



**GOLKUNDA
DIAMONDS & JEWELLERY LIMITED**



25th

**ANNUAL REPORT
2014 - 2015**



GOLKUNDA DIAMONDS & JEWELLERY LIMITED

REGISTERED OFFICE

G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai - 400 096

BOARD OF DIRECTORS

Mr. Kanti Kumar Dadha (Chairman & Managing Director)
Mr. Karan Singh Baid (Whole Time Director)
Mr. Arvind Dadha (Whole Time Director)
Mr. B. K. Ashok (Independent Director)
Mr. Gautam Dadha (Independent Director)
Mr. Mangilal Maloo (Independent Director)
Mrs. Roli Gupta # (Independent Director)
Appointed w.e.f. 02.03.2015

Mr. Ashish Dadha ## (CFO)
Appointed w.e.f. 13.11.2014
Ms. Pooja Sanghavi ### (Company Secretary)
Appointed w.e.f. 02.05.2015

PRINCIPLE BANKERS

State Bank of India
Bank of India
Axis Bank
Punjab National Bank

AUDITORS

M/s. Motilal & Associates
Chartered Accountants, Mumbai

WORKS

G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai - 400 096

REGISTRAR

Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai – 400 072.
Tel.: 2851 5606 / 2851 5644
Email : investor@sharexindia.com

DEMATERIALIZATION OF SECURITIES

ISIN-INE798D01015

CORPORATE IDENTITY NUMBER:

CIN: L36912MH1990PLC058729

WEBSITE

www.golkunda.com



NOTICE

NOTICE is hereby given that the **25th Annual General Meeting** of the members of **Golkunda Diamonds & Jewellery Limited**, will be held at Suncity Residency Hotel, Eden- Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (East), Mumbai - 400 093 on Monday i.e. **28th September, 2015** at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date together with report of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31st March 2015.
3. To appoint a Director in place of Mr. Arvind K. Dadha (Holding DIN: 00317631) who retires by rotation and being eligible offers himself for re-appointment.
4. To consider ratification of appointment of M/s. Motilal & Associates, Chartered Accountants, Mumbai, (Registration no.: 106584W), as the Statutory Auditors of the Company and to fix their remuneration.

REGISTERED OFFICE:

G-30, Gems & Jewellery Complex III,
SEEPZ, Andheri (East),
Mumbai-400 096

By and on behalf of
THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Date: 14.08.2015

KANTI KUMAR DADHA
(Chairman & Managing Director)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form duly completed should be deposited at the registered office of the Company not less than forty- eight hours (48 hours) before the scheduled time of the Annual General Meeting. Blank Proxy Form is enclosed.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution /authority, as applicable.
2. A statement giving details of Director seeking re-appointment under item no. 3 of the accompanying notice as required by Clause 49 of the Listing Agreement, entered into with the Stock Exchanges is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will be closed from 22.09.2015 to 28.09. 2015 (Both days inclusive) for the purpose of determining eligibility of members entitled to dividend.
4. Dividend as may be declared shall be payable to members of the company whose names appear:
 - (a) As beneficial owners as at the close of the business hours on September 21, 2015 as per the details to be furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited in respect of shares held in electronic form; and
 - (b) As members in the register of members of the company after giving effect to valid share transfers in physical form lodged with the company on or before September 21, 2015. Transfer documents received after September 21, 2015 will not be considered for the aforesaid purposes.
5. All the members who have either not received or have not yet encashed their dividend warrant(s) for the financial year March 31, 2011 and March 31, 2013 till date are requested to write to the Company's Registrar and Share Transfer Agent at the address mentioned below for obtaining duplicate dividend warrant without further delay.
6. Members holding shares in the electronic form are advised that their bank details, as furnished to the company by the respective depositories, viz., NSDL & CDSL, will be printed on the dividend warrants. Members holding shares in electronic



form are further advised to communicate to their respective depository participants, changes, if any, in their address/bank account. Members desiring to receive dividend through electronic clearing system may submit the requisition accordingly.

7. Members desirous of getting any information about accounts of the Company are requested to send their queries at the Registered Office of the Company at least 10 days prior to the date of meeting so that the requisite information can be readily made available at the meeting.
8. Members / proxies are requested to bring the copies of annual report and attendance slip duly filled while attending the meeting.
9. The Securities and Exchange Board of India has notified that the shareholders/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders / transferee of shares (including joint holders) are requested to furnish a self attested copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
10. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. 21.08.2015 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your exiting password for casting your vote.

11. E-Voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rules) Rules, 2014 the Members are provided with the facility to cast their vote electronically, through the remote e-voting services (e-voting from a place other than the venue of AGM) provided by CDSL, on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25.09.2015 at 9.00 A.M. and ends on 27.09.2015 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 21.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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



- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Golkunda Diamonds and Jewellery Limited on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) Ms. Hetal Shah, Practicing Company Secretary (Membership No. FCS 8063), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on 21.09.2015.
- (xxiii) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to vote again.
- (xxiv) The facility for voting through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the general meeting.
- (xxv) The Scrutinizer after scrutinizing the votes cast at the AGM and through remote e-voting will not later than three days of the conclusion of AGM, make a consolidated Scrutinizer’s Report and submit the same to the Chairman.
- (xxvi) The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.golkunda.com and on the website of CDSL www.cdslindia.com



ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Mr. Arvind Dadha
Date of Birth	31.12.1976
Nationality	Indian
Date of Appointment on the Board	01.10.1999
Qualification	B.com
Expertise	Jewellery Manufacturing & Marketing
Number of shares held in the Company	3,44,435 Equity Shares
List of Directorships held in other companies	NIL
Chairman/ Member of the Committee of the Board of Companies in which he is Director (other than Golkunda)	NIL



DIRECTORS' REPORT

To,
The Member/s,

GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Your Directors have pleasure in submitting their 25th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS / STATE OF COMPANY'S AFFAIRS:

The summarized standalone results of your Company are given in the table below:

(Amount in Rs. '000)

PARTICULARS	31/03/2015	*31/03/2014
Net Sales / Income from Business Operations	934,905,271	1,198,072,042
Other Income	-	50,000
Total Income	934,905,271	1,198,122,042
Profit/(loss) before Depreciation & Tax	35,090,826	80,902,496
Less: Depreciation	3,215,954	2,197,140
Less: Provision for Income Tax (including for earlier years)	12,027,657	28,332,253
Less: Provision for Deferred Tax	(270,274)	(126,964)
Net Profit/(Loss) After Tax	20,117,489	50,500,067
Add: Profit/(Loss) brought forward from previous year	125,706,405	81,780,151
Less: Dividend Distribution	3,482,040	3,482,040
Less: Amount Transferred to General Reserve	2,500,000	2,500,000
Profit/(Loss) carried to Balance Sheet	139,132,991	125,706,405
Earning per share (Basic & Diluted)	2.89	7.25

*Previous year's Figures have been regrouped / rearranged wherever necessary

DIVIDEND:

Your Directors are pleased to recommend a final dividend of Rs. 0.50/- i.e. @ 5% per Equity Share for the current financial year. The dividend if approved and declared in the forthcoming Annual General meeting would result a Dividend outflow of Rs. 3,482,040/- and dividend Distribution Tax of Rs. 708,861/- aggregating a total outflow of Rs. 4,190,901/-.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds as contemplated under Section 125 of the Companies Act, 2013 lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with interest of the company at large. The particulars of such contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 are attached herewith in Annexure I in Form No. AOC -2.

All Related Party transactions were placed before the Audit Committee and the Board for Approval.

The Policy of Related party transactions/Disclosures are approved by the Board is posted on the Company's website viz www.golkunda.com.



SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of Business during the year under review.

DEPOSITS:

Your Company has neither accepted / renewed any deposits from public during the year nor has any outstanding deposits in terms of Section 77 of the Companies Act, 2013. Further there were no Deposits which are not in compliance of the requirements of Chapter V of the Act.

SHARE CAPITAL:

As on 31st March, 2015, the issued, subscribed and paid up share capital of your Company stood at Rs. 69,640,800.- (Rupees Six Crores Ninety Six Lacs Forty Thousand Eight Hundred Only), comprising 6,964,080 (Sixty Nine Lacs Sixty Four Thousand Eighty) Equity shares of Rs.10/- each.

The Company has neither issued shares with differential voting rights nor granted any stock options or sweat equity or Bonus Shares. Further, the Company has not bought back any of its securities during the year under review.

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year under review, the Company had 8 (Eight) Board meetings on 26.05.2014, 10.06.2014, 14.08.2014, 27.09.2014, 13.11.2014, 13.02.2015, 24.02.2015 and 02.03.2015.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to provisions of Companies Act, 2013 and in terms of SEBI Circular dated April 17, 2014 requiring all Listed Companies to mandatorily have a 'Woman Director' on the Board, the Company inducted Ms. Roli Gupta (DIN: 07109930), as an Non Executive Independent Director with effect from March 02, 2015. Appointment of Ms. Roli Gupta was approved by the members of the Company vide Extraordinary General Meeting held on 24.04.2015.

Mr. Arvind Dadha retire at this Annual General Meeting and being eligible offer themselves for re election.

Appointment of Mr. Kanti Kumar Dadha and Mr. Ashish Dadha has been recognized as Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013 in the position of Managing Director and Chief Financial Officer (CFO) respectively.

Ms. Priya Khandelwal has resigned as Company Secretary of the Company w.e.f. 02.06.2014 during the year under review.

The Company has appointed Ms. Pooja Sanghavi as Company Secretary and Compliance Officer of the Company w.e.f. 02.05.2015.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit 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) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year; and
- (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.

BOARD EVALUATION:

Pursuant to provisions of Companies Act, 2013, Schedule IV and Clause 49 of the Listing Agreement, the Board has carried out an



Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also the evaluation of Individual Directors.

While the individual directors' performance was reviewed by the Chairman and the rest of the Board excluding the Director being evaluated, the Chairman's and Non-independent Directors performance was appraised through feedback from Independent Directors.

AUDIT COMMITTEE:

The Audit Committee consists of the following members:

Sr. No.	Name	Category	Position
1	Mr. Mangilal Maloo	Independent Director	Chairman
2	Mr. Gautam Chand Dadha	Independent Director	Member
3	Mr. B. K. Ashok	Independent Director	Member

During the year under review, the Board has accepted all the recommendation of the Audit Committee.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

In Compliance with the provisions of section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has adopted a Whistle Blower Policy as a vigil mechanism for directors and employees of the Company.

The Whistle Blower Policy is disclosed on the Company's website www.golkunda.com.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to requirements of Clause 49 of the Listing Agreement, the Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarise with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.golkunda.com.

RISK MANAGEMENT:

The Company has constituted Risk Management Committee and it comprises of Mr. Kanti Kumar Dadha as Chairman of the Committee and Mr. Arvind Dadha and Mr. Karan Singh Baid as Members of the Committee.

The Company has formulated Risk Management Policy which provides an overview of the principles of risk management, explains approach adopted by the Company for risk management, develops a "risk" culture that encourages all employees to identify risks and associated opportunities and to respond to them.

The Risk Management Committee (RMC) maintains comprehensive oversight on all risks and its management and provides guidance on risk Management activities, reviews results of risk assessment and mitigation plan development process, review and monitor working of risk management process and report to the Board of Directors on the status of risk management initiatives and their effectiveness.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, the Company has formulated and posted CSR Policy on website of the Company viz; www.golkunda.com.

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, undertaken by the Company during the year is attached as an 'Annexure II' to this Report.

