarisation_programme_for_independent_non-executive_directors.pdf)

With a view to familiarize the Independent Directors with the Company's operations, separate meetings of the Independent Directors were convened on 25<sup>th</sup> March, 2015 (all Independent Directors were present) wherein the Directors were given detailed presentation covering the organisational set up, details of its promoters, shareholding pattern, details about other directors on the Board, accreditations / recognitions received by the Company, financial highlights of Company's performance, market share of major products, export share of major products, strategic advantages and concerns, other directors on the board etc.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination-cum-Remuneration Committee has formulated Policy on Nomination & Remuneration cum Board Diversity for selection, appointment and remuneration of Directors and Senior Management. The said policy also laid down criteria for performance evaluation of the Directors. The relevant extract of the Nomination & Remuneration cum Board Diversity Policy is reproduced below:

#### **“CRITERIA FOR PERFORMANCE EVALUATION”**

Following are the criteria for evaluation of performance of Directors and the Board:

1. Executive Directors

The Executive Directors shall be evaluated on the basis of targets / criteria given to Executive Directors by the Board from time to time.

2. Non Executive Director

The Non-Executive 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;
- (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;
- (f) inform the Board immediately when they lose their independence;
- (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) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest;
- (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including Code of Conduct, Insider trading guidelines etc.
- (o) regularly update their knowledge so as to remain updated on latest amendments of the Acts / Rules / Regulations etc.

The performance evaluation of the individual Director is to be done by all Directors excluding the Director being evaluated and performance evaluation of the Board and its Committees is to be done by the entire board. Based on the same, the Board has reviewed the annual performance evaluation of the individual directors, the Board and its committees.

#### **MEETING OF INDEPENDENT DIRECTORS**

As per Clause 49 of the Listing Agreement and the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors was held on 25<sup>th</sup> March, 2015, inter-alia, to discuss the way forward on review of performance of Non-Independent Directors, Chairperson and the Board as a whole and to assess the information flow between Management and the Board for ensuring effective participation by the Board Members.

#### **CODE OF CONDUCT**

The 'Code of Conduct' for the Directors has been amended to include the Code for Independent Directors along with their duties pursuant to Schedule IV of the Companies Act, 2013 by the Board at its Meeting held on 30<sup>th</sup> July, 2014.

The 'Code of Conduct for Senior Management Personnel' and the revised 'Code of Conduct for Directors' are available on the Company's Website web links: [http://ausom.in/Code\\_of\\_Conduct\\_AuSom\\_Enterprise\\_Ltd.pdf](http://ausom.in/Code_of_Conduct_AuSom_Enterprise_Ltd.pdf)

All the Board Members and the Senior Management Personnel have affirmed compliance with the 'Code of Conduct' during the Financial Year 2014-15. A Declaration by the Managing Director to this effect is provided at **Annexure-'1'** which forms part of this Report.

#### **No. of Board Meetings held during the Financial Year i.e. 01-04-2014 to 31-03-2015**

During the financial year 2014-15, Board of Directors met 05 (Five) times and the gap between two board meeting was well within the limit prescribed i.e. the Gap between two Board Meetings never exceeded 120 days. The dates of each such Board Meetings are: -

- (1) 29-05-2014, (2) 30-07-2014, (3) 23-08-2014, (4) 12-11-2014, (5) 02-02-2015

#### **Attendance of Directors:**

<b>Directors</b>	<b>Board Meeting Attended</b>	<b>Last Annual General Meeting Attended</b>
Mr. Zaverilal Mandalia	05/05	Yes
Mr. Kishor Mandalia	04/05	Yes
Mr. Vipul Mandalia	05/05	Yes
Mr. Hitesh Adeshara	05/05	Yes
Mr. Mukesh Adeshara*	02/05	Yes
Mr. Ghanshyam Akbari	05/05	Yes
Mrs. Nirupama Vaghjiani#	02/05	N.A.

\* Ceased to be a Director w.e.f. August 22, 2014, 02 (Two) meetings were held during his tenure.

# Appointed as a Director w.e.f. August 23, 2014, 02 (Two) meetings were held during her tenure.

**PARTICULARS OF DIRECTORS RETIRING BY ROTATION AND BEING REAPPOINTED.**
**(a) MR. ZAVERILAL V. MANDALIA**

Qualification	Under Graduate	
Area of expertise	47 years of experience in the field of Wholesale and Retail jewellery business and marketing.	
His role in the company	Promoter & Non-Executive Director	
No. of shares in this company	Equity Share 8,04,547 & Preference Shares 18,00,000	
Other directorship	1. Zaveri & Co. Jewellers Pvt. Ltd. 3. Zaveri & Co. Pvt. Ltd. 5. Zaveri Realty Pvt. Ltd. 7. Atit Infrastructure Pvt. Ltd.	2. Zaveri Finstock Pvt. Ltd. 4. Zaveri Enterprise Pvt. Ltd. 6. Panchratna Infrastructure Pvt. Ltd. 8. Vrundavan Garden Pvt. Ltd.
Other membership in committee	Member of Corporate Social Responsibility Committee of this Company.	

**BOARD COMMITTEES:**

Company has either constituted new committee(s) or reconstituted / renamed existing committee(s) in compliance with the provision of Companies Act, 2013.

**C. AUDIT COMMITTEE**
**Terms of Reference:**

The terms of reference of this Committee cover the matters specified for Audit Committee under Clause-49, as amended from time to time of the Listing Agreement as well as in section 177 of the Companies Act, 2013. The Members possess adequate knowledge of Accounts, Audit, Finance, etc.

The broad terms of reference of Audit Committee are;

- To review the financial statements before submission to Board;
- To review reports of the Auditors and Internal Audit department;
- To review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors, etc.
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company, etc.

In addition, the powers and role of the Audit Committee are as laid down under the Clause 49 III of Listing Agreement entered with the Stock Exchanges and the Companies Act, 2013.

**Composition:**

The audit committee comprises of: -

Name of Director	Category of Directorships	No. of Meetings Attended
Mr. Hitesh Adeshara (Chairman of the Committee)	Non-Executive Independent Director	4
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director	4
Mr. Mukesh Adeshara*	Non-Executive Independent Director	2
Mrs. Nirupama Vaghjiani#	Non-Executive Independent Director	2

\* Ceased to be a Director w.e.f. August 22, 2014, 02 (Two) meetings were held during his tenure.

# Appointed as a Director w.e.f. August 23, 2014, 02 (Two) meetings were held during her tenure.

**Meetings Details:**

In the financial year 2014-15, the Audit Committee met 04 (Four) times i.e. on 29-05-2014, 30-07-2014, 12-11-2014 and 02-02-2015.

During the year, all the recommendations of Audit Committee have been accepted by the Board.

**D. NOMINATION AND REMUNERATION COMMITTEE**
**Terms of Reference:**

The terms of reference of the committee are to determine and recommend to the Board the nomination of Directors and remuneration payable to the Directors of the company and appraisal of performance.

Terms of reference of the Committee, interalia, includes the following:

- 1) To carry out evaluation of every Director's performance;
- 2) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- 3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- 4) To formulate the criteria for evaluation of Independent Directors and the Board;
- 5) To devise a policy on Board diversity;
- 6) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- 7) To perform such other functions as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee.

**Composition**

The Nomination and Remuneration Committee comprises of:-

<b>Name of Director</b>	<b>Category of Directorships</b>
Mr. Hitesh Adeshara (Chairman of the Committee)	Non-Executive Independent Director
Mr. Vipul Mandalia	Non-Executive Director/ Promoter
Mr. Mukesh Adeshara*	Non-Executive Independent Director
Mrs. Nirupama Vaghjiani#	Non-Executive Independent Director

\* Ceased to be a Director w.e.f. August 22, 2014.

# Appointed as a Director w.e.f. August 23, 2014.

**Meetings Details:**

In the financial year 2014-15, the Nomination and Remuneration Committee met 01 (One) time on 23-08-2014.

**Remuneration Policy:-**

At present, the Managing Director, Mr. Kishor Mandalia is working on honorarium basis and no other directors are getting any remuneration and hence at this point of time the Company does not have any specific remuneration policy for the directors.

However, the Company voluntarily as per the requirements of Section 178(3), Nomination and Remuneration Committee has formulated a remuneration policy for Key Managerial Personnel annexed in Board Reports as **Annexure -'D'**.

**Details of remuneration to all the Directors:**

None of the directors of the company, during the year has been paid remuneration except sitting fees and hence information in respect of remuneration to directors is not provided/applicable.

The Company is paying Rs. 1000/- per meeting as sitting fees to all Directors for attending Board Meeting. No commission or other benefits are given to any of the Directors. No sitting fees being paid to any directors for attending committee meeting. The details of sitting fees paid during the Financial Year are: -

Name of Directors	Sitting fees in Rs.
Mr. Zaverilal Mandalia	5,000/-
Mr. Kishor Mandalia	4,000/-
Mr. Vipul Mandalia	5,000/-
Mr. Ghanshyam Akbari	5,000/-
Mr. Hitesh Adeshara	5,000/-
Mr. Mukesh Adeshara*	2,000/-
Mrs. Nirupama Vaghjiani#	2,000/-

\* Ceased to be a Director w.e.f. August 22, 2014, 02 (Two) meetings were held during his tenure.

# Appointed as a Director w.e.f. August 23, 2014, 02 (Two) meetings were held during her tenure.

**E. STAKEHOLDERS' RELATIONSHIP COMMITTEE**
**Term of Reference**

- Oversee and review all matters connected with the transfer of the Company's securities;
- Approve issue of the Company's duplicate share certificates;
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report etc.;
- Oversee the performance of the Company's Registrars and Transfer Agents;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

**Composition**

Name of Director	Category of Directorships	No. of Meetings Attended
Mr. Vipul Mandalia (Chairman of the Committee)	Non-Executive Director/ Promoter	5
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director	5
Mr. Mukesh Adeshara*	Non-Executive Independent Director	2
Mrs. Nirupama Vaghjiani#	Non-Executive Independent Director	3

\* Ceased to be a Director w.e.f. August 22, 2014, 02 (Two) meetings were held during his tenure.

# Appointed as a Director w.e.f. August 23, 2014, 03 (Three) meetings were held during her tenure.

**Compliance Officer**

Mr. Ravikumar Pasi, Company Secretary and Compliance Officer of the Company, is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreements entered with the Stock Exchanges.



**Number of Shareholders' Complaints received, Number of Complaints solved to the satisfaction of Shareholders and Number of pending Complaints**

The company has received One (1) Compliant during the financial year 2014-15, and the same has been resolved satisfactorily well within the time. As on the date of this report no complaint is pending.

**Meetings Details:**

In the financial year 2014-15, the Stakeholder's Relationship Committee met 05 (Five) times during the year.

**F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and Corporate Social Responsibility Rules, 2014, the Board of Directors of the Company had constituted a "Corporate Social Responsibility Committee".

**Term of Reference**

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'.

The Committee's constitution meet with the requirements of the Companies Act, 2013.

**Composition**

<b>Name of Director</b>	<b>Category</b>
Mr. Zaverilal Mandalia	Non-Executive Director/ Promoter
Mr. Vipul Mandalia	Non-Executive Director/ Promoter
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director

**Meetings Details:**

In the financial year 2014-15, the Corporate Social Responsibility Committee met 01 (One) time during the year.

**G. RISK MANAGEMENT COMMITTEE**

**Term of Reference**

Role and Responsibilities of the Committee includes the following:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimization
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed
- Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

**Composition**

<b>Name of Director</b>	<b>Category</b>
Mr. Vipul Mandalia	Non-Executive Director/ Promoter
Mr. Ghanshyambhai Akbari	Non-Executive Independent Director
Mr. Hitesh Adeshara	Non-Executive Independent Director

**Meetings Details:**

In the financial year 2014-15, the Risk Management Committee did not meet during the year.

**H. GENERAL BODY MEETING**
**Annual General Meetings**

During the preceding three years, the Company's Annual General Meetings were held at 11-B, New Ahmedabad Industrial Estate, Village- Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist.-Ahmedabad.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

YEAR	DATE AND TIME	SPECIAL RESOLUTION PASSED
2011-2012	28-09-2012 (10:30 a.m.)	No Special Resolution was passed in the meeting.
2012-2013	20-09-2013 (10:30 a.m.)	No Special Resolution was passed in the meeting.
2013-2014	29-09-2014 (10:30 a.m.)	<ol style="list-style-type: none"> <li>Borrowing Powers of the Board u/s. 180(1)(c)- passing fresh Resolution as per Companies Act, 2013 requirements.</li> <li>Providing security u/s 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company.</li> </ol>

During the year 2014-15, the members of the Company have approved the Borrowing Powers of the Board under section 180(1)(c) and also approved for providing security under Section 180(1)(a) of the Companies Act, 2013 of the Company by passing a Special Resolution through postal ballot.

