

**Form A as per Clause 31(a) of the Listing Agreement for the Financial
Year ended 31st March, 2015:**

1.	Name Of The Company:	Gemstone Investments Limited
2.	Annual Financial Statements For The Year Ended	31 st March, 2015
3.	Type Of Audit Of Observation:	Un-Qualified
4.	Frequency Of Observation:	Nil
5.	To Be Signed By-	
	• Managing Director	 Mr. Anant Palan DIN: 02183592 
	• CFO	 Mr. Rohan Barot DIN:06416269 
	• Auditor of The Company	For N. R. Gala & Associates Chartered Accountants Firm Reg. No.: 131744W  Navin R. Gala Proprietor Membership No.:040640 
• Audit Committee Chairman	 Ms. Shikha Kapasi DIN: 02945670 	

GEMSTONE INVESTMENTS LIMITED

annual report
2014-15

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CORPORATE INFORMATION

REGISTERED OFFICE: Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder, Mumbai – 400 003.

Tel: +91 022-65102060

Email Id: gemstoneltd@gmail.com

CIN: L65990MH1994PLC081749

Board of Directors:

- Mr. Anant Palan
(Managing Director)
- Mr. Rohan Barot
(C FO & Director)
- Mr. Nimesh Ganatra
(Executive Director)
- Ms. Dhara Brahmhatt
(Executive Director)
- Mr. Muljibhai Chheda
Shah
(Executive Director)
- Mr. Mahendra Dave
(Independent Director)
- Mr. Hitesh Dave
(Independent Director)
- Ms. Shikha Kapasi
(Independent Director)
- Mr. Devendrakumar
Shah
(Non Executive
Director)

Compliance Officer:

- Mr. Anant Palan

Chairman of the Board:

- Mahendra Dave

Audit Committee:

- Shikha Kapasi
(Chairperson)
- Hitesh Dave
- Mahendra Dave
- Nimesh Ganatra

Nomination &

Remuneration Committee:

- Shikha Kapasi
(Chairperson)
- Hitesh Dave
- Mahendra Dave

Stakeholders Relationship

Committee:

- Shikha Kapasi
(Chairperson)
- Hitesh Dave
- Mahendra Dave
- Nimesh Ganatra

Risk Management

Committee:

- Dhara Brahmhatt
(Chairperson)
- Hitesh Dave
- Mahendra Dave

STATUTORY AUDITORS: M/s. N.R.GALA & ASSOCIATES (Chartered Accountants)
204, Sai Amrut, Raigadh Chowlk, Ghatkopar (E),
Mumbai – 400 0077.

REGISTRAR & SHARE TRANSFER AGENTS: Sharex Dynamic (India) Private Limited
Unit No.1, Luthra Industrial Premises,
1st Floor, 44-E, M Vasanti Marg, Safed Pool,
Andheri-Kurla Road, Andheri (East),
Mumbai – 400 072.

BANKERS: Cosmos Bank
Dena Bank
HDFC Bank

LISTED AT: BSE Limited

LETTER TO SHAREHOLDERS

Dear Shareholders,

It gives me immense pleasure and honor in writing to you,

This year, the company reported revenue from operations of 23,223,874/- in comparison to 10,892,635/- during the last financial year. The company's efforts have led to more than twice growth in revenue, which on any touchstone is a tremendous achievement.

Our operational sector (NBFC) has rapidly emerged as an important segment of the Indian financial system. Moreover, We as, NBFCS assume small position in the significance business segment, as we primarily cater to the credit requirements of the unorganized sector such as wholesale & retail traders, small-scale industries and small borrowers at the local level by way of equity investments.

The NBFC as a segment is a heterogeneous group of financial institutions, performing a wide range of activities like hire-purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans, consumer loans, housing loans, loans against shares and investment, etc. And our company is an NBFC operating as an Investment Company, which prohibits accepting deposits from public. Our company strongly believes in building a strong financial community by catering to the financial needs of people who do not have access to organized financial services like banks etc. We follow a simple 'credit with confidence' policy with sole aim to supplement the financial needs of masses.

We as a company are in direct competition with other NBFC in investment sector. And due to implementation of innovative marketing strategies, customer-oriented services, and simplified procedures, we have a cutting edge and resultantly our efforts are clearly reflected in our current year profits.

While we have witnessed substantial growth over the years, there are few areas of concern which need to be addressed. For instance, we as NBFC cater only one segment of investment and other areas of operation are still under development phase. The banks operating in the retail finance segment which offer: used vehicles financing, small personal loans, three-wheeler financing, IPOs financing, finance for tires & fuel, asset management, mutual fund distribution, insurance advisory, etc. and with their existing established network we have lot of catching up to do. To compete with them, we are aspiring and targeting to emerge as a one-stop shop for all financial services.