NOMINATION & REMUNERATION COMMITTEE:

In compliance with the provisions of Companies Act, 2013, your Company re-aligned its existing 'Remuneration Committee' as 'Nomination & Remuneration Committee' with an enhanced scope and functions as stipulated under new law. The Nomination & Remuneration Committee comprises of Mr. Mangilal Maloo as Chairman and Mr. Gautam Chand Dadha and Mr. B. K. Ashok as members of the Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company re-aligned its existing 'Shareholders Grievance & Share Transfer Committee' as 'Stakeholders Relationship



Committee' with enhanced scope and functioning. The Stakeholders Relationship Committee comprises of Mr. Mangilal Maloo as Chairman and Mr. Gautam Chand Dadha and Mr. B. K. Ashok as members of the Committee.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Nilesh Shah & Associates, Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the year ended March 31, 2015.

The Secretarial Audit Report is annexed herewith as an 'Annexure III'.

"EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

There are no adverse qualification, reservations or remarks in the statutory auditors report.

Other observations made by statutory auditors in their report read together with information and explanation given in financial statements along with notes to accounts are self explanatory and do not call for further explanation.

As regards to observation of Secretarial Auditor regarding non-appointment of company secretary in the capacity of Key Managerial Personnel, the Board state that after resignation of previous company secretary, the Company has taken steps to find the suitable candidate and has appointment Ms. Pooja Sanghavi as Company Secretary w.e.f. 02.05.2015."

NOMINATION AND REMUNERATION POLICY:

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Board has, on recommendation of Nomination & Remuneration Committee, formulated a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

Nomination and Remuneration Policy has been annexed to the Corporate Governance Report.

STATUTORY AUDITORS:

M/s. Motilal & Associates, Chartered Accountants, were appointed as the Statutory Auditors for a period of 5 years in the Annual General Meeting held on 27.09.2014. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if their appointment is ratified, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

DETAILS OF FRAUD REPORTED BY AUDITORS:

There were no frauds which are reported to have been committed by employees or officers of the Company. The statutory auditors of the Company have vide their report of even date confirmed that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

EXTRACTS OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in 'Annexure IV' and is attached to this Report.

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

(A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Conservation of energy:

The Company is engaged in manufacturing of gems and jewellery and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as Installation of capacitors to save power, Installed Thin Film Transistor (TFT) monitors that saves power, LED Lights, Creating environmental awareness by way of distributing the information in electronic form, Minimising air-conditioning usage, Shutting off all the lights when not in use.

Technology absorption:

The Company follows the hybrid model to improve, optimize, cost efficiency, agility and manage costs through usage of infrastructure as per business cycles and needs. The activities and business of the Company are such that it does not involve use of ultra modern technologies.



(B) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earning: Rs. 927,593,205/-

Foreign Exchange Outgo: Rs. 216,251,335/-

EMPLOYEES:

Information on particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is reported to be nil as there are no employees who are in receipt of remuneration above the prescribed limit.

The ratio of remuneration of each director to the median employee's remuneration and other details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as 'Annexure V'.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

There were no instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE:

A separate section covering the Management Discussion and Analysis and Corporate Governance as per the requirements of Clause 49 of the Listing Agreement is attached herewith and forms a part of this report.

CEO / CFO CERTIFICATION:

In accordance with the provisions of the Listing Agreement pertaining to Corporate Governance norms, Mr. Kanti Kumar Dadha, Managing Director and Mr. Ashish Dadha, Chief Financial Officer, has certified, inter-alia, on review of financial statements and establishing and maintaining internal controls for the financial year ended 31.03.2015.

ACKNOWLEDGMENTS:

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 deeply appreciate the committed efforts put in by employees at all levels, whose continued commitment and dedication contributed greatly to achieving the goals set by your Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED**

**KANTI KUMAR DADHA
Chairman & Managing Director**

Date: 14.08.2015

Place: Mumbai



**Annexure I
Form 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 transactions under third proviso thereto

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

There were no contracts or arrangements or transactions entered in during the year ended March 31, 2015, which were not at arm's length basis.

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

a)	Name(s) of the related party and nature of relationship	Mrs. Kusum Dadha	Mr. Ashish Dadha
b)	Nature of contracts / arrangements / transactions	Rent	Salary
c)	Duration of the contracts / arrangements / transactions	On going	On going
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of rent in respect of property used by the Company's Officers	Payment of remuneration for acting as a Chief Financial Officer of the Company
e)	Date(s) of approval by the Board	N.A.	13.11.2014
f)	Amount paid as advances, if any:	NIL	NIL

**Annexure - II
Corporate Social Responsibility (CSR)**

[Pursuant to clause (o) of sub - section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web -link to the CSR policy and projects or programs.	As a socially responsible corporate citizen, your Company is committed to the core values of collective progress and welfare. The Company aims to undertake initiatives that create sustainable growth and empowers under privileged sections of society. The areas of focus of CSR for health, Education, Sustainable livelihood, etc. The CSR Policy adopted by the can be accessed www.golkunda.com .
2	The Composition of the CSR Committee.	1. Mr. Mangilal Maloo (Independent Director - Chairman) 2. Mr. Kanti Kumar Dadha (Executive Director) 3. Mr. Karan Singh Baid (Executive Director)
3	Average net profit of the company for last three financial year	Rs. 4,01,21,202/-
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	Rs. 8,02,424/-
5	Details of CSR spent during the financial year.	
	(a) Total amount to be spent for the financial year	Rs. 8,02,424/-
	(b) Amount unspent, if any	Nil
	(c) Manner in which the amount spent during the financial year	As detailed below.



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or Programs wise	Amount spent on the projects or programs Sub - heads: (1) Direct expenditure on projects or programs (2)Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency (give details of impementing agency)
1	Donation to a Trust engaged in the healthcare activities	Healthcare	Valsad, Gujarat	Rs. 8,05,000/-	Rs. 8,05,000/-	Rs. 8,05,000/-	The Company has made donation to Shrimad Rajchandra Sarvamangal Trust

6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	Not Applicable
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 Chairman on behalf of the CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

(Chief Executive Officer or Managing Director or Director) Kantikumar Dadha	(Chairman of CSR Committee) Mangilal Maloo
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Annexure III
Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

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

To
The Members,
Golkunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery, Complex III,
SEEPZ, Andheri (East),
Mumbai - 400 096

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Golkunda Diamonds & Jewellery 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, Minutes Books, Forms and Returns filed with regulatory authorities 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 financial year ended 31st 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 further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under; (including the statutory Books maintained by Company in terms of Provisions of Companies Act, 1956 and in force, during our Audit Period).
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
- (vi) We have been given to understand that considering activities of the Company, there is no specific regulator / law subject to whose approval company can carry on / continue business operation and hence no comment is invited in respect of the same. The Company is situated under SEEPZ jurisdiction and subjected to the Compliance of SEEPZ Rules and Regulations. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labour Laws, Environmental Law, Regulation prescribed by SEEPZ Authorities etc. (in addition to the above mentioned Laws (i to v) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the of the same.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Stock Exchange(s) and we herewith report that the Company has substantially complied with the provisions of the Listing Agreement.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:



- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made there under in respect of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (to the extent applicable);
- (e) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 1956.

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and except non appointment of Company Secretary (i.e. part of Key Managerial Personnel) w.e.f. 02.06.2014. We have no observation or instances of material non Compliance. As regards to Appointment of Company Secretary we have been informed that the Company is in search of right candidate and will be appointed at early date.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain suggestions and recommendations for good corporate practices including timely intimation to Regulatory authorities of several statutory disclosure /information, for its necessary consideration and implementation by the Company.

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 year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was 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 reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we 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 year under report, the Company has not undertaken any event / action having a major bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

Date: 14.08.2015
Place:- Mumbai

Signature:-
Name:- Nilesh Shah
For:- Nilesh Shah & Associates
FCS : 4554
C.P. : 2631



'ANNEXURE A'

To
The Members,
Golkunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery, Complex III,
SEEPZ, Andheri (East),
Mumbai-400 096

Dear Sir / Madam,

Sub : 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 (by verifying records as was made available to us) 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 and we rely on Auditors Independent Assessment on the same.
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 process followed by Company to ensure adequate Compliance.
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.

Date: 14.08.2015
Place:- Mumbai

Signature:-
Name:- Nilesh Shah
For:- Nilesh Shah & Associates
FCS : 4554
C.P. : 2631



Annexure- IV
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 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:

1.	CIN	L36912MH1990PLC058729
2.	Registration Date	30.10.1990
3.	Name of the Company	Golkunda Diamonds and Jewellery Limited
4.	Category / Sub-Category of the Company	Public Company/Limited by shares
5.	Address of the Registered office and contact details	G-30, Gems & Jewellery, Complex III, Seepz, Andheri (East), Mumbai – 400096 Phone:022- 28290155/28290156 FAX No. 28290373 Email ID: admin@golkunda.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Sharex Dynamic (India) Private Limited Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai -400 072 Phone: 022- 2851 5606/ 2851 5644 Email ID: sharexindia@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Gold Jewellery studded with Diamonds and other Stones	3691	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled]: 1

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Neverloose Properties & Investment Private Limited	U70109WB1993PTC058194	Holding	56.56	2(46)



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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	1115464	0	1115464	16.017	1115464	0	1115464	16.017	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3921111	0	3921111	56.305	3938750	0	3938750	56.558	0.253
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):	5036575	0	5036575	72.322	5054214	0	5054214	72.575	0.253
(2) Foreign	NIL								
a) NRI's- Individuals	0	0	0	0	0	0	0	0	0
b) Other- Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):	0	0	0	0	0	0	0	0	0
Total Shareholding Promoter (A) = (A)(1) + (A)(2)	5036575	0	5036575	72.322	5054214	0	5054214	72.575	0.253
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	100	0	100	0.001	100	0	100	0.001	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0



g) Flls	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)									
Sub-total (B)(1):	100	0	100	0.001	100	0	100	0.001	0
2. Non-Institutions	0	0	0	0	0	0	0	0	0
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	93967	14700	108667	1.56	72967	14700	87667	1.259	-0.301
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	694094	1031095	1725189	24.773	673693	1018095	1691788	24.293	-0.48
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	74172	15900	90072	1.293	114065	15900	129965	1.866	0.573
c) Others (specify)									
i) Non Resident Indians	549	0	549	0.008	346	0	346	0.005	-0.003
ii) Clearing Members	2928	0	2928	0.042	0	0	0		-0.042
Sub-total (B)(2):	865710	1061695	1927405	27.676	861071	1048695	1909766	27.423	-0.253
Total Public Shareholding (B) = (B)(1)+ (B)(2)	865810	1061695	1927505	27.677	861171	1048695	1909866	27.424	-0.253
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	5902385	1061695	6964080	100.00	5915385	1048695	6964080	100.00	0



ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kantikumar Dadha	2,95,558	4.244	0	2,95,558	4.244	0	NIL
2	Karan Singh Baid	1,85,156	2.659	0	1,85,156	2.659	0	NIL
3	Arvind Dadha	3,44,435	4.946	0	3,44,435	4.946	0	NIL
4	Sushila Baid	3,000	0.043	0	3,000	0.043	0	NIL
5	Mayank Baid	38,100	0.547	0	38,100	0.547	0	NIL
6	Kusum Dadha	93,320	1.340	0	93,320	1.340	0	NIL
7	Ashish Dadha	1,55,895	2.239	0	1,55,895	2.239	0	NIL
8	Neverloose Properties & Investment Pvt. Ltd	39,21,111	56.305	0	39,38,750	56.558	0	0.253
	Total	50,36,575	72.322	0	50,54,214	72.575	0	0.253

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

Sr. No.	Particulars Neverloose Properties & Investment Pvt. Ltd.	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	39,21,111	56.305	39,21,111	56.305
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):				
	Increase				
	1) Date (DDMMYYYY)				
	a) Allotment (specify type)				
	b) transfer Date	04.04.2014	2290	3923401	56.338
		13.06.2014	1275	3924676	56.356
		05.12.2014	650	3925326	56.365
		31.12.2014	771	3926097	56.376
		23.01.2015	5027	3931124	56.449
		06.02.2015	2996	3934120	56.492
		20.03.2015	4630	3938750	56.558
	c) Others, (specify)				
	Decrease				
	1) Date (DDMMYYYY)				
	a) transfer				
	b) Others, (specify)				
3	At the end of the year	39,38,750	56.558	39,38,750	56.558