The Board had appointed Mr. Niraj Trivedi, a Practicing Company Secretary as a Scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

The details of the voting pattern in respect of Special Resolution passed;

**(i) Resolution 1: Borrowing Powers of the Board under section 180(1)(c)**

Promoter/ Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	10040000	10040000	100%	10040000	0	100%	0
Public - Institutional holders	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Public-Others	3583552	495052	13.814%	494926	126	99.974%	0.025%
<b>Total</b>	<b>13623552</b>	<b>10535052</b>	<b>77.329%</b>	<b>10534926</b>	<b>126</b>	<b>99.998%</b>	<b>0.001%</b>

**(ii) Resolution 2: Providing security under section 180(1)(a)**

Promoter/ Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
	(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	10040000	10040000	100%	10040000	0	100%	0
Public - Institutional holders	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Public-Others	3583552	495052	13.814%	494926	126	99.974%	0.025%
<b>Total</b>	<b>13623552</b>	<b>10535052</b>	<b>77.329%</b>	<b>10534926</b>	<b>126</b>	<b>99.998%</b>	<b>0.001%</b>

**PROPOSED RESOLUTION TO BE CONDUCTED THROUGH POSTAL BALLOT**

The Company intent to pass 2 (Two) resolutions to be conducted through postal Ballot, namely;

- Under Section 4,13 Alteration / Inserting new clause of the Main Objects of the Memorandum of Association.
- Under Section 186 to make investments, give loans, guarantees and provide securities beyond the prescribed limits.

**PROCEDURE FOR POSTAL BALLOT**

Prescribed procedure for postal Ballot as per the provisions contained in this behalf in the Companies Act, 2013 read with rules made there under as amended from time to time shall be complied with whenever necessary.

**I. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION.**

During the financial year 2014-2015, there were no transactions of material nature with the Directors, Key Managerial Personnel and management or with their relatives that had potential conflict with the interest of the company. The policy on Material Related Party Transactions is available on the website of the Company:

<http://ausom.in/PDF/POLICY/Material%20Related%20Party%20Transaction%20Policy.pdf>

**J. DETAILS OF NON COMPLIANCE BY THE COMPANY**

During the last three years, no penalties, strictures were imposed by the stock exchanges or SEBI or any other authorities on any matter related to Capital Markets.

**K. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In accordance with requirement of Section 177 Companies Act, 2013 as well as Clause 49 of Listing Agreement a vigil mechanism/ Whistle Blower Policy has been adopted by the Board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. The said Whistle Blower Policy is annexed at **Annexure -'G'** of Board Reports and the same is also available on web-link:

<http://ausom.in/PDF/POLICY/Vigil%20Mechanism%20Policy%20&%20Whistle%20Blower%20Policy.pdf>

We affirm that the Company has not denied to any employee access to the Audit Committee.

**L. LISTING AGREEMENT COMPLIANCE**

The Company complies with all the mandatory requirements of Clause 49 of the Listing Agreement. Non mandatory requirements have not been adopted by the Company.

**M. MEANS OF COMMUNICATION**

**Quarterly / Yearly results:** Quarterly /Yearly financial results were published in Business Standard (English) and Jaihind (Gujarati) and the same is also placed on Company's website [www.ausom.in](http://www.ausom.in).

**News releases, presentations, among others:** No official news released during the year.

**Presentations to institutional investors / analysts:** No presentation was made to institutional investors or to the analyst.

**Website:** The Company's has hosted its own website [www.ausom.in](http://www.ausom.in) where all the information relating to shareholders is also available.

**Annual Report:** The Annual Report containing, *interalia*, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

**Corporate Filing and Dissemination System (CFDS):** The Company files its financial as well as other information periodically on the Electronic filing [www.corpfiling.co.in](http://www.corpfiling.co.in).

**NSE Electronic Application Processing System (NEAPS):** The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

**BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

## **N. GENERAL SHAREHOLDER INFORMATION**

### **Annual General Meeting**

(Day, Date, Time and Venue)

Tuesday, the 29<sup>th</sup> day of September, 2015 at 10:30 a.m. at the Registered Office of the Company situated at **11-B, New Ahmedabad Industrial Estate, Village-Moraiya, Sarkhej-Bavla Road, Moraiya-382 213. Dist.-Ahmedabad.**

### **Financial Year**

1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015

### **Dates of Book Closure**

Thursday, the 24<sup>th</sup> September, 2015 to Tuesday the 29<sup>th</sup> September, 2015 (both days inclusive).

### **Dividend Payment Date**

No declaration of dividend.

### **Listing on Stock Exchanges**

#### **Equity Shares**

<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	<b>Stock Code : 509009</b>
<b>National Stock Exchange of India Limited (NSE)</b> "Exchange Plaza," Bandra-Kurla Complex, Bandra (E), Mumbai 400 051	<b>Symbol : AUSOMENT</b> <b>Series : EQ</b>

The Company has established connectivity for its equity shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Security Identification Number (ISIN) of the company's equity shares with NSDL and CDSL is **INE218C01016**.

#### Payment of Listing Fees

Annual listing fee for the year 2015-16 has been paid by the Company to BSE and NSE.

#### Payment of Depository Fees

Annual Custody/Issuer fee for the year 2015-16 will be paid by the Company to NSDL and CDSL on receipt of the invoices.

#### MARKET PRICE DATA:

The data on price of equity shares of the Company are as under:

Monthly high and low prices of equity shares of the company quoted during each month in last financial year at BSE and NSE.

Month	Share Price BSE		Volumes (BSE)	BSE Sensex		Share Price NSE		Volumes (NSE)
	High Value (Rs.)	Low Value (Rs.)	No of Shares	(High)	(Low)	High Value (Rs.)	Low Value (Rs.)	No of Shares
Apr-14	9.96	7.05	3082	22939.31	22197.51	9.75	9.75	50
May-14	10.76	7.30	11277	25375.63	22277.04	9.85	8.95	5489
Jun-14	13.60	9.98	27435	25725.12	24270.20	12.10	9.10	7607
Jul-14	12.33	10.19	7825	26300.17	24892.00	10.55	9.55	2010
Aug-14	18.84	11.70	49386	26674.38	25232.82	17.10	10.20	2623
Sep-14	26.50	17.55	337622	27354.99	26220.49	22.15	17.00	3931
Oct-14	25.50	19.85	1002	27894.32	25910.77	22.15	17.15	716
Nov-14	34.55	18.05	47722	28822.37	27739.56	16.80	16.00	2350
Dec-14	61.60	36.25	236600	28809.64	26469.42	21.30	17.60	1736
Jan-15	46.65	35.45	123342	29844.16	26776.12	39.75	22.35	3618
Feb-15	47.60	22.50	58044	29560.32	28044.49	43.75	22.60	37550
Mar-15	32.00	21.60	9406	30024.74	27248.45	34.00	20.40	20109

#### REGISTRAR AND TRANSFER AGENTS

The company has appointed M/s. Link Intime India Private Limited for Share Transfers, dematerialization of shares and all other investors related activities as attended and processed at the office of the Registrars and Share Transfer Agents at the following address:

#### M/S. LINK INTIME INDIA PRIVATE LIMITED

(Formerly known as Intime Spectrum Registry Limited),

303, 3<sup>rd</sup> Floor, Shopper's Plaza-5, Near Govt. Soc.,

Opp. Municipal Market, C.G. Road,

Navrangpura, Ahmedabad – 380 009

Tel.: +91 79 26465179 Fax: +91 79 26465179

Email: ahmedabad@linkintime.co.in

Website: www.linkintime.co.in

#### SHARE TRANSFER SYSTEM

Share transfer would be registered and returned within a period of 15 (Fifteen) days from the date of receipt. The Stakeholders Relationship Committee meets on 10/15 days gap depending upon number of transfers received.

Pursuant to Clause 47(c) of the Listing Agreement with Stock Exchanges, certificates, on half yearly basis have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulation, 1996, certificates have been received from a Company Secretary-in-Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

#### **DISTRIBUTION OF SHAREHOLDING (AS ON 31-03-2015)**

<b>No. of Equity Shares held</b>	<b>No. of Shareholders</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Up to 500	5056	82.79	873771	6.41
501 - 1000	668	10.94	487397	3.58
1001 - 2000	186	3.05	266840	1.96
2001 - 3000	72	1.18	185611	1.36
3001 - 4000	20	0.33	71308	0.52
4001 - 5000	30	0.49	139920	1.03
5001 - 10000	39	0.64	271017	1.99
10001 & above	36	0.59	11327688	83.15
<b>Grand Total</b>	<b>6107</b>	<b>100.00</b>	<b>13623552</b>	<b>100.00</b>

#### **DEMATERIALISATION OF SHARES AND LIQUIDITY**

The company has entered into an agreement with both depositories i.e. NSDL and CDSL so that the shareholders of the company could avail the benefit of multi depository system.

<b>MODE OF HOLDING</b>	<b>NOS. OF SHARES (UP TO 31.03.2015)</b>	<b>% (PERCENTAGE) (UP TO 31.03.2015)</b>
NSDL	12050149	88.45%
CDSL	586424	4.30%
Physical	986979	7.25%
<b>TOTAL</b>	<b>13623552</b>	<b>100.00%</b>

**OUTSTANDING GDRS/ADRS/WARRANTS OR ANY COVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACK ON EQUITY: NOT APPLICABLE**

#### **PLANT LOCATIONS**

As the company is only engaged in trading activity, it does not have any plant.

#### **CORRESPONDENCE MAY BE ADDRESS TO:-**

Mr. Ravikumar Pasi,  
 Company Secretary & Compliance Officer  
 Secretarial Department,  
 606, 'Swagat', Nr. Lal Bunglow,  
 C.G. Road, Ahmedabad – 380 006, Gujarat  
 Phone No.: - 079 – 26421422-99 Fax No.: - 079 – 26569898  
 Email Id: - investorcomplaints@gmail.com  
 Website: - www.ausom.in

#### **CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE:**

In accordance with the requirements of Clause – 49 of the Listing Agreement, Mr. Kishor Mandalia, CEO and Mr. Rupesh Shah, CFO of the Company, have certified to the Board that to the best of their knowledge and belief, the financial statements present true and fair view of the Company's affairs, The same is attached as **Annexure –'2'**.

**CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT**

As per the terms of the amended Clause 49 of the Listing Agreement with the Stock Exchange, I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel affirmation that they have complied with the Code of Conduct for the financial year 2014-15.

**For AUSOM ENTERPRISE LIMITED**

Place: Ahmedabad  
Date: 10th August, 2015

KISHOR MANDALIA  
MANAGING DIRECTOR

To,  
The Board of Directors,  
AuSom Enterprise Limited,  
Ahmedabad

**CEO/CFO Certification**

We, Kishor Mandalia, Chief Executive Officer and Rupesh Shah, Chief Financial Officer of AuSom Enterprise Limited, to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the Financial Statement and the Cash Flow Statement of AUSOM ENTERPRISE LIMITED for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
  - 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 affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative to the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee of the Company that:
  - i. There are no significant changes in internal control over financial reporting during the year;
  - ii. There are no significant changes in accounting policies during the year; and
  - iii. There are no instances of significant fraud of which we have become aware.

Kishor Mandalia  
Chief Executive Officer

Rupesh Shah  
Chief Financial Officer

Place: Ahmedabad  
Date: 10th August, 2015

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****(A) INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Since last six years, after demerger, the Company at present is engaged in one segment activity i.e. trading of commodities, bullions, gold jewellery, shares & securities, units of mutual funds, diamonds and derivative transactions etc. Being very ancient in its nature, the trading industry is well organized in all respect. During the last decade, establishment of exchanges for such trading activities has also contributed in making trading more organized and transparent.

**(B) OPPORTUNITIES AND THREATS****(1) Opportunities**

- The Company is totally debt-free and now being run by well experienced promoters with having two decades of insightful knowledge of this industry.
- Trading activities has turned out to be fruitful and there is a good scope of future growth and profitability.
- Experienced people in the field of commodities/bullions trading will manage the trading activities.