Further, in order to monitor the financial health and prudential functioning of NBFCs, the RBI issued directions regarding acceptance of deposits, prudential norms like capital adequacy, income recognition, asset classification, provisioning for bad and doubtful assets, exposure norms and other measures. For Instance, NBFCs registered prior to April, 1999 to raise their Net Owned Funds (NOF) to Rs. 2 Crore by March, 2017 and revision in threshold limit for defined NBFCs to an asset size of Rs.500 Crore from Rs.100 Crore. Multiple NBFCs that are part of a corporate group or floated by common set of promoters will not be viewed on standalone basis. Provision on standard assets increased from 0.25% to 0.40%. This will result in strengthening the balance sheet of NBFCs by increasing the loss absorption capacity in long run but, it will have higher impact on profitability in short run. We are glad to inform that we have complied with all the regulations.

With revenue raised by 12,331,239 and notable growth in profit, this achievement is commensurate by simultaneous expenses. The major constituent of expenses during the reporting period was employee benefit expenses accompanied by other expenses. Other expenses majorly included provisioning for standard assets, miscellaneous expenses, brokerage & balances written off .Our performance is reflected in EPS which is thrice the previous year EPS and stands at a figure of Rs .06/- , "though trivial still remarkable".

Thank you for your continued support

Yours sincerely

For Gemstone Investments Limited

sd/-

Mahendra Dave
Chairman & Director

GEMSTONE INVESTMENTS LIMITED

(CIN: L65990MH1994PLC081749)

Registered Office: Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder,
Mumbai - 400003.

Tel: 022-65102060. **E-mail:** gemstoneltd@gmail.com

NOTICE

Notice is hereby given to the members that the 21st Annual General Meeting of **Gemstone Investments Limited** is to be held, the details of which are given as below:

- ❖ **Date** : 29th September, 2015.
- ❖ **Day** : Tuesday.
- ❖ **Time** : 9.30 am.
- ❖ **Venue** : Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder, Mumbai - 400003.

Meeting is scheduled to transact the following business:

ORDINARY BUSINESS:

❖ **Item No. 1 – Adoption of Financial Statements.**

To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2015, the Reports of the Board of Directors and the Auditors of the Company thereon.

❖ **Item No. 2 – Re-Appointment of Director.**

To appoint a Director in place of **Mr. Muljibhai Chheda**, (holding DIN: 05976338) Executive Director, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and who being eligible, offers himself for re-appointment.

❖ **Item No. 3 – Re-Appointment of Director.**

To appoint a Director in place of **Mr. Nimesh Ganatra**, (holding DIN: 02712015) Executive Director, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and who being eligible, offers himself for re-appointment.

❖ **Item No. 4 – Ratification of Appointment of Auditors.**

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

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by members at the AGM held on 30th September, 2014, the appointment of **M/s. N. R. Gala & Associates**, Chartered Accountants, Mumbai (Firm Reg. No: 131744W), as Statutory Auditors of the Company to hold office till conclusion of the Twenty-Third Annual General Meeting, be and is hereby ratified and that the Board of Directors be and are hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the Audit Committee in consultation with the Auditors.

SPECIAL BUSINESS:

❖ **Item No. 5 – Appointment of a Non Executive Independent Director.**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, **Mr. Dharmesh Belani** (DIN: 07273640), who has submitted a declaration that he meets criteria of independence and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of the director and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years from 29th September, 2015 and shall not be liable to retire by rotation.”

❖ **Item No. 6 – Appointment of a Non Executive Independent Director.**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, **Mrs. Mamata Shetty** (DIN: 07273684), who has submitted a declaration that she meets criteria of independence and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of the director and who is eligible for appointment, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five consecutive years from 29th September, 2015 and shall not be liable to retire by rotation.”

❖ **Item No. 7 – Appointment of Managing Director.**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary, the Company hereby approves the appointment of Mrs. Dhara Brahmhatt (DIN: 06433270) as Managing Director of the Company for a period of five years with effect from September 29, 2015 upon the terms and conditions including remuneration as set out in the draft agreement submitted to the meeting and initialed by the Chairman, for the purpose of identification, which draft agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Directors and Mrs. Dhara Brahmhatt.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

❖ **Item No. 8 – Adoption of New Set of Articles.**

To consider and, if thought fit, to pass the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this Meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorized to do all acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable that may arise in this regard.”

Notes:

1. The Explanatory Statement, pursuant to section 102 of the Companies Act, 2013 setting out material facts are annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and aggregate holding not 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 proxy for any other person or shareholder.