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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase			Decrease		Cumulative Shareholding during the year		At the end of the year	
	No. of shares	% of total shares of the co.		Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of shares of the co.	No. of shares	% of total shares of the co.
1.VSL Securities Pvt Ltd	37781	0.543	03.06.14	-	-	15662	-	-	22119	0.318	-	-
			04.07.14	-	-	70	-	-	22049	0.317	22049	0.317
2.Harsha V	3582	0.051	13.06.14	-	1000	-	-	-	4582	0.066	4582	0.066
			20.06.14	-	418	-	-	-	5000	0.072	5000	0.072
			30.06.14	-	4779	-	-	-	9779	0.14	9779	0.14
			04.07.14	-	5000	-	-	-	14779	0.212	14779	0.212
			19.09.14	-	3010	-	-	-	17789	0.255	17789	0.255
			30.09.14	-	214	-	-	-	18003	0.259	18003	0.259
			14.11.14	-	2320	-	-	-	20323	0.292	20323	0.292
			21.11.14	-	100	-	-	-	20423	0.293	20423	0.293
			06.02.15	-	4	-	-	-	20427	0.293	20427	0.293
			31.03.15	-	-	-	1	-	20426	0.293	20426	0.293
3. Religare Finvest Ltd	29300	0.421	-	-	-	-	-	-	-	-	29300	0.421
4. Priti Jain	10172	0.146	-	-	-	-	-	-	-	-	10172	0.146
5. Nanda Nahar	500	0.007	13.06.14	-	2000	-	-	-	2500	0.036	2500	0.036
			20.06.14	-	2722	-	-	-	5222	0.075	5222	0.075
			30.06.14	-	6517	-	-	-	11739	0.169	11739	0.169
			04.07.14	-	4000	-	-	-	15739	0.226	15739	0.226
			15.08.14	-	100	-	-	-	15839	0.227	15839	0.227
			19.09.14	-	2000	-	-	-	17839	0.256	17839	0.256
			22.09.14	-	1498	-	-	-	19337	0.278	19337	0.278
			30.09.14	-	80	-	-	-	19417	0.279	19417	0.279
			20.02.15	-	50	-	-	-	19467	0.28	19467	0.28
				-	-	-	-	-	8400		8400	0.121
6. Usha Devi Agarwal	8400	0.121										
7. Sumermall Kothari	8517	0.122										
8. Jignesh Pravinchandra Sheth	9000	0.129	19.09.14	-	-	600	-	-	8400	0.121	8400	0.121
9. Meena Devi	64000	0.919	-	-	-	-	-	-	-	-	64000	0.919
10. Shiv Kumar Baid	15900	0.228	-	-	-	-	-	-	-	-	15900	0.228



v) Shareholding of Directors and Key Managerial Personnel:

Form each of Directors and KMP	Shareholding at the beginning of the year		Increase Date			Decrease Date		Cumulative Shareholding during the year		At the end of the year	
	No. of shares	% of total shares of the company	Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Kanti Kumar Dadha	2,95,558	4.244	--	-	-	-	-	-	-	2,95,558	4.244
Mr. Karan Singh Baid	1,85,156	2.659	--	-	-	-	-	-	-	1,85,156	2.659
Mr. Arvind Kumar Dadha	3,44,435	4.946	-	-	-	-	-	-	-	3,44,435	4.946
Mr. Gautam Dadha	NIL	NIL	-	-	-	-	-	-	-	NIL	NIL
Mr. Mangjial Maloo	NIL	NIL	-	-	-	-	-	-	-	NIL	NIL
Mr. Ashok Kumar K. Bekal	NIL	NIL	-	-	-	-	-	-	-	NIL	NIL
Ms. Roli Gupta	NIL	NIL	-	-	-	-	-	-	-	NIL	NIL
Mr. Ashish Dadha	1,55,895	2.239	-	-	-	-	-	-	-	1,55,895	2.239



V) INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	320274089	-	-	320274089
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	320274089	-	-	320274089
Change in Indebtedness during the financial year				
i) Addition	27350907	-	-	27350907
ii) Reduction	172051	-	-	172051
Net Change	27178856	-	-	27178856
Indebtedness at the end of the financial year				
i) Principal Amount	347452945	-	-	347452945
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	347452945	-	-	347452945

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. Kanti Kumar Dadha	Mr. Karan Singh Baid	Mr. Arvind Dadha	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1246000	1138176	1138176	3522352
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	218491	31090	36240	285821
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	Total (A)	14,64,491	11,69,266	11,74,416	38,08,173
	Ceiling as per the Act	30,00,000	30,00,000	30,00,000	



B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Mangilal Maloo	Mr. Gautam Chand Dadha	Mr. Ashok Kumar K. Bekal	Ms. Roli Gupta	
1	Independent Directors					
	(a) Fee for attending board /committee meetings	20,000	20,000	--	--	40,000
	(b) Commission	--	--	--	--	--
	(c) Others, please specify	--	--	--	--	--
	Total (1)	20,000	20,000	--	--	40,000
2	Other Non-Executive Directors					
	(a) Fee for attending board committee meetings	--	--	--	--	--
	(b) Commission	--	--	--	--	--
	(c) Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	20,000	20,000	--	--	40,000
	Total Managerial Remuneration	20,000	20,000	--	--	40,000
	Overall Ceiling as per the Act (Per Board Meeting per Director)	1,00,000	1,00,000	--	--	--

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

Sr. No.	Particulars of Remuneration Key Managerial Personnel	Key Managerial Personnel	
		CFO	Total
		Mr. Ashish Dadha	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,95,328	9,95,328
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---
2	Stock Option	---	---
3	Sweat Equity	---	---
4	Commission	---	---
	- as % of profit	---	---
	- Others, specify.....	---	---
5	Others, please specify	---	---
	Total	9,95,328	9,95,328



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure- V

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for the F.Y. 2014 -15	% increase in Remuneration in the F.Y. 2014 -15	Ratio of remuneration of each Director / KMP to median remuneration of employees
Mr. Kantikumar Dadha (Managing Director & KMP)	Rs. 14,64,491/-	10.62	9.73 : 1
Mr. Karan Singh Baid (Whole Time Director)	Rs. 11,69,266/-	12.16	7.79 : 1
Mr. Arvind Dadha (Whole Time Director)	Rs. 11,74,416/-	5.89	7.82 : 1
Mr. Ashish Dadha (Chief Financial Officer- KMP)	Rs. 9,95,328/-	10.00	6.65 : 1

- The median remuneration of employees of the Company during the financial year was Rs. 152268/-. In the FY 2014-15, there was an increase of 7.69% in the median remuneration of employees;
- There were 33 number of permanent employees on the rolls of the Company as on 31st March, 2015;
- The explanation on the relationship between increase in remuneration and company performance: While recommending



increase in remuneration, the Company takes into account various factors like financial performance of the Company and the group, comparison with peers, and consideration towards cost of living adjustments and inflation. Average increase in employee remuneration for the FY 2014-15 is 9.21%. The calculation of average increase in employees' remuneration is done based on comparable employees. The Company follows holistic performance review mechanism to ensure that the increase is commensurate with the performance of employee and company.

5. (a) Variations in the market capitalization of the Company:
The market capitalization as on 31st March, 2015 was Rs. 142067232 (Rs. 46659336 as on 31st March, 2014).
- (b) Price Earnings ratio of the Company was 7.06 as at 31st March, 2015 and was 0.93 as at 31st March, 2014.
- (c) 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:
The Company's shares were listed in 1993. Since the listing of the shares, the Company has not made any public offer. The market capitalization as on 31st March, 2015 was Rs. 142067232 and the closing price of the same at BSE Ltd. on 31st March, 2015 was Rs. 20.40 per equity share of the face value of Rs 10/- each.
6. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15, and comparison with the increase in the managerial remuneration for the same financial year.

Remuneration paid to employees excluding managerial personnel for the FY 2013-14	Remuneration paid to employees excluding managerial personnel for the FY 2014-15	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2013-14	Remuneration paid to managerial personnel for the FY 2014-15	(%) change in remuneration paid to managerial personnel
6448477	7042411	9.21	4440655	4869501	9.66

There were no exceptional circumstances for increase in Managerial Remuneration.

7. Comparison of Remuneration of each Key Managerial Personnel(s) and All Key Managerial Personnel(s) together against the performance of the Company: During the year 2014-15, the KMP's were paid approx. 12.39 % of net profit after tax of the Company.
8. The key parameters for any variable component of remuneration availed by the Directors: There are no variable components in the remuneration of Directors
9. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: There are no such cases wherein any employee received remuneration in excess of the highest paid Director.
10. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board Director
GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Kanti Kumar Dadha
Chairman and Managing Director

Date : 14.08.2015
Place : Mumbai.



GOLKUNDA DIAMONDS & JEWELLERY LIMITED

ANNUAL REPORT 2014-2015

CORPORATE GOVERNANCE REPORT

[Pursuant to Clause 49 of the Listing Agreement]

The Corporate Governance Report pursuant to the Clause 49 of the Listing Agreement with Stock Exchanges as applicable for the financial year ended 31st March, 2015 is set out below for the information of shareholders and investors of the Company.

1. **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance heavily leans on the fact of its willingness to incorporate fairness and transparency as a second nature of operations in the Company. The Company aims at achieving an optimum balance between rewards to management and returns to shareholders, clearly understanding that while the management risks its efforts; shareholders risk their hard earned funds.

The Company believes that the essence of good Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across the organization.

2. **BOARD OF DIRECTORS**

a) **Composition:**

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors.

- 1) The Board of Directors of your Company comprises of an Executive Chairman and Managing Director, 2 Whole Time Executive Directors and 4 Non-Executive Independent Directors (including a one woman Director).
- 2) All Directors other than Mr. Kanti Kumar Dadha, Mr. Karan Singh Baid and Mr. Arvind Kumar Dadha are Non-Executive Independent Directors.

b) **Number of Board Meetings Held, Dates:**

During the financial year 2014-15, Eight (8) Board Meetings were held on 26.05.2014, 10.06.2014, 14.08.2014, 27.09.2014, 13.11.2014, 13.02.2015, 24.02.2015 and 02.03.2015.

c) **Attendance of Each Director at the Board Meeting and Last Annual General Meeting, Number of other Boards or Board Committees in which he/she is a Member or Chairperson.**

Name of Director	Category	No. of other Director - ships held (Other than Golkunda)	No. of other Committee Chairman-ships/ member-ships held (Other than Golkunda)	No. of Board Meetings Attended	Attendance at Last Annual General Meeting held on 27.09.2014
Mr. Kanti Kumar Dadha	Chairman & Managing Director Promoter	1	Nil	8	Yes
Mr. Karan Singh Baid	Whole Time Executive Director Promoter	1	Nil	8	Yes
Mr. Arvind Kumar Dadha	Whole Time Executive Director Promoter	Nil	Nil	8	Yes
Mr. Ashok Kumar K. Bekal	Independent Professional Non-Executive Director	1	Nil	4	Yes
Mr. Gautam Chand Dadha	Independent Non-Executive Director	Nil	Nil	4	No
Mr. Mangilal Maloo	Independent Non-Executive Director	Nil	Nil	4	No
Ms. Roli Gupta ##	Independent Non-Executive Director	Nil	Nil	Nil	N.A

##Ms. Roli Gupta was appointed as an Additional Non Executive Independent Director at Board Meeting dated 02.03.2015 w.e.f. 02.03.2015



d) **Board Procedure**

The Board of Directors is presented with all the relevant information on vital matters that affect working of the Company. It is ensured that information as required under clause 49 (IA) of the listing agreement is made available to the Board of Directors to enable them to discharge their function affectively.