**(2) Threats**

- Foreign currency fluctuation, more particularly, dollar and pound.
- Volatility in Commodities and trading markets.
- Due to impose of excise duty, the cost of bullions and gold has gone up and hence demand for the same may reduce.

**(C) SEGMENT WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE**

The Company is engaged in one segment activity, hence segment wise performance is not required. The activities, which the Company has started from last six years emerging as very potential, growing and profitable. In the current year also the Company has achieved good turnover and good profit.

**(D) OUTLOOK**

The trading industry has grown in all respects and has shown very good potential. Under the globalization, the trading activity has more scope internationally and is growing manifold. Even after establishing NCDEX and MCX, various new platforms for F & O contracts will emerge in near future.

**(E) RISK AND CONCERNS**

- The trading business is a new line of business for the Company.
- There may be volatility in the trading market.

**(F) INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company has adequate internal control procedures commensurate with the size and nature of business. These procedures ensure efficient use and protection of the resources and compliance with policies, procedures and statutes. There is a periodical review mechanism for ensuring the sustenance and up-gradation of these systems.

**(G) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.**

During the current year the Company has generated revenue of Rs. 1101.14 Cr from trading activity with a profit of Rs. 20.79 Cr. (PAT).

**(H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES**

Recognizing that people are an important part of the organization, a major exercise in training and development of employees has been undertaken at all levels. The Company gives a lot of importance to Human Resource activities.



These activities have helped to retain and motivate employees of the Company.

**(I) CAUTIONARY STATEMENT**

Estimates and expectations stated in this Management Discussion and Analysis may be “forward-looking statement” 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 your Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

- 1) A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013 read with Rules framed thereunder.

The CSR policy inter alia covered the area in respect of promotion of education, health care etc. and the same is available on web-link: <http://ausom.in/PDF/POLICY/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY.pdf>

- 2) Composition of CSR committee: Mr. Zaverilal V. Mandalia,  
Mr. Vipul Z. Mandalia  
Mr. Ghanshyambhai Akbari
- 3) Average net profit of the company for last three financial years: Rs. 9,05,61,827/-
- 4) Prescribed CSR Expenditure ( Two percent of the amount as in item 3 above): Rs. 18,11,237/-
- 5) Details of CSR spent for the financial year :
- a) Total amount spent for the financial year : Nil
- b) Amount unspent, if any : Rs. 18,11,237/-
- c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	Projects / Activities	Sector	Locations	Amount Outlay (Budget) project or Programme wise	Amount Spent on the Project or Programme	Cumulative expenditure upto reporting period	Amount spent: Direct or through implementing agency
1	Nil						

- 6) In case the company has failed to spend the two percent of the average net profit of the last three financial year or any part thereof, the company shall provide the reason for not spending the amount in its Board Report.

The amount required to be spent on CSR activities during the year under report in accordance with the provision of Section 135 of the Companies Act, 2013 was Rs. 18.11 Lacs whereas the company for the year under consideration did not spend any amount towards CSR activities mainly due to the reason that the Company could not identify the appropriate activities falls under Schedule VII and CSR policy. The Company will identify such activity in and around the registered office and accordingly will spend.

- 7) A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

The CSR Committee confirms that the implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company.

Place: Ahmedabad  
Date: 10th August, 2015

**ZAVERILAL V. MANDALIA**  
**CHAIRMAN & DIRECTOR**

**GHANSHYAMBHAI AKBARI**  
**CHAIRMAN CSR COMMITTEE**

**NOMINATION AND REMUNERATION POLICY****INTRODUCTION**

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy").

The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

**APPLICABILITY**

The policy shall be applicable to

**a) Key Managerial Personnel, which means;**

- i. Chief Executive officer and/or Managing Directors,
- ii. Whole Time Director,
- iii. Chief Financial Officer,
- iv. Company Secretary, and such other person as may be prescribed.

**b) Independent Director, which means;**

A director referred to in the Section 146(6) of the Companies Act, 2013.

**c) Senior Management, which means**

Personnel of the Company who are members of its core management team excluding Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

**ROLE OF THE COMMITTEE**

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and senior management personnel or other employees.
3. Formulation of criteria for evaluation of Independent Directors and Board.
4. Recommendation to Board, appointment and removal of Directors, Key managerial and Senior Management personnel.
5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

**CRITERIA FOR BOARD MEMBERSHIP****DIRECTORS**

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to Company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

**INDEPENDENT DIRECTOR**

Independent Director is a director who has no direct or indirect material relationship with the company or any of its officers, other than as a director or shareholder of the company.

Independent Director shall meet all criteria specified in Section 149 (6) of the Companies Act, 2013 and rules made there under and Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

#### **TERM/TENURE**

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

#### **REMUNERATION POLICY**

##### **DIRECTORS**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole-time Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders by way of special resolution will be obtained wherever applicable in case of remuneration to non-executive directors.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as Independent Personnel / Business Executives. Independent Non- Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees. No commission is being paid to them.

##### **KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the Company.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

#### **AMENDMENT TO THE POLICY**

The Board of Directors on its own and /or as per recommendations of Nomination and Remuneration Committee can amend this policy, as when deemed fit.

**ANNUAL RETURN**
**Form No. MGT-9 (Extract of annual return as on F.Y. ended on 31/03/2015)**
**[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**

i)	Corporate Identification Number	L67190GJ1984PLC006746
ii)	Registration Date	15/02/1984
iii)	Name of the Company	AUSOM ENTERPRISE LIMITED
iv)	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES / INDIAN NON-GOVERNMENT COMPANY
v)	Address of the Registered office and contact details	11-B, NEW AHMEDABAD INDUSTRIAL ESTATE, SARKHEJ BAVLA ROAD VILLAGE MORAIYA - 382213 GUJARAT. INDIA Tel: +91 79 2642 1422-1499 Fax: +91 79 2656 9898
vi)	Whether listed company	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	LINK INTIME INDIA PVT. LTD. 303, 3RD FLOOR, SHOPPERS PLAZA-5, NEAR GOVT. SOC., OPP. MUNICIPAL MARKET, C.G. ROAD, NAVRANGPURA, AHMEDABAD - 380 009. CONTACT NO.: 079-26465179

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Bullion & Gold Jewellery	Group 464 (Sub - class : 46498) - wholesale of precious metals and jewellery	88.65%
2.	Shares, Securities & Units of Mutual Funds	Group 661-Activities auxiliary to financial service activities, except insurance and pension funding	9.79%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
	NOT APPLICABLE				

**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 (01/04/2014)				No. of Shares held at the end of the year (31/03/2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	9793087	0	9793087	71.88	10040000	0	10040000	73.70	1.82
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>9793087</b>	<b>0</b>	<b>9793087</b>	<b>71.88</b>	<b>10040000</b>	<b>0</b>	<b>10040000</b>	<b>73.70</b>	<b>1.82</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)( 2)</b>	<b>9793087</b>	<b>0</b>	<b>9793087</b>	<b>71.88</b>	<b>10040000</b>	<b>0</b>	<b>10040000</b>	<b>73.70</b>	<b>1.82</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks / FI	0	0	0	0	0	0	0	0	0.00
c) Central Govt	200	0	200	0.0015	200	0	200	0.0015	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
i) Others (specify)	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (B)(1):-</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>0.0015</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>0.0015</b>	<b>0.00</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.									
i) Indian	53125	21800	74925	0.55	51506	20800	72306	0.53	(0.02)
ii) Overseas	0	0	0	0.00	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1316768	949704	2266472	16.64	1256841	945529	2202370	16.17	(0.47)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1433300	11050	1444350	10.60	1257908	11050	1268958	9.31	(1.29)

c) Others (specify)									
i) Clearing Member	24252	0	24252	0.18	17064	0	17064	0.13	(0.05)
ii) Non Resident Indians (REPAT)	4316	0	4316	0.03	5604	0	5604	0.04	0.01
iii) Non Resident Indians (NON REPAT)	6350	9600	15950	0.12	7450	9600	17050	0.13	0.01
<b>Sub-total (B)(2):-</b>	<b>2838111</b>	<b>992154</b>	<b>3830265</b>	<b>28.12</b>	<b>2596373</b>	<b>986979</b>	<b>3583352</b>	<b>26.30</b>	<b>(1.82)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2838311</b>	<b>992154</b>	<b>3830465</b>	<b>28.12</b>	<b>2596373</b>	<b>986979</b>	<b>3583352</b>	<b>26.30</b>	<b>(1.82)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>12631398</b>	<b>992154</b>	<b>13623552</b>	<b>100.00</b>	<b>12639573</b>	<b>986979</b>	<b>13623552</b>	<b>100.00</b>	<b>0.00</b>

**ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (01/04/2014)			Shareholding at the end of the year (31/03/2015)			% Change in shareholding during the year
		No. of Shares	% of total Shares of Company	% of Share Pledged	No. of Shares	% of total Shares of Company	encumbered to total share	
1	SAVITRI DAYARAM PAWANI	4773087	35.03	0.00	5020000	36.85	0.00	1.82
2	KISHOR PRANJIVANDAS MANDALIA	1189102	8.73	0.00	1189102	8.73	0.00	0.00
3	DAXABEN BHARATBHAI MANDALIA	890572	6.54	0.00	890572	6.54	0.00	0.00
4	VIPULKUMAR ZAVERILAL MANDALIA	836420	6.14	0.00	836420	6.14	0.00	0.00
5	ZAVERILAL VIRJIBHAI MANDALIA	804547	5.91	0.00	804547	5.91	0.00	0.00
6	CHANDRESH ZAVERILAL MANDALIA	797647	5.85	0.00	797647	5.85	0.00	0.00
7	BHARAT PRANJIVANDAS MANDALIA	364693	2.68	0.00	364693	2.68	0.00	0.00
8	ARUNABEN KISHORBHAI MANDALIA	65829	0.48	0.00	65829	0.48	0.00	0.00
9	FENNYBEN CHANDRESHBHAI MANDALIA	38883	0.29	0.00	38883	0.29	0.00	0.00
10	PRAFULLABEN ZAVERILAL MANDALIA	32307	0.24	0.00	32307	0.24	0.00	0.00
	<b>TOTAL</b>	<b>9793087</b>	<b>71.88</b>	<b>0.00</b>	<b>10040000</b>	<b>73.70</b>	<b>0.00</b>	<b>1.82</b>



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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	9793087	71.88		
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	*		*	
3.	At the End of the year	10040000	73.70		

\* There is change in the total shareholding of promoters between 01-04-2014 and 31-03-2015

**\* Change details:**

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of shares at beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the company				No. of shares	% of total shares of the company
1.	SAVITRI DAYARAM PAWANI	4773087 5020000	35.04 36.85	1-Apr-2014 4-Apr-2014 31-Mar-2015	246913	Transfer	5020000	36.85
2.	KISHOR PRANJIVANDAS MANDALIA	Nil Movement during the year						
3.	DAXABEN BHARATBHAI MANDALIA	Nil Movement during the year						
4.	VIPULKUMAR ZAVERILAL MANDALIA	Nil Movement during the year						
5.	ZAVERILAL VIRJIBHAI MANDALIA	Nil Movement during the year						
6.	CHANDRESH ZAVERILAL MANDALIA	Nil Movement during the year						
7.	BHARAT PRANJIVANDAS MANDALIA	Nil Movement during the year						
8.	ARUNABEN KISHORBHAI MANDALIA	Nil Movement during the year						
9.	FENNYBEN CHANDRESHBHAI MANDALIA	Nil Movement during the year						
10.	PRAFULLABEN ZAVERILAL MANDALIA	Nil Movement during the year						