3. AUDIT COMMITTEE

COMPOSITION:

The Audit Committee of the Company was formed on 15th October, 2003 and comprises of 3 Independent Non-Executive Directors as follows:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Mangilal Maloo	Chairman	Independent Non - Executive Director
2	Mr. Gautam Chand Dadha	Member	Independent Non - Executive Director
3	Mr. B. K. Ashok	Member	Independent Non - Executive Director

The Committee's Composition met with requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Members of the Audit Committee possess financial / accounting expertise / exposure.

MEETINGS OF AUDIT COMMITTEE AND ATTENDANCE DURING THE YEAR

The Committee met 4 (Four) times during the year on the following dates viz. 26.05.2014, 14.08.2014, 13.11.2014, 13.02.2015.

Name of Director	No. of Meeting Attended
Mr. Mangilal Maloo	4
Mr. Gautam Chand Dadha	4
Mr. Ashok Kumar K. Bekal	4
Mr. Karan Singh Baid (Invitee)	4

BRIEF DESCRIPTION OF TERMS OF REFERENCE

The Company has an Audit Committee with scope of activities as set out in Clause 49 (II) of the Listing Agreement with the Stock Exchanges read with section 177 of the Companies Act, 2013. The Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors of the Company. The broad terms of reference of the Audit Committee are as under:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To hold periodic discussion with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors / Internal Auditors;
- To review compliance with internal control systems;
- Reviewing related party transactions;
- To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board;
- To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;
- Discussing and reviewing the company's financial and risk management policies;
- Recommending the appointment of statutory auditors / internal auditors and fixation of their remuneration.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors at its meeting held on 26th May, 2014 approved constitution of "Nomination and Remuneration Committee" (by renaming existing Remuneration Committee) under the Companies Act, 2013.

COMPOSITION

The Nomination and Remuneration Committee comprises of 3 Independent Non-Executive Directors as follows:



Sr. No.	Name of the Member	Designation	Category
1	Mr. Mangilal Maloo	Chairman	Independent Non - Executive Director
2	Mr. Gautam Chand Dadha	Member	Independent Non - Executive Director
3	Mr. B. K. Ashok	Member	Independent Non - Executive Director

The Committee met 3 (Three) times during the year on the following dates viz. 26.05.2014, 13.11.2014, 02.03.2015.

BRIEF DESCRIPTION OF TERMS OF REFERENCE

The terms of reference of the 'Nomination and Remuneration Committee' inter-alia includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a Policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

NOMINATION AND REMUNERATION POLICY:

The Board of Directors of the Company have approved Nomination & Remuneration Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

I. Appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management:

1. Appointment Criteria and Qualifications:

- a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- b) Independent Director:
 - i) Qualifications of Independent Director:
An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.
 - ii) Positive attributes of Independent Directors:
An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

2. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3. Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

II. Remuneration:

A. Directors:

a) Executive Directors (Managing Director, Manager or Whole Time Director):

- i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration (N&R)



Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.

- ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.
- iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:
 - the relationship of remuneration and performance benchmark;
 - balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - responsibility required to be shouldered, the industry benchmarks and the current trends;
 - The Company's performance vis-a-vis the annual budget achievement and individual performance.

b) Non-Executive Director:

- The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.
- The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.
- In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.
- The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

B. KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance versus overall performance of the Company;
- Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

Meetings of Nomination and remuneration Committee and Attendance during the Year:

The Committee met 3 (Three) times during the year on the following dates viz. 26.05.2014, 13.11.2014, 02.03.2015.

Name of Director	No. of Meeting Attended
Mr. Mangi Lal Maloo	3
Mr. Gautam Chand Dadha	3
Mr. B. K. Ashok	3



DETAILS OF REMUNERATION TO ALL DIRECTORS, AS PER FORMAT IN MAIN REPORT:

Details of remuneration paid to the Executive Directors during the year ended 31.03.2015 are as follows:

Name	Relation with Gokulda	Inter-se Relation	Salary	Stock Option	Commission	Contribution to Provident Fund and other funds	Perquisites	Total
Mr. Kanti Kumar Dadha	Chairman and Managing Director	Father of Mr. Arvind Dadha	1246000	0	0	16500	218491	1480991
Mr. Karan Singh Baid	Whole Time Director	-	1138176	0	0	16500	31090	1185766
Mr. Arvind Kumar Dadha	Whole Time Director	Son of Mr. Kanti Kumar Dadha.	1138176	0	0	16500	36240	1190916

Notes:

- Mr. Kanti Kumar Dadha (DIN: 00283289) was re-appointed as Chairman and Managing Director for the further period of three years at Annual General Meeting held on 27.09.2014 with effect from 1st October, 2014.
- Mr. Arvind Dadha (DIN: 00317631) was re-appointed of as Whole Time Director of the Company for the further period of Three years at Annual General meeting held on 27.09.2014 with effect from 1st October, 2014.
- Mr. Karan Singh Baid (DIN: 00283224) was re-appointed as Whole Time Director of the Company for the further period of Three years at Annual General Meeting held on 27.09.2014 with effect from 10th November, 2014.

DETAILS OF REMUNERATION / COMPENSATION PAID TO THE NON- EXECUTIVE / INDEPENDENT DIRECTOR DURING THE YEAR ENDED 31.03.2015:

Name of Director	No. of Board Meetings Attended	Sitting Fees Paid (in Rs.)
Mr. Mangilal Maloo	4	20,000/-
Mr. Gautam Chand Dadha	4	20,000/-
Mr. Ashok Kumar K. Bekal **	4	NIL
Ms. Roli Gupta	0	NIL

The Non-Executive Directors are paid sitting fees of Rs. 5,000/- per meeting for attending Board Meeting.

** Mr. Ashok Kumar K. Bekal has waived his sitting fees for attending the meeting of Board of Directors.

DISCLOSURE OF SHAREHOLDING BY NON – EXECUTIVE DIRECTORS

Sr. No	Name of Director	No. of Shares Held
1	Mr. Ashok Kumar K. Bekal	NIL
2	Mr. Gautam Chand Dadha	NIL
3	Mr. Mangilal Maloo	NIL
4	Ms. Roli Gupta	NIL

DETAILS OF DIRECTORS SEEKING RE – ELECTION

Mr. Arvind Kumar Dadha retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re – election.

Pursuant the clause 49 VI (A) of the listing agreement, the Additional information and experience relating to the Directors who are getting appointed / re-appointed is furnished elsewhere in the Annual Report.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with the provision of section 178 of the Companies Act, 2013 and the Listing Agreements with the Stock Exchanges, the Board has renamed the existing “Shareholders Grievance & Share Transfer Committee” as the “Stakeholders' Relationship Committee”.



COMPOSITION AND MEETINGS

Composition of Stakeholders' Relationship Committee is as follows.

Sr. No.	Name of the Member	Designation	Category
1	Mr. Mangilal Maloo	Chairman	Independent Non - Executive Director
2	Mr. Gautam Chand Dadha	Member	Independent Non - Executive Director
3	Mr. Ashok Kumar K. Bekal	Member	Independent Non - Executive Director

TERMS OF REFERENCE OF COMMITTEE:

The Stakeholders Relationship Committee approves and monitors transfers and transmission of shares and replacement, split and consolidation of share certificates. The Committee also monitors redressal of complaints received from the shareholders relating to transfers/transmission of shares, non-receipt of annual reports and transfer of credit of shares to demat accounts, dividend and other investor-related matters.

Meetings of Stakeholders Relationship Committee and Attendance during the Year:

The Committee met 13 (Thirteen) times during the year on the following dates viz. 08.04.2014, 22.05.2014, 30.06.2014, 07.07.2014, 07.08.2014, 04.09.2014, 27.09.2014, 21.10.2014, 20.11.2014, 22.12.2014, 28.01.2015, 24.02.2015 and 27.03.2015.

Name of Director	No. of Meeting Attended
Mr. Mangi Lal Maloo	13
Mr. Gautam Chand Dadha	13
Mr. B. K. Ashok	13

NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. Karan Singh Baid, Director of the Company was acting as Compliance Officer of the Company till 02.05.2015.

After appointment of Ms. Pooja Sanghavi as Company Secretary, she is acting as Compliance Officer w.e.f. 02.05.2015.

DETAIL OF SHAREHOLDERS COMPLAINTS RECEIVED, SOLVED, NOT SOLVED AND PENDING SHARE TRANSFERS DURING THE YEAR:

Number of Shareholders' Complaints received	9
Number resolved to the satisfaction of shareholders	9
Number of pending complaints	NIL

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In terms of Section 135 of the Companies Act, 2013 rules made there under, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company was constituted on September 27, 2014.

COMPOSITION:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Mangi Lal Maloo	Member (Chairman)	Independent Non-Executive Director
2	Mr. Kantikumar Dadha	Member	Managing Director
3	Mr. Karan Singh Baid	Member	Whole Time Director

The Committee met Twice during the year on the following dates viz. 27.09.2014 and 31.03.2015 were all the Committee members were present.

The Terms of Reference of Corporate Social Responsibility Committee (CSR):

The terms of reference of Corporate Social Responsibility Committee (CSR) is mentioned below:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII in the Act or any amendment made there to including provisions contained in the rules framed under Companies Act, 2013 related thereto;



- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) monitor the Corporate Social Responsibility Policy of the Company from time to time and to make suitable amendment from time to time as and when necessitated; and
- (d) to carry out such other activities as may be authorised by the Companies Act, 2013 and rules made there under.

7. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In terms of provisions of Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has formalized the process and institutionalized the 'Whistle Blower Policy' within the Organization.

The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The Policy is applicable to all employees, directors, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on a permanent, temporary, full time, part-time, contractual, probation or on a retainer basis who are engaged to conduct business on behalf of the Company. The Policy provides for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

The Company has posted "Whistle Blower Policy" on the website of the Company vis. www.gokunda.com

8. BOARD EVALUATION:

Pursuant to provisions of the Companies Act, 2013, Schedule IV and Clause 49 of the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also evaluation of Individual Directors. The self-assessment format considered performance effectiveness with regard to the Board composition, expertise, dynamics, strategic oversight, risk management and internal control, succession planning and leadership.

While the individual directors' performance was reviewed by the Chairman and the rest of the Board, the Chairman's and Non-Independent Directors performance were appraised through feedback from Independent Directors.

9. SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS:

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges, a separate meeting of Independent Directors of the Company was held on 2nd March, 2015, and all the committee member present, inter alia, to discuss the following:

- To review the performance of non-independent directors and the Board as a whole;
- To review the performance of the Chairman of the Company;
- To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have expressed their satisfaction over the performance of the other directors and the Board as whole.

10. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to requirements of Clause 49 of the Listing Agreement, the Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.gokunda.com.

11. RISK MANAGEMENT COMMITTEE:

The Board of Directors at its meeting held on 13th November, 2014 approved constitution of the 'Risk Management Committee' as per the requirements of the Companies Act, 2013 and Listing Agreement. The 'Risk Management Committee' comprises of Mr. Kanti Kumar Dadha, Chairman and Mr. Arvind Dadha and Mr. Karan Singh Baid as Members of the Committee.

The broad terms of reference of committee are as under:

- To monitor and review the risk management framework of the Company;
- To oversee risk management process, systems and measures implemented to mitigate the same; and
- Any other matter as may be mandated/referred by the Authority/Board.



12. GENERAL BODY MEETINGS

LOCATION AND TIME WHERE LAST THREE ANNUAL GENERAL MEETINGS (AGM) WERE HELD:

Year	Date	Time	Venue
2014	27th September, 2014	3.00 P.M.	"Suncity Residency Hotel, Eden – Hall, 16th Road, Masheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093"
2013	28th September 2013	4.00 P.M.	Banquet Hall, Matoshri Art & Sport Club, Jogeshwari - Vikhroli Link Road, Andheri (E), Mumbai 400 093.
2012	28th September 2012	4.00 P.M.	Banquet Hall, Matoshri Art & Sport Club, Jogeshwari - Vikhroli Link Road, Andheri (E), Mumbai 400 093.

DETAILS OF SPECIAL RESOLUTIONS PASSED DURING THE LAST 3 A.G.M. / E.G.M. OR ANY SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

The Company has passed one Special Resolution at the Extra Ordinary General Meeting held on 24.04.2015 in respect of giving authority to Board of Directors to create charge on the assets of the Company u/s 180(1)(a) of the Companies Act, 2013.

The Company has passed four Special Resolutions at the Annual General Meeting held on 27.09.2014 in respect of:

Re-appointment of Mr. Kantikumar Dadha as Managing Director for the period of three years.

Re-appointment of Mr. Arvind Dadha as a Whole Time Director for the period of three years.

Re-appointment of Mr. Karan Singh Baid as a Whole Time Director for the period of three years w.e.f. 10.11.2014.

Authority to Board of Directors to borrow money

No special resolutions were passed at the Annual General Meeting held on 28.09.2013.

The Company has passed four Special Resolutions at the Annual General Meeting held on 28.09.2012 in respect of:

Increase in Remuneration to Mr. Kanti Kumar Dadha as Managing Director;

Increase in Remuneration to Mr. Karan Singh Baid as Whole Time Director;

Increase in Remuneration to Mr. Arvind Dadha as Whole Time Director;

Increase in Remuneration to Mr. Ashish Dadha, relative of Director.

The Company has not passed any resolution through postal Ballot in the previous financial year.

As on the date, the Company do not proposes to pass any special resolution through Postal Ballot. The Company may have to conduct the process of postal ballot in view of the requirements of the new Companies Act, 2013.

13. CODE OF CONDUCT

- The Board of Directors adopted the Code of Conduct for Board Members and senior management personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said Code. The Code adopted is posted on the Company's website www.gokunda.com.
- Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for fair disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.
- All Directors and the designated employees have confirmed compliance with the Code.
- A certificate from Mr. Kantikumar Dadha, Managing Director confirming compliance to the ' Code of Conduct' has been attached to this Report.

14. DISCLOSURES

- a) There were no materially significant related party transactions during the year having conflict with the interests of the Company:

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and Listing Agreements.

All contracts executed by the Company during the financial year with related parties were on arm's length basis.

The Related Party transactions policy is posted on the Company's website www.gokunda.com.

- b) There has been no material non-compliance by the Company or penalty or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.



- c) In Compliance of the Companies Act, 2013 and Clause 49 of the Listing Agreements with the Stock Exchanges, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee.
- d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of Clause 49 of the Listing Agreement:

The Company has duly complied with all the mandatory requirements of Clause 49 of the Listing Agreement. Besides complying with all the mandatory requirements of Clause 49

15. MEANS OF COMMUNICATION

- a) The Unaudited quarterly /half yearly results are announced within forty-five days from the close of the quarter. The audited annual results are announced within sixty days from the closure of financial year as per the requirement of the listing Agreement with the Stock Exchanges.
- b) The approved financial results are forthwith sent to the Stock Exchanges and are published in English and regional language newspapers within forty-eight hours of the approval thereof.
- c) The Company's financial results and official press releases are displayed on the Company's website www.golkunda.com under the investors section.
- d) Management Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
- e) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz, The BSE Limited are filed electronically. The Company has complied with filing submission through BSE's BSE Listing Centre.

16. GENERAL SHAREHOLDER INFORMATION

1.	Date, time and the venue of 25 th AGM	28th September, 2015 at 3.00 P.M. Suncity Residency Hotel, Eden- Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (East), Mumbai - 400 093
2.	Financial Calendar	April 01, 2014 to March 31, 2015
3.	Date of Book Closure	22th September, 2015 to 28th September, 2015 (both days inclusive)
4.	Dividend Payment Date	13th October, 2015
5.	Listing on Stock Exchanges	The Mumbai Stock Exchange The Jaipur Stock Exchange
6.	BSE Stock code	523676
7.	Stock market price data for the last financial year ended March 31, 2015 on The Stock Exchange, Mumbai is as under:	

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares
April 2014	6.37	11.08	6.37	11.01	10691
May 2014	10.50	15.33	10.08	15.32	14859
June 2014	14.60	19.70	14.35	17.70	47836
July 2014	16.85	19.40	14.50	15.30	10142
August 2014	15.30	17.50	13.30	17.30	29381
September 2014	18.15	20.95	16.25	17.40	19955
October 2014	18.25	19.00	14.55	16.10	4387
November 2014	16.90	19.40	15.70	16.05	18460
December 2014	15.35	17.60	14.50	17.10	3843
January 2015	17.85	18.50	16.15	17.85	10515
February 2015	18.70	19.35	17.00	18.00	9297
March 2015	18.00	21.45	17.50	20.40	3845



8.	Registrar & Share Transfer Agent	Sharex Dynamic (India) Private Limited (formerly known as M/s. Sharex (India) Pvt. Ltd.) Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072.			
9.	Share Transfer System	The Company's shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.			
10.	Distribution of shareholding as on March 31, 2015				
	No. of Shares Nominal Value	No. of Shareholders	% of Shareholders	Total Amount	% of Amount
	1 to 5000	9203	96.03	12155710	17.45
	5001 to 10000	251	2.62	2153500	3.09
	10001 to 20000	61	0.64	955470	1.37
	20001 to 30000	25	0.26	600610	0.86
	30001 to 40000	11	0.11	405000	0.58
	40001 to 50000	9	0.09	402560	0.58
	50001 to 100000	9	0.09	642670	0.92
	100001 and above	14	0.15	52325280	75.14
	TOTAL	9583	100	69640800	100.00
11.	Dematerialization of Shares and liquidity	As on 31.03.2015, 84.95 % of the Company's Equity Shares representing 59,15,385 Equity Shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).			
12.	Outstanding GDR's / ADR's / Warrants or any Convertible Instruments	The Company does not have outstanding GDRS / ADRS / Warrants or any Convertible instruments.			
13.	Plant Location (Development Centre)	G-30, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai - 400 096			
14.	Address for Correspondence (for dematerialization/ transfer of shares, payment of dividend on shares, and any other query relating to the shares of the Company For any other queries	Sharex Dynamic (India) Pvt. Ltd. (Formerly known as M/s. Sharex (India) Pvt. Ltd.) Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072. G-30, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai - 400 096			
15.	Reconciliation of Share Capital Audit	A qualified practicing Company Secretary carry out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.			



16.	Compliance Officer	Mr. Karan Singh Baid (Executive Director) (upto 02.05.2015) Ms. Pooja Sanghavi (Company Secretary)(w.e.f. 02.05.2015) G-30, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai 400 096 Tel No. 022 28290155/56, Fax 022-28290373, Email ID: admin@golkunda.com	
17.	Shareholding pattern as on March 31, 2015		
	Category	No. of Shares	% of total
	Promoter's holding	5054214	72.575
	Mutual Funds and UTI	0	0
	Financial Institution / Banks	100	0.001
	Foreign Institutional Investors	0	0
	NRIs / OCBs	346	0.005
	Companies / Bodies Corporate	87667	1.259
	Clearing Members	0	0
	General Public	1821753	26.160
	Total	6964080	100.00

FOR AND ON BEHALF OF BOARD

For GOLKUNDA DIAMONDS & JEWELLERY LIMITED

CHAIRMAN AND MANAGING DIRECTOR
(KANTI KUMAR DADHA)

PLACE: MUMBAI
DATE: 14.08.2015



MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments:

The Company is a part of an Industry, which largely operates through unorganized constituents. However, unlike the industry, the Company has attempted to operate through as systematic and organized manner as possible. However, since Diamonds and Jewellery is one industry, in which India holds, commendable position in the world, akin to the software industry, one can look forward to more international involvement coming up in this industry.

Opportunities and Threats:

Following can be termed as the opportunities / strengths of the Company:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.
- More and more benefits and exemptions are likely to come in the way of exports and Special Economic Zones and the Company, having commendable exports and being situated in SEEPZ - SEZ, is likely to receive the advantage of the same.
- Some of the world retail majors have decided some time back to source part of their requirements from India. This shall further the growth of the Diamond industry in India.
- The unfavorable government policies cut throat competition amongst manufacturers and exporters remains major concerns for the Gems and Jewellery Business.

Outlook:

The Company has done reasonable in the current year and expects to achieve a good percentage of market share in the Diamond manufacturing and Jewellery marketing fields in the years to come. The outlook for the Company can therefore be termed as optimistic and expects higher growth than inflation and average growth in the industry.

Growth of the Gems and Jewellery Industry is expected to be moderate to better in the years to come depending on the policies of the Government. However Gems and Jewellery Industry is seeing robust growth in the years to come. The Growth rate of the Gems and Jewellery Industry is closely related to the growth of the other Sector and hence movements and developments in the other sectors would also indirectly affect the future of Gems and Jewellery Industry.

Risks and Concerns:

Following can be some of the risks and concerns the Company needs to be wary of:

- The largely unorganized structure of the market can affect the systematic functioning of the Company
- Political instability, which has a tremendous impact on the capital markets.
- Likely opening up of the economy, which can be a double-edged sword.
- The Diamond market in India is heavily influenced by the US Markets.
- The major income component of the Company being exports, changes in economies or government policies of the countries to which the Company is exporting may also affect the operations of the Company.
- Increasing competition among the Indian Exporters in this industry.

Internal Control Systems and their Adequacy:

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials, components, plant and machinery, equipment and other assets, and for the sale of goods.

The Company also has in place an Audit Committee to have a periodic over view of the internal control procedures of the Company. The Audit committee is accessible at all times to the employees of the Company for any improvement to be recommended in the procedures in place.



Discussion on Financial Performance of the Company:

The financial performance of the Company has steadily grown in the year under review.

The sales were Rs. 934,905,271/- as compared to Rs. 1,198,072,042/- in the previous year. The Profit after tax in the current year were Rs. 20,117,489/- as compared to Rs. 50,500,067/- in the previous year.

Export performance and Foreign Exchange earnings:

The Company is making contribution to the foreign exchange earnings by the Country in view of the fact that the Export and Foreign exchange earnings stood at Rs. 927,593,205/- during the financial year under review.

Industrial Relations and Human Resources:

The Company considers that its relationship with its employees is vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employee can put his best efforts and maximize his contribution.

The Company ensures that all its employees remain competent through education, skills, training and experience as necessary. The Company has had cordial relations between the management and employees and an atmosphere of harmonious working to achieve the business objectives of the Company throughout the year. The Company is poised to motivate each of its employees to perform to the fullest extent possible and to appropriately reward their excellence.

Cautionary Note:

Statements in this report and Corporate Governance Report read together with the Directors' Report and financial statement describing the Company's objectives, projections, estimates, expectations and predictions, may be "forward looking statements". Actual results may differ from those expressed or implied due to variations in prices of raw materials, seasonal demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and other incidental factors.



MANAGING DIRECTORS (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors,
GOLKUNDA DIAMONDS & JEWELLERY LIMITED

We, Kantikumar Dadha, Managing Director and Ashish Dadha, Chief Financial Officer of Golkunda Diamonds & Jewellery Limited, to the best of our knowledge and belief certify that:

- (1) We have reviewed the financial statements and the cash flow statement of Golkunda Diamonds & Jewellery Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with the 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 of the Company's code of conduct.
- (3) We accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, Deficiencies in the design or operation of internal controls, if any, of which they have taken or propose to take to rectify these deficiencies.
- (4) We have indicated to the Auditors and the Audit Committee:
 - (a) There are no significant changes in internal control during the year;
 - (b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to Financial Statements; and
 - (c) They have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems.