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of shares at beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the company				No. of shares	% of total shares of the company
1	Minesh Madhusudan Soni	450000	3.3031	1-Apr-2014				
				29-Aug-2014	4273	Transfer	454273	3.3344
				5-Sep-2014	1110	Transfer	455383	3.3426
				19-Sep-2014	4350	Transfer	459733	3.3745
				30-Sep-2014	23079	Transfer	482812	3.5439
				3-Oct-2014	8970	Transfer	491782	3.6098
				10-Oct-2014	29165	Transfer	520947	3.8239
		520947	3.8239	31-Mar- 2015			520947	3.8239
2	Narayan Jayram Somaiya	246913	1.8124	1-Apr-2014				
		0	0.00	31-Mar-2015	-246913	Transfer	0	0.00
3	Pravin Dipchand Majithia	0	0.00	1-Apr-2014				
				19-Sep-2014	1471	Transfer	1471	0.0108
				30-Sep-2014	89452	Transfer	90923	0.6674
				3-Oct-2014	68677	Transfer	159600	1.1715
				31-Mar-2015			159600	1.1715
		159600	1.1715					
4	Vinod H. Didwania	17766	0.1304	1-Apr-2014				
				22-Aug-2014	2244	Transfer	20010	0.1469
				12-Sep-2014	8000	Transfer	28010	0.2056
				19-Sep-2014	34981	Transfer	62991	0.4624
				30-Sep-2014	38009	Transfer	101000	0.7414
				101000	0.7414	31-Mar-2015		
5	Vinay Kankaria	72926	0.5353	1-Apr-2014				
				3-Oct-2014	1000	Transfer	73926	0.5426
		73926	0.5426	31-Mar-2015			73926	0.5426
6	Ram Niranjn Seksaria	50000	0.3670	1-Apr-2014				
		50000	0.3670	31-Mar- 2015	0	Nil Move-ment during the year	50000	0.3970
7	J Inderchand	35982	0.2641	1-Apr-2014				
		35982	0.2641	31-Mar-2015	0	Nil Move-ment during the year	35982	0.2641

8	Vaishali Shah	7181	0.0527	1-Apr-2014					
				4-Apr-2014	10000	Transfer	17181	0.1261	
				16-May-2014	300	Transfer	17481	0.1283	
				30-May-2014	2874	Transfer	20355	0.1492	
				20-Jun-2014	4538	Transfer	24893	0.1827	
				30-Jun-2014	3000	Transfer	27893	0.2047	
				18-Jul-2014	1000	Transfer	28893	0.2121	
				25-Jul-2014	3099	Transfer	31992	0.2348	
				1-Aug-2014	705	Transfer	32697	0.2400	
		35205	0.2584	8-Aug-2014	2508	Transfer	35205	0.2584	
		31-Mar-2015			35205	0.2584			
9	Vinay Kankaria (HUF)	31614	0.2321	1-Apr-2014	0	Nil Movement during the year			
		31614	0.2321	31-Mar-2015			31614	0.2321	
10	Bimal Pravinkumar Shah	38138	0.2799	1-Apr-2014					
				30-Sep-2014	- 21	Transfer	38117	0.2798	
				19-Dec-2014	- 2500	Transfer	35617	0.2614	
				31-Dec-2014	- 1001	Transfer	34616	0.2541	
				2-Jan-2015	- 4500	Transfer	30116	0.2211	
30116	0.2211	31-Mar-2015			30116	0.2211			
11	Charu Ajay Shah	25000	0.1835	1-Apr-2014	0	Nil Movement during the year			
		25000	0.1835	31-Mar-2015			25000	0.1835	
12	Anil Gada (HUF)	24933	0.1830	1-Apr-2014					
				29-Aug-2014	- 183	Transfer	24750	0.1817	
				19-Dec-2014	- 500	Transfer	24250	0.1780	
		24250	0.1780	31-Mar-2015			24250	0.1780	

**v) Shareholding of Directors and Key Managerial Personnel**

Sr. No.		Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
<b>A DIRECTORS</b>								
1	Kishor Pranjivandas Mandalia Managing Director And Chief Executive Officer	1189102	8.73	01-Apr-2014	0	Nil movement during the year		
		1189102	8.73	31-Mar-2015			1189102	8.73
2	Zaverilal Virjibhai Mandalia Chairman/ Non Executive Director	804547	5.91	01-Apr-2014	0	Nil movement during the year		
		804547	5.91	31-Mar-2015			804547	5.91

3	Vipul Zaverilal Mandalia Non-Executive Director	836420	6.14	01-Apr-2014	0	Nil movement during the year		
		836420	6.14	31-Mar-2015			836420	6.14
4	Ghanshyambhai Bhikhabhai Akbari Non-Executive Director	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00
5	Hitesh Bhogilal Adeshara Non-Executive Director	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00
6	Mukesh Bhogilal Adeshara Non Executive Director (Ceased to be a Director On 22-08-2014)	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00
7	Nirupama Hasmushrai Vaghjiani Non-Executive Director (Appointed as a Director On 23-08-2014)	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00
<b>B</b>	<b>KEY MENAGERIAL PERSONNEL (KMP'S)</b>							
1	Ravikumar Pasi Company Secretary and Compliance Officer	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00
2	Rupesh Shah Chief Financial Officer	0	0.00	01-Apr-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-Mar-2015			0	0.00

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i). Principal Amount	Nil	19,02,00,000	Nil	19,02,00,000
ii). Interest due but not paid	Nil	Nil	Nil	Nil
iii). Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total (i +ii+iii)</b>	Nil	19,02,00,000	Nil	19,02,00,000
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	2,72,05,00,000	Nil	2,72,05,00,000
• Reduction	Nil	2,91,07,00,000	Nil	2,91,07,00,000
<b>Net Change</b>	Nil	(19,02,00,000)	Nil	(19,02,00,000)
<b>Indebtedness at the end of the financial year</b>				
i). Principal Amount	Nil	Nil	Nil	Nil
ii). Interest due but not paid	Nil	Nil	Nil	Nil
iii). Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total ( i+ii+iii)</b>	Nil	Nil	Nil	Nil

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Kishor P. Mandalia (MD)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify....	0	0
5.	Others, please specify	0	0
	Total (A)	0	0
	Ceiling as per the Act	(being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount (Amount in Lacs)
		Mr. Zaverilal V. Mandalia	Mr. Vipul Z. Mandalia	Mr. Ghanshyambhai B. Akbari	Mr. Hitesh B. Adeshara	Mr. Mukesh B. Adeshara (Ceased to be Director on 22-08-2014)	Mrs. Nirupama H. Vaghjiani (Appointed as a Director on 23-08-2014)	
1.	Independent Directors							
	• Fee for attending board / committee meetings	---	---	5000	5000	2000	2000	14000
	• Commission	---	---	0	0	0	0	0
	• Others, please specify	---	---	0	0	0	0	0
	<b>Total (1)</b>	---	---	5000	5000	2000	2000	14000

2.	Other Non-Executive Directors							
	• Fee for attending board / committee meetings	5000	5000	---	---	---	---	10000
	• Commission	0	0	---	---	---	---	0
	• Others, please specify	0	0	---	---	---	---	0
	<b>Total (2)</b>	<b>5000</b>	<b>5000</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>10000</b>
	<b>Total (B)=(1+2)</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>2000</b>	<b>2000</b>	<b>24000</b>
	<b>Total Managerial Remuneration*</b>							
	<b>Overall Ceiling as per the Act</b>	(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)						

\* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B)

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Ravikumar Pasi)	CFO (Rupesh Shah)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	286923	502115	789038
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0			
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>286923</b>	<b>502115</b>	<b>789038</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (Give Details)
<b>A. Company</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					
<b>B. Director</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty	<b>NIL</b>				
Punishment					
Compounding					

**FOR AUSOM ENTERPRISE LIMITED  
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

**PLACE: AHMEDABAD  
DATE: 10th August, 2015**

**KISHOR P. MANDALIA  
MANAGING DIRECTOR  
DIN: 00126209**

**VIPUL Z. MANDALIA  
DIRECTOR  
DIN: 02327708**

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 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,  
**M/s. AUSOM ENTERPRISE LIMITED**  
11-B, New Ahmedabad Industrial Estate,  
Sarkhej Bavla Road, Village Moraiya,  
Gujarat - 382213.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. AUSOM ENTERPRISE LIMITED** (hereinafter called the Company). 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 31<sup>st</sup> March, 2015** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S. AUSOM ENTERPRISE LIMITED** for the **financial year ended on 31<sup>st</sup> March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable for this year.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable during the audit period;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable during the audit period;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable during the audit period;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable during the audit period ; and



- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable for this year,
- (vi) Other applicable laws – We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of some of the Acts, Laws and Regulations as applicable to the Company are
- (i) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
  - (ii) The Minimum Wages Act, 1948;
  - (iii) The Payment of Bonus Act, 1965;
  - (iv) The Payment of Gratuity Act, 1972;
  - (v) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, Mumbai and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- The Company has complied with the provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility except Section 135(5). The Company has informed that Rs. 18.11 Lacs in the amount not spent during the year under report under CSR activity is intended to be utilized in future upon identification of suitable projects within the Company's CSR Policy.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

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

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 signed any technical collaboration agreement.

Place: Vadodara

Date: 10th August, 2015

Signature :  
Name of Company Secretary in practice : **NIRAJ TRIVEDI**  
C. P. No. : **3123**

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

To,  
The Members,  
**M/s. AUSOM ENTERPRISE LIMITED**  
11-B, New Ahmedabad Industrial Estate,  
SarkhejBavla Road,Village Moraiya,  
Gujarat - 382213.

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.

Place: Vadodara  
Date: 10th August, 2015

Signature :  
Name of Company Secretary in practice : **NIRAJ TRIVEDI**  
C. P. No. : **3123**

**VIGIL MECHANISM POLICY/ WHISTLE BLOWER POLICY****1. INTRODUCTION:**

- ❖ We at AUSOM ENTERPRISE LIMITED. “AEL” believe in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- ❖ The Company is committed towards developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- ❖ Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides, a non-mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism” & “Whistle Blower Policy” for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- ❖ The purpose of this policy is to provide a framework to promote responsible and secure Vigil Mechanism & whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- ❖ The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

**2. POLICY:**

The Whistle Blower Policy is a policy of the Company to encourage employees, when they reasonably believe that serious misconduct or wrongful activities have occurred or are occurring, to report them to the Company's management (on an anonymous basis, if employees so desire) as described below.

All reports will be taken seriously and will be promptly investigated. The specific action taken in any particular case depends on the nature and gravity of the conduct or circumstances reported, and the quality of the information provided. Where serious misconduct has occurred, those matters will be corrected and, if appropriate, the persons responsible will be disciplined.

**Serious Misconduct or wrongful activities:**

The following actions or activities may be considered as “Serious Misconduct or Wrongful Activities”:

- Conduct which results in violation of law by the Company,
- Substantial mismanagement of Company resources,
- Unethical behaviour,
- Actual or suspected fraud,
- Violation of the Company's Code of Conduct or ethics policy,
- Internal accounting controls or auditing matters.
- Any kind of Harassment

**3. APPLICABILITY:**

This Whistle Blower policy is applicable to all employees, including full time consultants, retainers and job-work employees of the Company irrespective of any grade/category/designation/Gender.

**4. REPORTING:**

Any employee who has sufficient reasons to believe that any act of serious misconduct or wrongful activity has occurred or is occurring within the organization, he may immediately report the same to his immediate HOD or the HR Head or directly to the concerned Managing Director of the Company, as he may desire.

While making aforesaid report of alleged misconduct, he must provide sufficient grounds or evidence, if any, in support of his report, to the satisfaction of the concerned HOD or Managing Director, as the case may be. The said report of alleged misconduct may be made in any of the following manner:

1. By making an Oral Report,
2. By sending a written report (on an anonymous basis, if employee so desire),
3. By sending email to his HOD or the concerned Managing Director.

If, for any reason, the concerned employee does not feel comfortable in discussing the matter with either his HOD or HR Head or the concerned Managing Director, he may bring the matter to the attention of the Audit Committee of the Company.

**5. TIMING:**

It is imperative that the employee brings such type of matters to the Company's attention promptly, so that Company can take proper actions against the same.

**6. INVESTIGATION:**

All complaints under this policy will be promptly and thoroughly investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable laws.

All employees and supervisors have a duty to co-operate in the investigation of reports of such serious misconduct. In addition, an employee shall be subject to disciplinary action, including the termination of their employment, if the employee fails to co-operate in an investigation or hides any material information or deliberately provides false information during an investigation.

If, at the conclusion of its investigation, the Company determines that a violation of policy has occurred, the Company will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of policy.

**7. DISCRIMINATION, RETALIATION OR HARASSMENT:**

The Company strictly prohibits any discrimination, retaliation or harassment against any person who reports incidents of such serious misconduct, based on the person's reasonable belief that such misconduct occurred. The Company also strictly prohibits any discrimination, retaliation or harassment against any person who participates in an investigation of complaints about such serious misconduct.