Kanti kumar Dadha
Managing Director

Place : Mumbai
Date: 14.08.2015

Ashish Dadha
Chief Financial Officer

To,
The members of
GOLKUNDA DIAMONDS & JEWELLERY LIMITED

DECLARATION REGARDING CODE OF CONDUCT

I, Kantikumar Dadha, Chairman & Managing Director of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED**, to the best of my knowledge and belief, declare that all the members of Board of Directors, Senior Management Personnel, Designated Employees have affirmed Compliance with the Code of Conduct for the year ended 31st March 2015.

FOR GOLKUNDA DIAMONDS & JEWELLERY LIMITED

KANTI KUMAR DADHA
(Chairman & Managing Director)
DIN: 00283289

Place: Mumbai
Date: 14.08.2015



**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMEBRS OF GOLKUNDA DIAMONDS & JEWELLERY LTD**

1. We have examined the compliance of conditions of Corporate Governance by Golconda Diamonds & Jewellery Ltd for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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 explanation given to us and based on the representation made by the directors and 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 the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For MOTILAL & ASSOCIATES
Chartered Accountants

(M.P. MODY)
Partner
Membership No. FCA 042975

Place : Mumbai
Dated : 14.08.2015.



INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of GOLKUNDA DIAMONDS & JEWELLERY LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2015, the Profit and Loss Statement, 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 (hereinafter referred to as "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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

AUDITORS' 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements



have been kept so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Company as on 31st 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 in its financial statements as referred to in Note 26 of 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.

For MOTILAL & ASSOCIATES

Chartered Accountants
(FRNo.106584W)

C.A. MUKESH P. MODY

(Partner)
(Membership No. 42975)

Mumbai, 28th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended on 31st March 2015. We report that:

- (1) In Respect of its fixed assets:
 - (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the company have been physically verified by the management at reasonable intervals. No material discrepancies between the book records and the physical inventory have been noticed.
- (2) In respect of its inventories:
 - (a) As explained to us the inventory has been physically verified by the management at reasonable intervals.
 - (b) In our opinion, 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) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (3) According to the information and explanation given to us, 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. Accordingly, clauses 3 (iii) (a) and 3(iii) (b) of the Order are not applicable.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.



- (5) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2015 are not applicable to the Company.
- (6) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(7) In respect of statutory dues:

- (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable with the appropriate authorities.

According to the information and explanations given to us no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service-tax, excise duty, sales tax, customs duty and cess were in arrears, as at 31st March, 2015 for the period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of wealth tax, income tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the particulars of dues of sales tax, excise duty, service tax and value added tax as at 31st March, 2015 which have not been deposited on account of any dispute, are given below:

Name of the Statute	Nature of Dues	Amounts involved Rs.	Assessment Year to which the amount relates	Forum where dispute is pending
The Income Tax Act.	Income Tax	2,71,070	2009-10	C.I.T.(A), Mumbai
		2,25,150	2011-12	C.I.T.(A), Mumbai

- (c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under. Accordingly, clause 3 (vii) (c) of the Order is not applicable.
- (8) The company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (9) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to bank.
- (10) In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (11) The Company has not raised new term loans during the year. The term loan outstanding at the beginning of the year has been applied for the purposes for which it was raised.
- (12) In our opinion and according to the information and explanations given to us, no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

For MOTILAL & ASSOCIATES

Chartered Accountants
(FRNo.106584W)

C.A. MUKESH P. MODY

(Partner)
(Membership No. 42975)

Mumbai, 28th May, 2015



BALANCE SHEET AS AT MARCH 31, 2015

	Note No.	End of	
		Current Reporting Year	Previous Reporting Year
		March 31,	
		2015	2014
EQUITY AND LIABILITIES :			
Shareholders' Funds :			
Share Capital	2	69,640,800	69,640,800
Reserves and Surplus	3	149,349,906	133,506,406
		218,990,706	203,147,206
Non - Current Liabilities :			
Long Term Borrowings	4	126,694	298,745
Deferred Tax Liabilities [Net]	23	355,225	625,499
Long Term Provisions-Gratuity		4,784,066	4,092,952
		5,265,985	5,017,196
Current Liabilities :			
Short Term Borrowings	5	347,326,251	319,975,344
Trade Payables	6	6,674,910	51,756,633
Other Current Liabilities	7	3,534,021	3,122,335
Short Term Provisions	8	14,231,933	28,307,013
		371,767,115	403,161,325
Total		596,023,806	611,325,726
ASSETS :			
Non - Current Assets :			
Fixed Assets :			
Tangible Assets	9	26,591,270	27,512,160
Intangible Assets		63,012	33,973
		26,654,282	27,546,133
Long Term Loans and Advances	10	1,969,295	710,219
		1,969,295	710,219
Current Assets :			
Inventories	11	156,213,049	171,558,012
Trade Receivables	12	379,983,162	377,247,382
Cash and Cash Equivalents	13	22,916,968	21,763,411
Short Term Loans and Advances	14	8,287,050	12,500,569
		567,400,229	583,069,374
Total		596,023,806	611,325,726

Significant Accounting Policies and Notes to the Financial Statements 1 to 33

For and on behalf of Board of Directors

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants

(CA M.P. MODY)
Partner
Membership No.: FCA 042975
MUMBAI , 28th May, 2015

ASHISH DADHA
Chief Financial Officer

(CS POOJA SANGHAVI)
ACS No.: 34216

KANTIKUMAR DADHA
Chairman & Managing Director
DIN No. 00283289

KARANSINGH BAID
Executive Director
DIN No. 00283224

ARVIND DADHA
Executive Director
DIN No. 00317631



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

	Note No.	End of	
		Current Reporting Year	Previous Reporting Year
		March 31,	
		2015	2014
REVENUE :			
Revenue from Operations	15	934,905,271	1,198,072,042
Other Income	16	-	50,000
TOTAL REVENUE		934,905,271	1,198,122,042
EXPENSES :			
Cost of Materials Consumed	17	813,816,461	775,502,341
Purchases of Stock-in-Trade	18	-	249,499,106
Changes in Inventories of Finished goods	19	-	852,388
Employee Benefits Expense	20	17,766,433	33,682,069
Finance Cost	21	38,397,348	29,365,371
Depreciation	9	3,215,954	2,197,140
Other Expenses	22	29,834,203	28,318,271
TOTAL EXPENSES		903,030,399	1,119,416,686
Profit before Tax		31,874,872	78,705,356
Less / [Add] : Tax Expense			
Current Tax		11,770,000	27,500,000
Deferred Tax	23	(270,274)	(126,964)
Prior year's tax adjustments		257,657	832,253
Profit after Tax		20,117,489	50,500,067
Profit for the year from continuing operations		20,117,489	50,500,067
Earning per Equity Share [EPS] [in Rupees]	24		
Basic		2.89	7.25
Diluted		2.89	7.25
Significant Accounting Policies and Notes to the Financial Statements	1 to 33		
As per our report of even date FOR MOTILAL & ASSOCIATES Chartered Accountants		For and on behalf of Board of Directors	
(CA M.P. MODY) Partner Membership No.: FCA 042975 MUMBAI , 28th May, 2015	ASHISH DADHA Chief Financial Officer (CS POOJA SANGHAVI) ACS No.: 34216	KANTIKUMAR DADHA Chairman & Managing Director DIN No. 00283289 KARANSINGH BAID Executive Director DIN No. 00283224 ARVIND DADHA Executive Director DIN No. 00317631	



Notes to the Financial Statements

Note: 1 - Significant Accounting Policies:

1 Basis of Accounting :

All financial items of Income and Expenditure having a material bearing on the financial statement are recognised on accrual basis, except income by way of dividend and Expense by way of leave encashment which is accounted on cash basis

2 Sales :

Sales exclude Sales Tax, Transportation, Insurance, discount, penalty/late delivery charges and include Sales Returns and Discount.

3 Use of Estimates :

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Fixed Assets and Depreciation :

- i) All fixed assets are valued at cost less depreciation. The cost is inclusive of incidental expenses related to acquisition and put to use. Pre-operative expenses including trial run expenses (net of revenue) are capitalised. Interest on borrowings and financing costs during the period of construction is added to cost of fixed assets.
- ii) Impairment loss, if any is recognised in the year in which impairment takes place.
- iii) Pursuant to the enactment of Companies Act, 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated/ amortised on straight line basis so as to write off the cost of the assets over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted, in the opening balance of Profit and Loss Account amounting to Rs.-83085/-
- iv) Depreciation on additions / disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are put to use.

5 Expenditure during the Construction Period :

The expenditure incidental to the expansion / new projects are allocated to Fixed Assets in the year of commencement of the commercial production.

6 Inventories :

Raw Materials, Stores & Spare Parts & Finished Goods and are valued at lower of cost and net realisable value

7 Revenue Recognition :

- i) Revenue from Sale of goods is recognised when significant risks and rewards of ownership of the goods have been passed to the buyer.
- ii) Service income is recognised as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and are net of service tax wherever applicable.
- iii) Dividend income is recognised when the unconditional right to receive the income is established.
- iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

8 Foreign Currency Transactions :

Monetary assets & liabilities related to foreign currency transaction are settled during the year

9 Retirement Benefits :

i) Gratuity

Gratuity has been provided in accordance with the provisions of Payment of Gratuity Act, 1972.

ii) Leave Liability :

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is not recognised.

10 Employee Separation Costs :

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

11 Provision for Bad and Doubtful Debts / Advances :

Provision, if any, is made in accounts for bad and doubtful debts / advances which in the opinion of the management are considered doubtful of recovery.



12 Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.

13 Provisions, Contingent Liabilities and Contingent Assets :

Provision is recognised when the company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision / disclosure is made. Contingent assets are not recognised in the Financial Statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

	End of	
	Current Reporting Year	Previous Reporting Year
	March 31,	
	2015	2014
Note : 2 - Share Capital :		
Authorised :		
70,00,000 Equity Shares of Rs.10/- each	70,000,000	70,000,000
Issued, Subscribed and Fully Paid-up Equity Shares :		
69,64,080 Equity Shares of Rs.10/- each fully paid up	69,640,800	69,640,800
Total	69,640,800	69,640,800
i) The reconciliation of the number of Shares outstanding as at March 31, 2015 and as at March 31, 2014 is as under:		
	Nos	Nos
Number of shares at the beginning	6,964,080	6,964,080
Number of shares at the end	6,964,080	6,964,080
ii) The equity shareholders of the Company are entitled to receive final dividend as declared and approved by the Board of Directors and/ or the shareholders of the Company. The dividend so declared will be in proportion to the number of equity shares held by the shareholders.		
iii) In the event of the liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the company after distribution of all preference shareholders. However, no such Preference share capital exist during the year. The distribution will be in proportion to the number of equity shares held by the shareholders.		
iv) Details of Shareholders holding more than 5% of the aggregate Equity Shares in the Company.		
Neverloose Properties & Investment Pvt. Limited, the Holding Company.		
No of Shares	3,938,750	3,921,111
% of Holding	56.558	56.305
Note : 3 - Reserve and Surplus		
Share Premium Account:		
Opening Balance	2,800,000	2,800,000
General Reserve:		
Opening Balance	5,000,000	2,500,000
Add : Transfer from Surplus	2,500,000	2,500,000
Less: Adjustment relating to Fixed Assets (Refer Note No. 4 (iii) of Significant Accounting Policy).	(83,085)	
	7,416,915	5,000,000
Surplus in statement of profit & loss:		
Opening Balance	125,706,405	81,780,151
Add : Profit for the year	20,117,487	50,500,067
Less : Appropriations :		
Proposed Dividend	3,482,040	3,482,040
Corporate Dividend Tax on Proposed Dividend	708,861	591,773
Transfer to General Reserve	2,500,000	2,500,000
Balance as at year end	139,132,991	125,706,405
Total	149,349,906	133,506,405



	End of	
	Current Reporting Year	Previous Reporting Year
	March 31,	
	2015	2014
Note : 4 - Long Term Borrowings :		
Secured		
A. From HDFC Bank Ltd, Mumbai.	126,694	298,745
Total	126,694	298,745
i) Securities for Term Loan:		
a Secured by hypothecation of Vehicles		
ii) Terms of repayment :		
a Monthly EMI		
iii) There are no defaults in repayment of loan and interest thereon as on March 31, 2015 for the loan under this head.		
Note : 5 - Short Term borrowings :		
Secured Loans repayable on Demand :		
Post Shipment Credit from State Bank of India, Seepz, Mumbai.	179,835,000	164,358,900
Export Packing Credit from State Bank of India, Seepz, Mumbai.	161,865,019	155,616,444
EBRD A/c from State Bank of India, Seepz, Mumbai.	5,626,232	-
Total	347,326,251	319,975,344
1 Securities for Loans :		
i) Secured by hypothecation of inventories, receivables, Other Current Assets (present & Future) and personal guarantee of three Directors of the Company.		
ii) Secured by hypothecation of and equitable mortgage of office premises at Chakala and Bandra, Mumbai and personal guarantee of three Directors of the Company.		
iii) Secured by hypothecation of residential flat at Worli Division, Mumbai.		
iv) Secured by lien on Cash Collateral i.e. Fixed Deposit Receipts with Bank.		
v) There are no continuous defaults in repayment of loan and interest thereon as on March 31, 2015 for all the loans under this head.		
Note : 6 - Trade Payables :		
Micro, Small and Medium Enterprises :		
Others	6,674,910	51,756,633
Total	6,674,910	51,756,633
i) There was no amount due to small scale under taking exceeding Rs.1 Lac each outstanding for more than 30 days at the close of the year. This disclosure is based on the document / information available to the company regarding their status of the small scale undertaking.		
ii) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.		
Note : 7 - Other Current Liabilities :		
Unclaimed Dividends 2010-11	308,102	309,175
Unclaimed Dividends 2013-14	338,508	-
Other Payables/Provision:		
Other Payables	2,782,773	2,572,494
Payable to Statutory Authorities	104,638	240,666
Total	3,534,021	3,122,335
Note : 8 - Short Term Provisions :		
Income Tax Payable (net of excess paid)	10,041,032	24,233,200
Proposed Dividend	3,482,040	3,482,040
Corporate Dividend Tax on Proposed Dividend	708,861	591,773
Total	14,231,933	28,307,013



Note : 9 - Fixed Assets

Nature of Fixed Assets	Gross Block			Depreciation			Net Block			
	As at 01-04-14	Additions During the year	Sales and / or adj. during the year	As at 31-03-15	Up to 31-03-14	For the year	On Sales and / or adj. during the year	Up to 31-03-15	As at 31-03-15	As at 31-03-14
Tangible Assets :										
Buildings	22,413,116.00	-	-	22,413,116.00	5,982,905.00	764,944.00	-	6,747,849.00	15,665,267.00	16,430,211.00
Plant & Machinery	15,490,465.00	1,780,244.00	-	17,270,709.00	10,265,847.00	750,546.00	(435,363.00)	11,451,756.00	5,818,953.00	5,224,618.00
Furniture and Fixtures	8,327,908.00	46,965.00	-	8,374,873.00	7,203,695.00	458,877.00	1,055,241.00	6,607,331.00	1,767,542.00	1,124,213.00
Factory/Office Equipments	1,516,320.00	322,616.00	-	1,838,936.00	600,536.00	458,007.00	(269,684.00)	1,328,227.00	510,709.00	915,784.00
Vehicles	3,076,892.00	-	-	3,076,892.00	902,604.00	469,256.00	-	1,371,860.00	1,705,032.00	2,174,288.00
Vault	190,737.00	-	-	190,737.00	74,958.00	15,387.00	-	90,345.00	100,392.00	115,779.00
Air Conditioners	1,992,270.00	73,245.00	98,857.00	1,966,658.00	1,024,249.00	133,657.00	(290,946.00)	1,448,852.00	517,806.00	968,021.00
Electrical Installations	2,608,299.00	-	-	2,608,299.00	2,112,855.00	64,650.00	(93,057.00)	2,270,562.00	337,736.00	495,444.00
Dies & Moulds	1,567,274.00	-	-	1,567,274.00	1,567,274.00	-	-	1,567,274.00	-	-
Computers	1,555,098.00	167,415.00	-	1,722,513.00	1,491,297.00	79,562.00	16,179.00	1,554,680.00	167,833.00	63,801.00
Sub-Total (A)	58,738,379.00	2,390,485.00	98,857.00	61,030,007.00	31,226,220.00	3,194,886.00	(17,630.00)	34,438,736.00	26,591,270.00	27,512,159.00
Intangible Assets :										
Computer Software	449,321.00	60,000.00	-	509,321.00	415,348.00	21,068.00	(9,893.00)	446,309.00	63,012.00	33,973.00
Sub-Total (B)	449,321.00	60,000.00	-	509,321.00	415,348.00	21,068.00	(9,893.00)	446,309.00	63,012.00	33,973.00
Total (A+B)	59,187,700.00	2,450,485.00	98,857.00	61,539,328.00	31,641,568.00	3,215,954.00	(27,523.00)	34,885,045.00	26,654,282.00	27,546,132.00
2013-14	57,240,687.00	2,788,111.00	841,098.00	59,187,700.00	29,876,734.00	2,197,140.00	432,307.00	31,641,567.00	27,546,133.00	27,363,955.00



	End of	
	Current Reporting Year	Previous Reporting Year
	March 31,	
	2015	2014
Note : 10- Long Term Loans and Advances : [Unsecured, Considered Good] Advances recoverable in cash or in kind or for value to be received : Income Tax		
Total	1,969,295	710,219
	1,969,295	710,219
Note : 11 - Inventories : Classification of Inventories : a Raw Materials b Traded Goods c Stores and Spares	155,268,758 - 944,291	170,572,587 - 985,425
Total	156,213,049	171,558,012
The Inventories are valued at lower of cost and net realisable value.		
Note : 12 - Trade Receivables : Unsecured, Considered good Over Six Months from the date they were due for payment Others	24,493,961 355,489,201	- 377,247,382
Total	379,983,162	377,247,382
Note : 13 - Cash and Cash Equivalents : Balances with Banks Cash on Hand FDR/TDRS with Bank	2,624,284 174,784 20,117,900	2,919,657 230,684 18,613,070
Total	22,916,968	21,763,411
Earmarked balances with banks: i) Balances with Banks in unclaimed dividend account ii) Company keeps Fixed deposit with the Nationalised/Private Banks, these deposits. can be withdrawn by the company as per its own discretion/requirement of funds. Lien marked on FDRS /TDRS as Cash Collateral towards secured loans from SBI, Seepz and therefore Originals of the FDRS/TDRS are with Bank. iii) Company maintains current accounts mainly with Nationalised /Private Banks.	646,856 20,117,900 1,977,428	309,175 18,613,070 2,610,482
Note : 14 - Short Term Loans and Advances : [Unsecured, Considered Good] Security Deposit Advance recoverable in cash or kind Prepaid expenses Loans to employees Vat refundable Service Tax receivable	608,622 256,185 462,500 10,766 6,637,442 311,535	726,519 1,329,535 211,061 20,766 9,978,780 233,908
Total	8,287,050	12,500,569
Note : 15 - Revenue from Operations : Sale of Products Foreign Exchange Rate Difference	928,789,204 6,116,067	1,125,058,799 73,013,243
Total	934,905,271	1,198,072,042
Details of sale of products / operations of the Company are as under : a Finished goods b Traded goods	928,789,204 -	867,260,040 257,798,759
Note : 16 - Other Income : Other Operating Revenue Scrap Sale	- -	50,000 50,000
Total	-	50,000



	End of	
	Current Reporting Year	Previous Reporting Year
	March 31,	
	2015	2014
Note : 17 - Cost of Materials Consumed :		
Raw Materials :		
Stock at commencement	170,572,586	53,467,114
Add : Purchases	798,512,633	892,607,813
	969,085,219	946,074,927
Less : Stock at close	155,268,758	170,572,586
Total	813,816,461	775,502,341
Details of Purchase of Raw Material are as under :		
a Gold	575,815,900	541,487,157
b Diamonds	221,128,399	349,246,642
c Others	1,568,334	1,874,014
Value of Consumption Raw Material		
a Indegenous	614,782,823	688,067,083
b Imported	199,033,637	87,435,258
Note : 18 - Purchase of Stock-in-Trade :		
Purchase of Stock-in-Trade	-	249,499,106
Total	-	249,499,106
Note : 19 - Changes in Inventories :		
Stock at commencement		
Finished Goods	-	852,388
Total (A)	-	852,388
Stock at close :		
Finished Goods	-	-
Total (B)	-	-
(A-B)	-	852,388
Note : 20 - Employee Benefit Expense :		
Salaries, Wages and Bonus	15,833,057	31,694,834
Company's Contribution to Provident & Other funds	471,773	412,364
Gratuity	691,114	687,669
Staff Welfare Expenses	770,489	887,202
Total	17,766,433	33,682,069
Note : 21 - Finance Cost :		
Interest on Cash Credit Loan (Net)	34,731,042	24,167,666
Bank Commission & Charges	3,666,306	5,197,705
Total	38,397,348	29,365,371



	End of	
	Current Reporting Year	Previous Reporting Year
	March 31,	
	2015	2014
Note : 22 - Other Expenses :		
Consumption of Stores and spares parts	1,913,443	2,656,044
Power & Fuel	2,757,570	2,744,177
Water Charges	710,553	476,182
Rent	1,421,421	1,269,253
Repairs and Maintenance:		
Factory Buildings	347,023	588,578
Plant and Machinery	196,560	297,305
Computer	253,477	220,648
Others	507,343	699,516
Insurance & ECGC Premium	8,046,982	6,365,229
Audit Fees	120,000	85,000
Rates and Taxes	128,319	85,192
Traveling & Conveyance Expenses	2,003,770	1,339,169
Legal and Professional Fees	1,758,783	2,642,296
Printing & Stationery	283,576	262,606
Telephone & Postage	720,685	362,959
Marketing, Selling & Distribution Expenses :		
Advertisement & Sales promotion expenses	5,533,495	4,878,342
Commission on sales	-	1,427,003
Freight and forwarding	982,371	1,332,750
Sundry balance written off/(back)	(857)	130,579
Loss on sale of Assets	35,295	270,633
Miscellaneous	793,123	184,810
Maharashtra Value Added Tax	516,271	-
Corporate Social Responsibility	805,000	-
Total	29,834,203	28,318,271

Rent Expenses :

The Company has taken residential / office premise under operating lease or leave and license agreement. The lease terms in respect of such premises are on the basis of individual agreement entered into with the respective landlord/owner. The lease payments are recognised in the above note under " Rent ".