Any complaint that any managers, supervisors, or employees are involved in discrimination, retaliation or harassment related to the reporting or investigation of serious misconduct, shall be promptly and thoroughly investigated in accordance with the Company's investigation procedures. If a complaint of discrimination, retaliation or harassment is substantiated, appropriate disciplinary actions, up to and including discharge, will be taken.

**8. RETENTION OF DOCUMENTS :**

All documents related to the reporting, investigation and enforcement of this policy, as a result of a report of serious misconduct, or of the discrimination, retaliation or harassment of an employee that made such a report, shall be kept in accordance with the Company's record retention policy and applicable law.

**9. CONFIDENTIALITY :**

The Company ensures that the information regarding the employee who has reported about the suspected misconduct will be kept confidential by the Company at any point of time. The Company further ensures that the information regarding employee who has participated in the investigation or provided material information during the course of

investigation will be kept confidential by the Company, at any point of time.

**10. FALSE OR MALAFIDE ALLEGATION:**

An employee who knowingly makes false or malafide allegations of unethical & improper practices or alleged wrongful conduct to the HOD or the concerned Managing Director or the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, as the competent authority may deem fit.

**11. ADDITIONAL ENFORCEMENT INFORMATION:**

The Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies will be viewed as unacceptable under the terms of employment of the Company. Certain violations of the Company's policies and practices could even subject the Company and any individual employees involved to civil and criminal penalties.

**12. MODIFICATION IN THE POLICY:**

The Audit Committee or the Board of Directors of the Company can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with laws and regulations and / or accommodation organizational changes within the Company.

**PERSONNEL**
**Disclosure under Section 197 (12) and Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of Remuneration of each director to the median remuneration of the employee of the Company for the financial year ended 31<sup>st</sup> March, 2015: Not Applicable
2. The Percentage increase in remuneration of each Directors, CFO, Company Secretary in the financial year ended 31<sup>st</sup> March, 2015: Nil
3. Percentage increase in median remuneration of employees in the financial year – Nil.
4. The number of employees employed including manager and workers as on 31<sup>st</sup> March, 2015 :- **2 (Two)**
5. The explanation on the relationship between average increase in remuneration and company Performance.

( in Crores)

Particulars	2014-15	2013-14
Total Turnover	1101.15	417.68
Profit Before Tax	25.02	15.27
Net Profit	20.79	15.27

There was no increase in remuneration.

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:  
The remuneration of employee is in line with the current year's performance, market dynamics and as a measure to motivate the employee for better future performance to achieve organization's growth expectations.
7. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year 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 in case of listed Companies and in case of unlisted Companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year.
  - a) The market capitalization as on 31st March 2015 was Rs. 3746.48 Lacs (Rs. 918.23 Lacs as on 31st March 2014).
  - b) Price Earning Ratio of the Company was 15.26 as at 31st March 2015 and was 11.21 as at 31st March 2014.
  - c) Company's stock price as at 31st March 2015 has decreased by 45% to Rs. 27.50 over the last public offering i.e. Right Issue during June 1995 at the price of Rs. 50.00 per share.
8. 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: Not Applicable
9. Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company.

( in Crores)

Particulars	2014-15	2013-14
Total Turnover	1101.15	417.68
Profit Before Tax	25.02	15.27
Net Profit	20.79	15.27

The total turnover of the Company increased by 62.07%. The net profit of the Company increased from Rs. 15.27 Crores to Rs. 20.79 Crores translating to an increase of 26.55%. As no increase in remuneration to the Key Managerial Personnel, Comparison of KMP Remuneration not provided for.

**10. The key parameters for any variable component of remuneration availed by the Directors**

There is no variable component paid to any of the directors of the Company.

**11. 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.**

Not applicable

**12. Affirmation that the remuneration is as per the remuneration policy of the Company**

The Company affirm that the remuneration paid is in accordance with the remuneration policy of the Company.

**FORM NO. AOC -2**

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

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

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

SL. No.	A Name (s) of the related party & nature of relationship	B Nature of contracts/ arrangements / transaction	C Duration of the contracts/ arrangements / transaction	D Salient terms of the contracts or arrangements or transaction including the value, if any	E Justification for entering into such contracts or arrangements or transaction including the value, if any	F Date(s) of approval by the Board, if any:	G Amount paid as advances, if any	H Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	Nil							

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

SL. No.	A Name (s) of the related party & nature of relationship	B Nature of contracts/ arrangements/transaction	C Duration of the contracts/ arrangements/ transaction	D Salient terms of the contracts or arrangements or transaction including the value, if any	E Date(s) of approval by the Board / Audit Committee, if any:	F Amount paid as advances, if any
1.	Zaveri and Company Pvt. Ltd. (director is member or/and director)	Availing service of buying and selling of Future Contracts in NCDEX and making payment of brokerage.	3 years 01/04/2013 to 31/03/2016	Brokerage as per the rate defined by SEBI	31st January, 2013	Nil
2.	Zaveri and Company Pvt. Ltd. (director is member or/and director)	Availing service of buying and selling of Future Contracts in MCX and making payment of brokerage.	3 years 01/04/2013 to 31/03/2016	Payment of brokerage as per SEBI guideline.	31st January, 2013	Nil
3.	Zaveri and Company Pvt. Ltd. (director is member or/and director)	Purchase & sales of Gold, Silver and other Bullions.	3 years 01/04/2013 to 31/03/2016	Purchase & sales of Gold, Silver and other Bullions.	31st January, 2013	Nil
4.	Zaveri Enterprise Pvt. Ltd. (director is member or/and director)	Availing service of buying and selling of Future Contracts in NSE and making payment of brokerage.	3 years 01/04/2013 to 31/03/2016	Payment of brokerage as per SEBI guideline.	31st January, 2013	Nil
5.	Zaveri Enterprise Pvt. Ltd. (director is member or/and director)	Availing service of buying and selling of Future Contracts in MCX-SX and making payment of brokerage.	3 years 01/04/2013 to 31/03/2016	Payment of brokerage as per SEBI guideline.	31st January, 2013	Nil
6.	Zaveri & Co. Exports (directors or their relatives are partner)	Purchase & sales of Gold, Silver and other Bullions.	3 years 01/03/2015 to 31/03/2018	Purchase & sales of Gold, Silver and other Bullions.	2nd February, 2015	Nil
7.	Zaveri Realty Pvt. Ltd. (director is member or/and director)	Leasing Premises	11 Months from 01/04/2015	Lease Rent @ Rs. 9900/- p.m.	2nd February, 2015	Nil

**FOR AUSOM ENTERPRISE LIMITED  
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

PLACE: AHMEDABAD  
DATE: 10th August, 2015

KISHOR P. MANDALIA  
MANAGING DIRECTOR  
DIN: 00126209

VIPUL Z. MANDALIA  
DIRECTOR  
DIN: 02327708

**CORPORATE GOVERNANCE CERTIFICATE**

To the Members of **AUSOM ENTERPRISE LIMITED**

1. We have examined the compliance of conditions of Corporate Governance by **AUSOM ENTERPRISE LIMITED** ("the Company"), for the year ended on 31 March 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with stock exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been 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 said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the above mentioned Listing Agreement.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**PLACE : AHMEDABAD**

**DATE : 10-08-2015**

**For. C.R. SHAREDALAL & CO.**  
**CHARTERED ACCOUNTANTS,**  
(Registration No.109943W)

**(C. R. SHAREDALAL)**  
PARTNER  
Membership No.002571



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**INDEPENDENT AUDITORS' REPORT****To the Members of Ausom Enterprise Limited  
Report on the Financial Statements**

We have audited the accompanying financial statements of **Ausom Enterprise Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accountings 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 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> 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 Act, 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 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 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 it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position by way of Note 35 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**PLACE : AHMEDABAD**  
**DATE : 10-08-2015**

**For. C.R. SHAREDALAL & CO.**  
**CHARTERED ACCOUNTANTS,**  
(Registration No.109943W)

**(C. R. SHAREDALAL)**  
PARTNER  
Membership No.002571

**Annexure to Independent Auditors' Report**

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date]

1. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) Fixed assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion is reasonable having regard to the size of the company and the nature of assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
2. (a) As explained to us, inventories have been physically verified by the management during the year 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 are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion and according to the information and explanations given to us the Company is maintaining proper records of inventory. According to the information and explanations given to us no discrepancies were noticed on physical verification of inventories as compared to book records.
3. The Company has 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. Therefore, provisions of clause 3(iii) of the order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books of account and records of the Company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
5. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3(v) of the order are not applicable to the Company.
6. According to the information and explanation given to us the maintenance of cost records has not been prescribed under sub-section (1) of Section 148 of the Companies Act, 2013.
7. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Value Added Tax, Wealth Tax, Custom duty, Excise duty, Service Tax, Cess and any other dues whichever is applicable during the year with the appropriate authorities and no undisputed dues payable in respect of outstanding statutory dues were in arrears as at 31<sup>st</sup> March, 2015 for a period of more than six months from the date they became payable.  
(b) According to the information and explanations given to us as at 31<sup>st</sup> March, 2015 there are no amounts in respect of sales tax/ income tax/ custom duty/ wealth tax/ excise duty/ service tax/ cess that have not been deposited with the appropriate authorities on account of any dispute.  
(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

8. The accumulated losses of the Company as at the end of the year are not more than fifty percent of its net worth. The company has not incurred cash losses in the current as well as in the immediately preceding financial year.
9. In our opinion and according to the information and explanation given to us and on the basis of our examination of the books of account, the company has not defaulted in repayment of dues to financial institution and banks.
10. In our opinion and according to the information and explanation given to us, the company has not given any guarantee for loan taken by others from banks and financial institutions.
11. During the period under audit, the company has not obtained any term loan; hence the provisions of clause (xi) of paragraph 3 of the Order are not applicable to the company.
12. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**PLACE : AHMEDABAD**

**DATE : 10-08-2015**

**For. C.R. SHAREDALAL & CO.**  
**CHARTERED ACCOUNTANTS,**  
(Registration No.109943W)

**(C. R. SHAREDALAL)**  
PARTNER  
Membership No.002571

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**BALANCE SHEET AS AT 31 MARCH, 2015**

Particulars	Note No.	As at 31 March, 2015	As at 31 March, 2014
		Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	33,62,46,270	33,62,46,270
Reserves and surplus	3	26,92,19,952	6,13,29,133
		60,54,66,222	39,75,75,403
<b>Non-current liabilities</b>			
Long-term provisions	4	1,07,473	70,597
		1,07,473	70,597
<b>Current liabilities</b>			
Short-term borrowings	5	28,98,33,800	26,49,14,519
Trade payables	6	1,30,91,280	30,56,708
Other current liabilities	7	57,881	2,44,288
Short-term provisions	8	2,19,46,985	1,10,52,218
		32,49,29,946	27,92,67,733
<b>TOTAL</b>		<b>93,05,03,641</b>	<b>67,69,13,733</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	2,08,268	2,55,665
		2,08,268	2,55,665
Non-current investments	10	2,35,59,656	2,35,59,656
Long-term loans and advances	11	2,32,08,881	2,32,08,881
		4,67,68,537	4,67,68,537
<b>Current assets</b>			
Inventories	12	26,47,52,087	15,70,07,550
Trade receivables	13	12,01,08,428	3,81,24,683
Cash and bank balances	14	39,30,07,061	21,84,67,636
Short-term loans and advances	15	9,13,04,853	20,16,87,280
Other current assets	16	1,43,54,407	1,46,02,382
		88,35,26,836	62,98,89,531
<b>TOTAL</b>		<b>93,05,03,641</b>	<b>67,69,13,733</b>

Significant Accounting Policies 1  
The accompanying notes from 1 to 38 are integral part of the financial statements.  
As per our report of even date.

For and on behalf of the Board of Directors

**For C.R. Shredalal & Co.**  
**Chartered Accountants**  
(Firm Reg. No. 109943W)

**KISHOR MANDALIA**  
**Managing Director**

**ZAVERILAL MANDALIA**  
**Director**

**(C.R. Shredalal)**  
**Partner**  
**Membership No. 002571**

**RUPESH SHAH**  
**Chief Financial Officer**

**RAVIKUMAR PASI**  
**Company Secretary**

**Place : Ahmedabad**  
**Date : 10-08-2015**

**Place : Ahmedabad**  
**Date : 10-08-2015**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015**

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2015	31 March, 2014
		Rupees	Rupees
Revenue from operations	17	10,96,96,20,645	4,14,88,02,903
Other income	18	4,18,51,284	2,80,39,588
<b>Total revenue</b>		<b>11,01,14,71,929</b>	<b>4,17,68,42,491</b>
<b>Expenses</b>			
Purchases of stock-in-trade	19	10,78,88,97,776	4,08,94,39,016
Changes in inventories of stock-in-trade	20	(10,77,44,537)	(13,61,00,109)
Employee benefits expense	21	9,49,080	8,95,319
Finance costs	22	1,24,80,208	5,89,31,555
Depreciation and amortisation expense	9	98,916	28,232
Other expenses	23	6,65,43,441	1,09,34,045
<b>Total expenses</b>		<b>10,76,12,24,884</b>	<b>4,02,41,28,058</b>
<b>Profit before tax</b>		25,02,47,045	15,27,14,433
Tax expense:			
Current Income Tax		4,23,56,226	-
<b>Profit for the year</b>		<b>20,78,90,819</b>	<b>15,27,14,433</b>
<b>Earnings per Equity Share (Note 31)</b>			
<b>Basic</b>		15.26	11.21
<b>Diluted</b>		15.26	11.21

Significant Accounting Policies  
 The accompanying notes from 1 to 38 are integral part of the financial statements.  
 As per our report of even date.

1

For and on behalf of the Board of Directors

**For C.R. Sharedalal & Co.**  
**Chartered Accountants**  
 (Firm Reg. No. 109943W)

**KISHOR MANDALIA**  
**Managing Director**

**ZAVERILAL MANDALIA**  
**Director**

**(C.R. Sharedalal)**  
**Partner**  
**Membership No. 002571**

**RUPESH SHAH**  
**Chief Financial Officer**

**RAVIKUMAR PASI**  
**Company Secretary**

Place : Ahmedabad  
 Date : 10-08-2015

Place : Ahmedabad  
 Date : 10-08-2015

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015**
**( Amt in Rs. )**

	For the year ended 31-Mar-15		For the year ended 31-Mar-14	
	Rupees	Rupees	Rupees	Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before taxation and extraordinary items		25,02,47,045		15,27,14,433
Adjustment for				
Depreciation	98,916		28,232	
Interest income	(3,08,00,786)		(2,72,23,315)	
Interest expense	1,24,80,208		57,92,497	
Loss on discard of Fixed Assets	12,881		-	
		<u>(1,82,08,781)</u>		<u>(2,14,02,586)</u>
<b>Operating Profit before Working Capital Changes</b>		23,20,38,264		13,13,11,847
Decrease/(Increase) in Trade Receivable	(8,19,83,745)		(3,04,92,697)	
Decrease/(Increase) in Inventories	(10,77,44,537)		(13,61,00,109)	
Increase/(Decrease) in Long-term provision	36,876		7,482	
Increase/(Decrease) in short-term provision	1,08,94,767		77,07,939	
Increase/(Decrease) in other current liability	(1,86,407)		(2,55,302)	
Decrease/(Increase) in other current assets	2,47,975		20,49,31,646	
Decrease/(Increase) in Long-term Loans & Advances	-		(89,17,087)	
Decrease/(Increase) in Short-term Loans & Advances	11,03,82,428		(9,53,38,089)	
Decrease/(Increase) in other bank balance	(17,34,00,993)		2,74,34,25,951	
Increase/(Decrease) in Trade Payable	1,00,34,572	<u>(23,17,19,065)</u>	<u>(3,03,78,85,228)</u>	<u>(35,29,15,494)</u>
Cash Generated from Operations		3,19,199		(22,16,03,647)
Direct taxes		<u>(4,23,56,226)</u>		
<b>Net cash from operating activities</b>		<b>4,20,37,027</b>		<b>(22,16,03,647)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Non current investment	-		(35,30,131)	
Movement in Short-term Loans & Advances	-		-	
Purchase of Fixed Assesets	(64,400)		-	
Interest Received	3,08,00,786		2,72,23,315	
<b>Net cash from investing activities</b>		<b>3,07,36,386</b>		<b>2,36,93,184</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITES</b>				
Proceeds from short term borrowings	2,49,19,281		15,07,18,429	
Interest Paid	(1,24,80,208)		(57,92,497)	
<b>Net cash used in financing activities</b>		<b>1,24,39,073</b>		<b>14,49,25,932</b>
<b>Net increase in cash &amp; cash equivalents</b>		<b>11,38,432</b>		<b>(5,29,84,531)</b>
Cash & Cash equivalents at beginning of period		16,89,282		5,46,73,813
<b>Cash &amp; Cash equivalents at end of period</b>		<b>28,27,714</b>		<b>16,89,282</b>

**Note:** Cash and Cash Equivalents included in the Cash Flow Statement comprises the following balances amounts :

	As at 31-03-2015	As at 31-03-2014
Cash On Hand	2,75,914	83,514
Bank Balance with Schedule Banks	25,51,800	16,05,768
<b>Total</b>	<b>28,27,714</b>	<b>16,89,282</b>

As per our attached Report of even date  
**For C.R. Sharedalal & Co.**  
Chartered Accountants  
(Firm Reg. No. 109943W)

**C.R.SHAREDALAL**  
Partner  
Membership No.002571

Place : Ahmedabad  
Date : 10-08-2015

For and on behalf of the Board of Directors

**KISHOR MANDALIA**  
Managing Director

**ZAVERILAL MANDALIA**  
Director

**RUPESH SHAH**  
Chief Financial Officer

**RAVIKUMAR PASI**  
Company Secretary

Place : Ahmedabad  
Date : 10-08-2015



(iii) When future or option contract settled with actual delivery, the same is accounted for respective contract wise as purchase/sales.

**F. Other Income**

Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exist.

**1.8 Purchase**

Purchase cost of shares, securities and Units of Mutual Funds does not include other incidental charges except brokerage charges.

**1.9 Employee Benefits**

Short-term employee benefits are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

Long term employee benefits and post-employment benefits both funded and non-funded are recognized as expenses in the Statement of Profit and Loss of the year in which the related service is rendered based on actuarial valuation.

- i. Company's Contribution towards provident fund are accounted for at pre-determined rates and deposited into an EPFO.
- ii. Gratuity is accounted for on the basis of actuarial valuation.

**1.10 Provision for Current and Deferred Tax**

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

**1.11 Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

**1.12 Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.

**1.13 Foreign Currency Transactions**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at year-end rates.
- (c) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- (d) Foreign currency transactions hedged through forward contracts, the premium on such forward contracts is amortised over the life of the contract.

**1.14 Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as Current investments. All other investments are classified as non-current investments. Current Investments are carried at lower of cost and quoted/fair value determined on category/item wise. Non-current investments are stated at cost. However, Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**1.15 Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit and Loss.

**2 Share capital**

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Rupees	Number of shares	Rupees
Authorised				
Equity shares of Rs.10 each	6,00,00,000	60,00,00,000	6,00,00,000	60,00,00,000
Redeemable preference shares of Rs.10 each	4,00,00,000	40,00,00,000	4,00,00,000	40,00,00,000
Issued, Subscribed and Fully Paid up				
Equity shares of Rs.10 each	1,36,23,552	13,62,35,520	1,36,23,552	13,62,35,520
1.5% Non-Cumulative Redeemable Participating preference shares of Rs. 10 each (Upto 31/03/2013 : 16.5% Cumulative Redeemable Participating Preference Shares)	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Forfeited equity shares(Amount originally paid up)		10,750		10,750
<b>Total</b>		<b>33,62,46,270</b>		<b>33,62,46,270</b>

**2.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Issue	Buy back	Closing Balance
<b>Equity shares</b>				
Year ended 31 March, 2015				
- Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520
Year ended 31 March, 2014				
-Number of shares	1,36,23,552	-	-	1,36,23,552
- Amount (Rs)	13,62,35,520	-	-	13,62,35,520
Particulars	Opening Balance	Issue	Redemption	Closing Balance
1.5% Non-Cumulative Redeemable Participating preference shares (Upto 31/03/2013 : 16.5% Cumulative Redeemable Participating Preference Shares)				
Year ended 31 March, 2015				
- Number of shares	2,00,00,000	-	-	2,00,00,000
- Amount (Rs)	20,00,00,000	-	-	20,00,00,000
Year ended 31 March, 2014				
- Number of shares	2,00,00,000	-	-	2,00,00,000
- Amount (Rs)	20,00,00,000	-	-	20,00,00,000

**2.2 Details of shareholders holding more than 5% shares in the Company**

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
<b>Equity shares of Rs. 10 each fully paid</b>				
Savitri D. Pawani	50,20,000	36.85	47,73,087	35.04
Kishor P. Mandalia	11,89,102	8.73	11,89,102	8.73
Daxaben B. Mandalia	8,90,572	6.54	8,90,572	6.54
Vipul Z. Mandalia	8,36,420	6.14	8,36,420	6.14
Zaverilal V. Mandalia	8,04,547	5.91	8,04,547	5.91
Chandresh Z. Mandalia	7,97,647	5.85	7,97,647	5.85
<b>1.5% Non-Cumulative Redeemable Participating preference shares of Rs. 10 each fully paid (Upto 31/03/2013 : 16.5% Cumulative Redeemable Participating Preference shares)</b>				
Zaverilal V. Mandalia	18,00,000	9.00	18,00,000	9.00
Bharat P. Mandalia	25,00,000	12.50	25,00,000	12.50
Kishor P. Mandalia	25,00,000	12.50	25,00,000	12.50
Chandresh Z. Mandalia	16,00,000	8.00	16,00,000	8.00
Vipul Z. Mandalia	16,00,000	8.00	16,00,000	8.00
Savitri D. Pawani	10,00,000	5.00	10,00,000	5.00
Bharti. A. Pawani	90,00,000	45.00	90,00,000	45.00

**(a) Terms/Rights attached to equity shares**

- (i) The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (ii) In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(b) Terms of Redemption, conversion & rights of preference shares**

- (i) Preference shares carry non-cumulative dividend at 1.5% p.a. (Up to 31/03/2013 : cumulative dividend @ 16.5% p.a.) The dividend proposed if any by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting. The preference shares shall, in addition have a right to participating dividend over and above the base dividend mentioned above.
- (ii) The liability for payment of Dividend upto 31/03/2015 on Cumulative Redeemable Participating Preference Shares of Rs. 20,00,00,000 is not provided in view of the accumulated loss. The amount of such accumulated dividend comes to Rs. **37,34,00,000** up to 31/03/2015.
- (iii) The Preference Shares were issued on 09/12/1999 and are redeemable at par in three equal annual installments. The installments of such redemption were due on 9th Dec, 2006, 9th Dec 2007 and 9th Dec 2008. However, the Company has received consent letters from the preference shareholder postponing their right to receive payment of the installments of redemption of preference shares amounting to Rs. 20,00,00,000 by nine years.
- (iv) At the time of redemption of the Preference Shares or in the event of winding-up of the Company, the arrears of dividend on the Preference Shares whether earned, declared or not shall also be paid to the Subscribers.
- (v) The Subscribers shall have the same voting rights in respect of the Preference Shares as are available and applicable to preference shares under the Companies Act, 2013.
- (vi) In the event of default in payment of base and / or participating dividend inspite of adequate profits and / or redemption of Preference Shares as per the terms of issue, the subscriber shall have the right to convert at its option 100% of the Preference Shares into fully paid-up Equity Shares of the Company, at par, in the manner specified in writing to be given by the Subscribers.

**3 Reserves and surplus**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Capital reserve (Profit on reissue of forfeited shares)	86,000	86,000
Securities Premium Reserve	36,41,18,400	36,41,18,400
Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per last financial statement	(30,28,75,267)	(45,55,89,700)
Add: Profit for the year	20,78,90,819	15,27,14,433
Net Surplus/(Deficit) in the statement of Profit and Loss	(9,49,84,448)	(30,28,75,267)
<b>Total</b>	<b>26,92,19,952</b>	<b>6,13,29,133</b>

**4 Long term Provisions**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Provision for employee benefits		
Provision for gratuity	1,07,473	70,597
<b>Total</b>	<b>1,07,473</b>	<b>70,597</b>

**5 Short-term borrowings**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Loans repayable on demand		
From Banks		
Secured : overdraft facilities (Note 5.1)	28,98,33,800	7,47,14,519
From related parties (Note 5.2)		
Unsecured	-	19,02,00,000
<b>Total</b>	<b>28,98,33,800</b>	<b>26,49,14,519</b>

**5.1**

The overdraft facilities from banks are secured against Fixed Deposits of the Company. They are repayable on demand and carry interest @ Interest rate on Fixed Deposits plus 1% to 3% p.a.