Note : 23 - Deferred Tax :

- A The Net Deferred Tax Liability of Rs. 2,70,274/- [Previous Year : 1,26,964/-] for the year has been credited in the Profit and Loss Account.
- B Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under :

<u>Current Year</u>	As at 31-03-14	INR - Charge for the year to Profit & Loss Account	As at 31-03-15
Deferred Tax Liabilities :			
Depreciation	1,953,457	(46,042)	1,907,415
Total	1,953,457	(46,042)	1,907,415
Deferred Tax Assets :			
Gratuity	1,327,958	224,232	1,552,190
Total	1,327,958	224,232	1,552,190
Net Deferred Tax Liability	625,499	(270,274)	355,225



<u>Previous year</u>	As at 31-03-13	Profit & Loss Account	As at 31-03-14
Deferred Tax Liabilities :			
Depreciation	1,883,697	69,760	1,953,457
Total	1,883,697	69,760	1,953,457
Deferred Tax Assets :			
Gratuity	1,131,234	196,724	1,327,958
Total	1,131,234	196,724	1,327,958
Net Deferred Tax Liability	752,463	(126,964)	625,499

Note : 24 - Calculation of Earnings per Equity Share [EPS] :

The numerators and denominators used to calculate the basic and diluted EPS are as follows :

		Reporting year ended March,31	
		2015	2014
A Profit after tax attributable to Shareholders	INR	20,117,489	50,500,067
B Basic and weighted average number of Equity shares outstanding during the year	Nos.	6,964,080	6,964,080
C Nominal value of equity share	INR	10	10
D Basic EPS	INR	2.89	7.25
E Diluted EPS	INR	2.89	7.25

Note : 25 - Related Party Transactions :

A Name of the Related Party and Nature of the Related Party Relationship :

- a) Holding Company
Neverloose Properties & Investment Pvt. Limited.
- b) Key Management Personnel

Name	Designation	Transaction	2015	2014
i Shri. Kantikumar Dadha	Chairman & Managing Director	Remuneration & Perquisites	1,464,491	1,329,542
ii Shri. Karansingh Baid	Executive Director	Remuneration & Perquisites	1,169,266	1,047,810
iii Shri. Arvind Dadha	Executive Director	Remuneration & Perquisites	1,174,416	1,115,365

B The following transactions were carried out with the related parties in the ordinary course of business :

a) Details relating to parties referred to in items 26 - A (b)				
i Mrs. Kusum Dadha	Rent	563,200	507,000	
ii Mr. Ashish Dadha (Chief Financial Officer)	Salary	995,328	910,498	

Note : 26 - Contingent Liabilities and commitment to the extent not provided for :

i) Contingent Liabilities :			
a In respect of guarantees given by Banks and / or counter guarantees given by the Company		Uncertainable	Uncertainable
b Other money for which the company is contingent liable : The Income Tax Assessments of the Company have been completed up to Assessment Year 2012-13. The assessed Tax liability exceeds the provision made as on 31st March, 2015. Based on the decisions of the Appellate authorities and the interpretations of other relevant provisions, the Company has been legally advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.		496,220	955,291

Note : 27 - Value of Imports calculated on CIF basis :

Raw Materials	216,251,335	129,536,656
Stores & Spare parts	-	307,679
Total	216,251,335	129,844,335



Note : 28 - Earning in Foreign Currency :		
Export at F.O.B. Basis	927,593,205	1,121,239,002

Note : 29 - Consumption of Store & Consumables	Reporting year ended March,31			
	2015		2014	
	%	Amounts	%	Amounts
	a Indigenous	93.48 1,788,767	91.27 2,424,300	
b Imported	6.52 124,677	8.73 231,744		
	100.00	1,913,444	100.00	2,656,044

Note : 30 - Expenditure in Foreign Currency :		
Travelling Expenses		
	406,991	374,717
Total	406,991	374,717

Note : 31 - Distribution of Proposed Dividend :
The Board of Directors, in its meeting held on 28th May,2015 recommended the final dividend of Rs.0.50 per equity share. If the same is approved by the share holders in the annual general meeting, there will be an appropriation of Rs. 41,90,901/- from surplus out of which Rs. 34,82,040/- as proposed dividend and Rs. 7,08,861/- as net corporate dividend tax.

Note : 32
Balances in respect of Unsecured Loans, Loans & Advances, Sundry Debtors & Sundry Creditors are subject to confirmation by respective parties.

Note : 33
Previous year's figures have been regrouped / rearranged wherever necessary to confirm to the current year grouping.

Significant Accounting Policies and Notes to the Financial Statements 1 to 33

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants

For and on behalf of Board of Directors

(CA M.P. MODY)
Partner
Membership No.: FCA 042975
MUMBAI , 28th May, 2015

ASHISH DADHA
Chief Financial Officer

(CS POOJA SANGHAVI)
ACS No.: 34216

KANTIKUMAR DADHA
Chairman & Managing Director
DIN No. 00283289

KARANSINGH BAID
Executive Director
DIN No. 00283224

ARVIND DADHA
Executive Director
DIN No. 00317631



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

		2014-15		2013-14
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-ordinary Items		31,874,872		78,705,356
Adjustments for -				
Depreciation	3,215,954		2,197,140	
Interest Charged	34,731,042		24,167,666	
Loss on Sale of Fixed Assets	35,295		270,633	
Foreign Exchange Rate Difference	(6,116,067)		(73,013,243)	
		31,866,224		(46,377,804)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		63,741,096		32,327,552
Adjustments for :				
Trade & Other Receivable	1,477,739		127,930,439	
Inventories	15,344,963		(116,139,800)	
Liabilities	(43,978,923)		(53,507,592)	
		(27,156,221)		(41,716,953)
Cash Generated from Operations		36,584,875		(9,389,401)
Interest Paid		(34,731,042)		(24,167,666)
Direct Tax Paid		(27,478,901)		(9,466,800)
Prior year's tax adjustments		-		(228,376)
Cash Flow Before Extra-Ordinary Items		(25,625,068)		(43,252,243)
NET CASH FROM OPERATING ACTIVITIES A		(25,625,068)		(43,252,243)
B CASH FLOW FROM INVESTING ACTIVITIES :				
Sale of Fixed Assets	8,000		136,804	
Purchases of Fixed Assets	(2,450,485)		(2,788,111)	
NET CASH USED IN INVESTING ACTIVITIES B		(2,442,485)		(2,651,307)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	27,178,856		(30,925,710)	
Dividend paid	(3,482,040)		(850)	
Tax on dividend paid	(591,773)		-	
NET CASH USED IN FINANCE ACTIVITIES C		23,105,043		(30,926,560)
C FOREIGN EXCHANGE RATE DIFFERENCE D		6,116,067		73,013,243
Net Decrease in Cash and Cash Equivalents (A+B+C+D)		1,153,557		(3,816,867)
Opening Balance of Cash & Cash Equivalents		21,763,411		25,580,278
D Closing Balance of Cash & Cash Equivalents		22,916,968		21,763,411

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants

(CA M.P. MODY)
Partner
Membership No.: FCA 042975
MUMBAI , 28th May, 2015

ASHISH DADHA
Chief Financial Officer

(CS POOJA SANGHAVI)
ACS No.: 34216

For and on behalf of Board of Directors

KANTIKUMAR DADHA
Chairman & Managing Director
DIN No. 00283289

KARANSINGH BAID
Executive Director
DIN No. 00283224

ARVIND DADHA
Executive Director
DIN No. 00317631



Dear Share Holder (s)

Your Company Shares has been admitted for Demat by both the Depository National Depositories National Securities Depository Ltd.,(NSDL) And Central Depository Services(India)Limited(CDSL) the ISIN No. allotted is ISIN- INE798D1015

As you would be aware in today's Modern time and Age of Electronic Securities Holding Equity Shares in Physical Form would not be the most preferred option from the Investors as well as the Company's point of view. Dematerialized Shares offer protection from theft and various other undue hassles relating to transfer etc. Besides being cost effective and reducing unnecessary paper work for the Company, most important physical shares are not tradable on the Stock Exchange and therefore it is absolutely essential to Dematerialize your Physical Shares so as to enable you to trade freely in the Shares of the company.

We request you to get in touch with your Depository participant (DP) and get your Physical Equity Shares Dematerialized at any early date.

Members holding Shares in Physical Mode are requested to Register their E-mail ID'S with Sharex Dynamic (India) Pvt.Ltd., The Registrars & Share Transfer Agents of the Company and Members holding Shares in Demat Mode are requested to Register their Email ID'S with their E-mail ID'S with their respective Depository participants(DPS) in case the same is still not Registered.

Thank You,

Form No. MGT-12**Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Registered office: G/30, Gems & Jewellery Complex III, SEEPZ, Andheri (East), Mumbai - 400 096

CIN No : L36912MH1990PLC058729

Website : www.golkunda.com

BALLOT PAPER

S.No	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity

I hereby exercise my vote in respect of Ordinary resolutions enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the Resolution
1.	Adoption of audited Financial Statements of the Company for the year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.			
2.	Declaration of Dividend on Equity Shares for the financial year ended 31.03.2015			
3.	Appointment of Mr. Arvind K. Dadha (DIN: 00317631), who retires by rotation and being eligible, offers himself for re-appointment.			
4.	Ratification of Appointment of M/s. Motilal & Associates, Chartered Accountants as Statutory Auditors of the Company.			

Place: Mumbai

Date:

(Signature of the shareholder)

GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Registered Office : G/30, Gems & Jewellery Complex III, SEEPZ, Andheri (East), Mumbai - 400 096.
CIN: L36912MH1990PLC058729

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]

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

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

1. Name:

Address:

E-mail Id:

Signature:....., or failing him

2. Name:

Address:

E-mail Id:

Signature:....., or failing him

3. Name:

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Monday, the 28th day of September, 2015 at 3.00 p.m. at "SUNCITY RESIDENCY HOTEL, Eden – Hall, 16th Road, Masheshwari Nagar, MIDC, Marol, Andheri (E) Mumbai – 400 093" and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sr. No.	Resolutions	For	Against
1	Adoption of audited Financial Statements of the Company for the year ended 31st March, 2015 together with the Reports of the Board of Directors and Auditors thereon.		
2	Declaration of Dividend on Equity Shares for the financial year ended 31.03.2015		
3	Appointment of Mr. Arvind K. Dadha (DIN: 00317631) , who retires by rotation and being eligible, offers himself for re-appointment.		
4	Ratification of Appointment of M/s. Motilal & Associates, Chartered Accountants as Statutory Auditors of the Company.		

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.

If Undelivered, Please return to:

REGISTERED OFFICE :
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
G/30, Gems & Jewellery Complex III, SEEPZ,
Andheri (East), Mumbai - 400 096.
CIN: L36912MH1990PLC058729

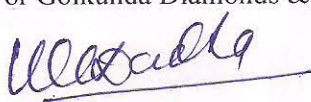
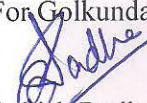




GOLKUNDA DIAMONDS & JEWELLERY LIMITED

REGD. OFF. : G-30, GEMS & JEWELLERY COMPLEX - III, SEEPZ, ANDHERI (EAST), MUMBAI - 400 096. INDIA.
Tel. : (91-22) 2829 0155 / 2829 0156 / 6693 8470 Fax : 2829 0373 Email : admin@golkunda.com Web : www.golkunda.com
CIN No.: L36912MH1990PLC058729

FORM A

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

1	Name of the Company	GOLKUNDA DIAMONDS & JEWELLERY LTD
2.	Annual Financial Statement for the year ended	31 ST March, 2015
3.	Type of Audit observation	Un – qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	<p>For Golkunda Diamonds & Jewellery Ltd</p> <p> Kanti Kumar Dadha (Chairman & Mang. Director)</p> <p>For Golkunda Diamonds & Jewellery Ltd</p> <p> Ashish Dadha (Chief Financial Officer)</p> <p>For Motilal & Associates (Firm No. 106584W)</p> <p> C.A. Mukesh P Mody (Partner) Membership No. 42975</p> <p>For Golkunda Diamonds & Jewellery Ltd</p> <p> Mangilal Maloo (Chairman, Audit Committee)</p>