**5.2**

Unsecured loans from related parties carry interest @ 12% p.a.

**6 Trade payables**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Trade payables (Note 35 : due to micro and small enterprises)	1,30,91,280	30,56,708
<b>Total</b>	<b>1,30,91,280</b>	<b>30,56,708</b>

**7 Other current liabilities**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Other payables		
Service Tax Payable	6,180	-
TDS Payable	51,701	2,44,288
<b>Total</b>	<b>57,881</b>	<b>2,44,288</b>

**8 Short-term provisions**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Provision for employee benefits		
Provision for Bonus	13,680	10,258
Provision for Leave Enchashment	18,423	17,905
Others Provisions		
Provision for Income tax (Net of Advances)	1,42,92,652	-
Provision for Expenses	5,24,200	4,03,388
Open position in Derivative contracts	70,98,030	1,06,20,667
<b>Total</b>	<b>2,19,46,985</b>	<b>1,10,52,218</b>

**9 Tangible Assets**

DESCRIPTION	(Amount in Rupees)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01/04/2014	Additions	Deletions/ Adjustments	As at 31/03/2015	Up to 01/04/2014	For the Year	Deletions/ Adjustments	Up to 31/03/2015	As at 31/03/2015	As at 31/03/2014		
Plant & Equipment	84,468	-	-	84,468	13,683	6,112	-	19,795	64,673	70,785		
Furniture and Fixtures	1,27,134	-	-	1,27,134	35,988	15,586	-	51,574	75,560	91,146		
Office Equipment	61,930	15,500	-	77,430	11,943	47,703	-	59,646	17,784	49,987		
Computer	81,634	48,900	43,834	86,700	37,887	29,515	30,953	36,449	50,251	43,747		
<b>Total</b>	<b>3,55,166</b>	<b>64,400</b>	<b>43,834</b>	<b>3,75,732</b>	<b>99,501</b>	<b>98,916</b>	<b>30,953</b>	<b>1,67,464</b>	<b>2,08,268</b>	<b>2,55,665</b>		
<b>Previous Year</b>	<b>3,55,166</b>	-	-	<b>3,55,166</b>	<b>71,269</b>	<b>28,232</b>	-	<b>99,501</b>	<b>2,55,665</b>			

**9.1**

During the year, pursuant to the notification of schedule II to the Companies Act, 2013 with effect from 01-04-2014, the Company revised the estimated useful life of some of its assets to align with the useful life with those specified in schedule II.

Pursuant to the transition provisions prescribed in schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on 01-04-2014 and has adjusted in the statement of profit and loss.

**10 Non-current investment**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Non-Traded Investments (unquoted & valued at Cost) (Long-term) Investment in equity instruments - 207101 (31/03/2014 : 207101) Equity Shares of Rs. 10 each fully paid up in Grover Zampa Vineyards Ltd	1,64,28,892	1,64,28,892
Investment in preference shares - 97619 (31/03/2014 : 97619) Preference Shares of Rs. 10 each fully paid up in Grover Zampa Vineyards Ltd	58,58,019	58,58,019
Investment in Zero Coupon Fully Convertible Debenture - 12727 (31/03/2014 : 12727) Debentures of Rs. 100 each fully paid up in Grover Zampa Vineyards Ltd	12,72,745	12,72,745
<b>Total</b>	<b>2,35,59,656</b>	<b>2,35,59,656</b>

**11 Long-term loans and advances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Security deposits Unsecured, considered good	4,33,411	4,33,411
Other loan and advances TDS receivable	2,27,75,470	2,27,75,470
<b>Total</b>	<b>2,32,08,881</b>	<b>2,32,08,881</b>

**12 Inventories**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Stock-in-trade (valued at Cost or net realisable value whichever is lower) - Shares & securities	5,87,94,771	1,13,63,744
- Gold Jewellery	73,19,816	14,56,42,006
- Bullion	19,86,37,500	1,800
<b>Total</b>	<b>26,47,52,087</b>	<b>15,70,07,550</b>

**13 Trade receivables**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment. Unsecured, considered good	-	-
Other receivables Unsecured, considered good	12,01,08,428	3,81,24,683
<b>Total</b>	<b>12,01,08,428</b>	<b>3,81,24,683</b>





**14 Cash and bank balances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Cash and Cash Equivalents		
Balance with Banks		16,05,768
in current accounts	25,51,800	
Cash on hand	2,75,914	83,514
Other Banks Balances		
Fixed Deposits	6,00,00,000	-
Margin money deposits (Note 14.1)	33,01,79,347	21,67,78,354
<b>Total</b>	<b>39,30,07,061</b>	<b>21,84,67,636</b>

**14.1**

With carrying amount of Rs. 33,01,79,347 (31/03/2014 Rs. 13,99,00,000) are given as margin money against overdraft facilities.

With carrying amount of Rs. Nil (31/03/2014 Rs. 7,18,23,354) are given as margin money to various exchanges.

With carrying amount of Rs. Nil (31/03/2014 Rs. 50,55,000) is given towards guarantee facilities availed by the company.

**15 Short-term loans and advances**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Loans and advances to related parties (Note No.:- 29)		
Unsecured, considered good		1,00,00,000
Loans	-	
Advances	1,78,76,125	-
Balances with statutory authorities		
Unsecured, considered good		
VAT Receivable	1,01,74,083	-
Custom Duty Receivable	14,58,538	3,08,08,954
Others		
Margin money with exchanges	6,17,07,591	16,08,75,296
Others	62,400	-
Prepaid expenses	26,116	3,030
<b>Total</b>	<b>9,13,04,853</b>	<b>20,16,87,280</b>

**16 Other current assets**

Particulars	As at 31 March, 2015	As at 31 March, 2014
	Rupees	Rupees
Interest accrued on fixed Deposits	1,35,27,285	76,19,709
Interest accrued on loans and advances	8,27,122	69,82,673
<b>Total</b>	<b>1,43,54,407</b>	<b>1,46,02,382</b>

**17 Revenue from operations**

	Particulars	For the year ended	For the year ended
		31 March, 2015	31 March, 2014
		Rupees	Rupees
(a)	Sale of Traded goods (Note 17.1)	10,69,92,97,790	4,08,79,62,739
(b)	Other operating revenues (Note 17.1)	27,03,22,855	6,08,40,164
	<b>Total</b>	<b>10,96,96,20,645</b>	<b>4,14,88,02,903</b>

**17.1 Gross Revenue derived from sales of traded goods and other operating revenues under broad heads**

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rupees	Rupees
(i)	<b>Sale of Traded goods</b>		
	Shares, Securities & Units of Mutual Funds	1,07,76,34,109	18,00,93,954
	Bullion	1,74,71,24,643	99,77,51,589
	Gold Jewellery	8,01,48,46,800	4,73,42,85,814
	Interdivision	14,03,07,762	1,82,41,68,618
	<b>Total - Sale of traded goods</b>	<b>10,69,92,97,790</b>	<b>4,08,79,62,739</b>
(ii)	<b>Other operating revenues</b>		
	Interest on FDRs	-	6,40,35,650
	Profit/(Loss) on Share Speculation (Net)	(20)	-
	Freight, Insurance & Making	23,21,59,239	
	Profit/(loss) on Derivatvies Transactions (Net)	-	
	Shares & Securities	(9,55,064)	(31,59,100)
	Commodities	3,05,91,622	93,97,408
	Currency	85,27,078	(94,33,794)
	<b>Total - Other operating revenues</b>	<b>27,03,22,855</b>	<b>6,08,40,164</b>

**18 Other income**

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rupees	Rupees
	Interest Income		
	From Bank	2,62,42,997	1,52,84,301
	From Others	45,57,789	1,19,39,014
	Dividend Income	2,68,698	3,44,976
	Profit/(loss) on Cancellation of FRA/Forward contracts	64,65,000	4,71,287
	Misc Income	-	10
	Custom Duty Drawback	43,16,800	-
	<b>Total</b>	<b>4,18,51,284</b>	<b>2,80,39,588</b>

**19 Purchase of stock-in-trade**

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rupees	Rupees
	Shares, Securities & Units of Mutual Funds	1,11,93,91,525	14,88,53,940
	Bullion	9,66,95,06,251	95,25,59,786
	Gold Jewellery	14,03,07,762	4,81,21,93,908
	Interdivision	14,03,07,762	1,82,41,68,618
	<b>Total</b>	<b>10,78,88,97,776</b>	<b>4,08,94,39,016</b>

**20 Changes in inventories of stock-in-trade**

	Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
		Rupees	Rupees
	<u>Inventories at the end of the year:</u>		
	Stock-in-trade-Gold Jewellery	73,19,816	14,56,42,006
	Stock-in-trade-Shares	5,87,94,771	1,13,63,744
	Stock-in-trade-Bullion	19,86,37,500	1,800
		<b>26,47,52,087</b>	<b>15,70,07,550</b>
	<u>Inventories at the beginning of the year:</u>		
	Stock-in-trade-Gold Jewellery	14,56,42,006	-
	Stock-in-trade-Shares	1,13,63,744	2,09,07,441
	Stock-in-trade-Bullion	1,800	-
		<b>15,70,07,550</b>	<b>2,09,07,441</b>
	<b>Net (increase) / decrease</b>	<b>(10,77,44,537)</b>	<b>(13,61,00,109)</b>

**21 Employee benefits expense**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Salaries and bonus	8,08,076	7,90,808
Leave Enchashment	74,556	75,789
Provided for gratuity	36,876	7,482
Contribution towards providend fund	29,572	21,240
<b>Total</b>	<b>9,49,080</b>	<b>8,95,319</b>

**22 Finance costs**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Interest expense	-	1,79,68,604
Interest of Buyers' credit availed	1,24,80,208	57,92,497
Other interest	-	11,27,712
Bank gaurantee, LC and other charges	-	3,40,42,742
Applicable net gain/loss on Foreign Currency transactions and translations	-	-
<b>Total</b>	<b>1,24,80,208</b>	<b>5,89,31,555</b>

**23 Other expenses**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Electricity Power	61,181	98,038
Insurance	9,21,310	-
Rent	2,67,034	3,23,913
Rates and taxes	7,300	2,400
Stationary, Printing, Postage and Telephone	2,65,785	2,43,268
Legal and professional fees	11,22,730	3,11,801
Payments to auditors (Note 23.1)	3,93,260	3,93,260
Transportation expenses	64,63,476	23,59,665
Shares, Securities and Derivatives transaction charges	27,98,861	21,08,186
Donation	-	51,000
Directors' sitting fees	28,000	24,000
Foreign Exchange Rate Difference - (net)	35,00,838	33,11,644
Loss on Discard of Fixed Assets	12,881	-
Prior period expenses	-	4,999
Labour Charges	4,64,66,344	-
Licence Fees & Service charges of SEZ unit	2,43,895	2,09,689
General Charges (Note 23.2)	39,90,546	14,92,182
<b>Total</b>	<b>6,65,43,441</b>	<b>1,09,34,045</b>

**23.1 Payments to the auditors**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
As auditors :-	2,24,720	2,24,720
Audit fees	56,180	56,180
Tax audit fees	56,180	56,180
VAT audit fees	56,180	56,180
In other capacity- taxation	56,180	56,180
	<b>3,93,260</b>	<b>3,93,260</b>

**23.2**

General Charges includes Travelling expenses, loading and unloading expenses, custodian charges, advertisements, membership fees, listing fees etc.

**24 Value of import on CIF basis**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Purchase of Trade Goods	-	2,57,57,27,039
<b>Total</b>	<b>-</b>	<b>2,57,57,27,039</b>

**25 Expenditure in Foreign Currency on account of**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
Interest on Buyers' Credit	-	1,79,68,604
<b>Total</b>	<b>-</b>	<b>1,79,68,604</b>

**26 Earning in Foreign Currency on account of**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
FOB value of Exports	7,95,94,50,036	NIL
<b>Total</b>	<b>7,95,94,50,036</b>	<b>NIL</b>

**27 Dividend remittance in Foreign Currency during the period**

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
	Rupees	Rupees
1. No. of foreign share holders	21	19
2. No. of shares held	22,654	20,266
3. Amount Remitted	NIL	NIL

**28 Disclosure in respect of retirement benefits as per Accounting Standard 15 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.**

**Defined Benefit Plan :**

Expenses recognized during the year ended 31st March, 2015.

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
Current service cost	36,876	7,482
Interest cost	-	-
Actuarial losses/(gains)	-	-
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>36,876</b>	<b>7,482</b>

Net Assets(liability) recognized in the Balance Sheet as at 31st March, 2015

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
Present value of defined benefit obligation	1,07,473	70,597
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(1,07,473)</b>	<b>(70,597)</b>

Reconciliation of Net Assets(liability) recognized in the Balance Sheet during the year ended 31st March, 2015

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
Net liability at the beginning of the year	70,597	63,115
Expenses as above	36,876	7,482
Benefit paid	NIL	NIL
Transfer of liabilities	NIL	NIL
<b>Net liability at the end of the year</b>	<b>1,07,473</b>	<b>70,597</b>

Actuarial assumptions

Particulars	Year ended 31 March, 2015	Year ended 31 March, 2014
	Gratuity	Gratuity
Rate of interest	7.96%	9.31%
Salary growth	6.00%	6.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years

29 Disclosure as required under Accounting Standard 18 in relation to "Related Party Transaction" prescribed under Section-133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

29.1

**Details of related parties**

Description of relationship	Names of related parties
Enterprises in which KMP / Relatives of KMP are interested as Director / Member / Partner	Zaveri & Co. Pvt. Ltd. Zaveri Enterprise Pvt. Ltd. Zaveri & Co Exports. Zaveri Finstock Pvt. Ltd. Zaveri & Co Jewellers Pvt. Ltd. Zaveri Realty Pvt. Ltd. Zaveri Energy Pvt. Ltd. Zaveri International Pvt. Ltd. Amazo Arcade Pvt. Ltd. Atit Infrastructure Pvt. Ltd. Sarabai Enterprises Pvt. Ltd. Chokshi Estate Pvt. Ltd. Vrundavan Garden Pvt. Ltd. Panchratna Infrastructure Pvt. Ltd. Priyal Projects Pvt. Ltd. Priyal Textiles Pvt Ltd. (upto 23-07-2014) Priyal International Pvt Ltd (w.e.f. 24-07-2014) Swadeshi Distributors Pvt Ltd Saumya Developers Keshavaji Developers Achal Raj Priyal Realty Soni Pranjivandas Virjibhai Amazo Projects LLP Zaveri Infracon LLP Atit Properties LLP Atit Realty LLP Jagdambey Hydro Projects LLP Zaveri & Co (Gujarat) LLP Amazo Arcade LLP Delectable Foods LLP Khandwala & Zaveri Developers LLP Amazo Wind Farm LLP Amazo Power LLP S K Z Developers LLP
Key Management Personnel	Shri Kishor Mandalia, Managing Director & CEO Shri Zaverilal Mandalia Shri Vipul Mandalia

**Transactions during the year with related parties**

Sr. No.	Nature of Transactions	Key Management Personnel	Entities in which Key Management Personnel & their relatives interested	Total
1	Purchase of goods	NIL (NIL)	6486316247 (159383495)	6486316247 (159383495)
2	Sale of goods	NIL (NIL)	NIL (567555)	NIL (567555)
3	Loans & Advances taken from	2720500000 (NIL)	NIL (1498700000)	2720500000 (1498700000)
4	Loans & Advances repaid to	2720500000 (NIL)	190200000 (1308500000)	2910700000 (1308500000)
5	Loan & Advances given	NIL (NIL)	NIL (20000000)	NIL (20000000)
6	Loans & Advances received back	NIL (NIL)	10000000 (10000000)	10000000 (10000000)
7	Brokerage Paid	NIL (NIL)	406079 (1400665)	406079 (1400665)
8	Rent Paid	NIL (NIL)	118800 (118800)	118800 (118800)
9	Interest Paid	NIL (NIL)	211726 (1498192)	211726 (1498192)
10	Interest Received	NIL (NIL)	419462 (618082)	419462 (618082)
11	Sitting Fees	14000 (12000)	NIL (NIL)	14000 (12000)
12	Labour Expense	NIL (NIL)	2392287 (NIL)	2392287 (NIL)
13	Reimbursement Given to	8589 (NIL)	NIL (NIL)	8589 (NIL)
14	Reimbursement Received from	NIL (NIL)	NIL (6270)	NIL (6270)
15	Advance for Purchase of goods	NIL (NIL)	17876125 (NIL)	17876125 (NIL)
16	<u>Balances outstanding at the end of the year</u>			
	Loans & Advances payable	NIL (NIL)	NIL (190200000)	NIL (190200000)
	Loans & Advances receivable	NIL (NIL)	NIL (10000000)	NIL (10000000)
	Advance for Purchase of goods	NIL (NIL)	17876125 (NIL)	17876125 (NIL)

Note: Figures in bracket relates to the previous year

**30 Segment Information for the year ended 31st March 2015 as per Accounting Standard-17 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.**

The company is engaged in the trading in Bullion, Gold jewellery, Shares & Securities and Units of Mutual Funds and Diamonds, which is considered as one segment.

On the basis of source and nature of risk and returns of the enterprise, the company has identified the geographical segments as secondary business segments. The disclosure of segment information is as below :

Particulars	Within India	Outside India	Total
	Rupees	Rupees	Rupees
(A) Segment Revenue :			
External Sales	9,82,37,10,805	87,55,86,985	10,69,92,97,790
Intersegment Sales	NIL	NIL	NIL
Other operating Revenues (Loss)	24,37,69,014	2,65,53,841	27,03,22,855
(B) Segment Results :			
Segment Profit/(loss)	22,44,20,574	2,58,26,471	25,02,47,045
(C) Segment Assets	79,09,60,510	13,95,43,131	93,05,03,641
(D) Segment Liabilities	32,38,98,232	11,39,187	32,50,37,419

**31 Disclosure in respect of earnings per share as per Accounting Standard-20 prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.**

Particulars	For the year ended	For the year ended
	31 March, 2015	31 March, 2014
	Rupees	Rupees
<b>Earnings per share</b>		
Net profit / (loss) attributable to the equity shareholders	20,78,90,819	15,27,14,443
Weighted average number of equity shares	1,36,23,552	1,36,23,552
Face value per Equity share	10	10
Basic & Diluted Earnings Per Share	15.26	11.21

**32**

The figures are rounded off to nearest rupee.

**33**

As per the requirements of Accounting Standard 22, there is no deferred tax liability for the company. On account of unabsorbed depreciation and carry forward of losses under tax laws, deferred tax assets are not recognized in view of uncertainty that such deferred tax assets can be realized against future taxable profits.

**34**

The Company has not received any intimation from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure if any, relating to amount unpaid as at the year and together with interest paid, payable as required under that act have not been given.

**35**

Contingent liability not provided in accounts/not acknowledged as debt by the company :

The Company's assessments under Income Tax Act, 1961, have been completed upto ITAY 2012-13. In respect of additions to Total Income made vide the respective assessment orders, the company is in appeal before the appellate authorities. However due to the set off of brought forward losses and unabsorbed depreciation as per the provisions of Income Tax Act, 1961, there is no tax payable in any of the assessment years. As and when the appeals will be decided the brought forward losses and unabsorbed depreciation, so set off will be restored depending upon appellate orders.



**36**

Details of future contracts outstanding (open interest)

Name of script	Position	Number of contracts	
		As at 31-03-2015	As at 31-03-2014
F BANKBARODA 30/04/2015	Long	15000	-
F BHARTIARTL 30/04/2015	Long	1500	-
F CAIRN 30/04/2015	Long	20000	-
F CROMPGREAV 30/04/2015	Long	10000	-
F IDEA 30/04/2015	Long	20000	-
F INDIACEM 30/04/2015	Long	24000	-
F JPASSOCIAT 30/04/2015	Long	64000	-
F ONGC 30/04/2015	Long	15000	-
F PFC 30/04/2015	Long	5000	-
F RCOM 30/04/2015	Long	40000	-
F RELIANCE 30/04/2015	Long	7500	-
F SSLT 30/04/2015	Long	75000	-
F TATAGLOBAL 30/04/2015	Long	20000	-
F TATASTEEL 30/04/2015	Long	25000	-
F UCObANK 30/04/2015	Long	24000	-
F UNITECH 30/04/2015	Long	99000	-
F NIFTY 30/04/2015	Long	50000	-
F GOLD 03/04/2015	Short	75	-
F GOLD 05/04/2014	Long	-	151
F GOLD Mini 04/04/2014	Long	-	5040
F SILVER 05/07/2014	Long	-	300
F USD INR 28/04/2014	Short	-	8079
F INDUSIND BANK 24/04/2014	Long	-	39000


**37**

Previous year figures have been regrouped and rearranged to make them comparable with the current year figures.

**38**

Details of Inter Corporate Loans given :

Name of Entity	Loan given during the year	Loan received back during the year	Maximum balance outstanding during the year
	Rupees	Rupees	Rupees
Parker Multi Commodities (India) Pvt. Ltd	86,95,00,000	86,95,00,000	24,20,00,000
Priyal International Pvt Ltd	2,58,35,000	2,58,35,000	2,58,35,000

 AuSom Enterprise Limited

CIN: L67190GJ1984PLC006746

Regd. Office: 11-B, New Ahmedabad Industrial Estate, Village - Moraiya, Sarkhej Bavla Road, Moraiya - 382 213. Dist. Ahmedabad

Corporate Office: 606, Swagat Building, Nr. Lal Bunglow, C.G. Road, Ahmedabad 380 006.

Phone: (079) 2642 1422-1499 Fax: (079) 2656 9898 E-mail: ausom.ael@gmail.com Website: www. ausom.in

**ATTENDANCE SLIP**

(To be presented at the entrance)


**31ST ANNUAL GENERAL MEETING ON TUESDAY, THE 29TH SEPTEMBER, 2015 AT 10.30 A.M.**

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member: \_\_\_\_\_ Signature: \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_ Signature: \_\_\_\_\_

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

 AuSom Enterprise Limited

CIN: L67190GJ1984PLC006746

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Corporate Office: 606, Swagat Building, Nr. Lal Bunglow, C.G. Road, Ahmedabad 380 006.

Phone: (079) 2642 1422-1499 Fax: (079) 2656 9898 E-mail: ausom.ael@gmail.com Website: www. ausom.in

**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]

**CIN: L67190GJ1984PLC006746**

**Name of the Company: AUSOM ENTERPRISE LIMITED**

**Registered Office: 11-B, New Ahmedabad Industrial Estate, Village - Moraiya, Sarkhej Bavla Road, Moraiya - 382 213.**

**Dist. Ahmedabad**

Name of the member (s):	
Registered address:	
E-mail ID:	
Folio No/ Client Id No.:	
DP ID:	

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

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

Or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

Or failing him

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_  
Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on the 29th September, 2015 at 10.30 a.m. at 11-B, New Ahmedabad Industrial Estate, Village - Moraiya, Sarkhej Bavla Road, Moraiya - 382 213. Dist. Ahmedabad and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

Item No.	Description	For	Against
1.	To adopt Financial Statement of the Company for the financial year ended 31 <sup>st</sup> March, 2015 including Statement of Profit & Loss together with the report of the Directors and Auditors thereon (Ordinary Resolution)		
2.	Mr. Zaverilal V. Mandalia retires by rotation and being eligible for re-appointment (Ordinary Resolution)		
3.	Ratification of Appointment of auditors M/s. C.R. Sharedalal & Co. (Ordinary Resolution)		
4.	Re-appointment Mr. Kishor P. Mandalia as Managing Director for the period of Five (5) years. (Ordinary Resolution)		
5.	Approval for Related Parties Transactions under Section 188 of the Companies Act, 2013 (Ordinary Resolution)		

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

Signature of shareholder: \_\_\_\_\_ Signature of Proxy holder(s): \_\_\_\_\_

Affix  
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.



# AuSom Enterprise Limited

REGISTERED OFFICE :

11-B, NEW AHMEDABAD INDUSTRIAL ESTATE,  
SARKHEJ-BAVLA ROAD, VILLAGE- MORAIYA-382 213.  
DIST.:- AHMEDABAD. GUJARAT.