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Brief resume of directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, name of the companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Annexure to notice as per Clause 49 of the Listing Agreement.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant Documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of meeting.
7. The Register of Members and the Share Transfer Books of the Company will remain closed from **September 23, 2015 and September 29, 2015** (both days inclusive) for the purpose of the Annual General Meeting.
8. The members are requested to:
 - a. Intimate to the Company’s Registrars and Share Transfer Agents, **M/s. Sharex Dynamic (India) Private Limited** (for shares held in physical form) and to their

Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their Registered address, Bank account number / details etc. at an early date, quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;

- b. Bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting.
9. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the Registered Office Address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
 10. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA

PROCEDURE FOR E-VOTING:

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. The instructions for e-voting are as under:

Log on to the e-voting website www.evotingindia.com

- (i) Click on “**Shareholders**” tab.
- (ii) Now, select “**Gemstone Investments Limited**” from the drop down menu and click on “SUBMIT”
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 last 8 digits of the demat account/folio number in the PAN Field. • In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

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

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) On the voting page, you will see “**RESOLUTION DESCRIPTION**” and against the same the option “**YES/NO**” for voting. Select the option YES or NO as desired. The option YES

implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “**SUBMIT**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “**CANCEL**” and accordingly modify your vote.
- (xiv) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvii) The voting period begins on **26th September, 2015 (9.00 a.m.)** and ends on **28th September, 2015 (5.00 p.m.)**. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **22nd September, 2015**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xix) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **22nd September, 2015**.
- (xx) Mrs. Nisha Verma proprietor of **M/s. N. V. & Associates** has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxi) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer’s Report shall be placed on the website and communicated to the BSE Limited.

**By Order of the Board of Directors
For Gemstone Investments Limited**

Sd/-

Anant Palan

Managing Director

Place : Mumbai.

Date : 5th September, 2015.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (2) OF THE COMPANIES ACT, 2013.

Item No. 5 & 6:

The Company has received a notice in writing from Member of the Company along with deposit of requisite amount in accordance with Section 160 of the Act proposing the candidature of **Mr. Dharmesh Belani** and **Mrs. Mamata Shetty** for the office of Independent Directors of the Company. In the opinion of the Board, **Mr. Dharmesh Belani** and **Mrs. Mamata Shetty** fulfill the conditions specified in the Act and the Equity Listing Agreement and they are independent of the Management.

The Board is of the view that the Company would greatly benefit from the rich and varied experience of **Mr. Dharmesh Belani** and **Mrs. Mamata Shetty** and accordingly recommends the Ordinary Resolution set forth in Item No. 5 and No. 6 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way interested or concerned in the said Resolutions.

A copy of the draft letter of appointment of Mr. Dharmesh Belani and Mrs. Mamata Shetty as independent directors of the company setting out their terms and conditions would be available for inspection without any payment of fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays.

Item No. 7:

The term of Mr. Anant Palan, as a Managing Director of the Company will come to an end on September 28, 2015. Mr. Anant Palan has expressed his inability to continue as the Managing Director of the Company due to other commitments.

Thus, the Board, pursuant to the recommendation of the Nomination and Remuneration Committee, proposes to appoint Mrs. Dhara Brahmhatt as the new Managing Director of the Company for a period of five years w.e.f. September 29, 2015. The Agreement between the Company and Mrs. Dhara Brahmhatt contains the following main terms and conditions:

1. **Period:** 5 years with effect from September 29, 2015;
2. **Salary:** up to Rs. 50,000/- per month; with the authority to the Board to fix the same.
3. **Commission/performance linked incentive:** Not Exceeding 1% of the net profit of the Company in any financial year as the Board may determine from time to time but shall not

exceed the amount equivalent to the salary for the relevant period; it may be paid pro-rata on a monthly basis at the absolute discretion of the Board.

4. **Perquisites:** Company's contribution to Provident fund and Superannuation Fund or Annuity Fund, Gratuity Payment as per Company's rules.
5. **Annual Leaves:** Earned/Privilege leave on full pay and allowances as per rules of the company but not more than 30 days for every twelve months of service. Leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
6. **Reimbursements:** Mrs. Dhara Brambhatt shall be entitled to be reimbursed the travelling and entertainment expenses actually and properly incurred by her in or about the business of the Company and approved by the Board.
7. **Minimum Remuneration:** Where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above. The Board of Directors shall have liberty to alter and vary the aforesaid terms and conditions relating to remuneration in line with such amendments as may be made from time to time to the Companies Act, 2013.
8. **Termination Notice:** The appointment is terminable by notice by either party of one month.

Your Directors recommend passing the Ordinary Resolution as set out in the notice.

None of the Directors, Key Managerial Personnel or their relatives, except Mrs. Dhara Brahmbhatt, are concerned / interested in this resolution.

This should also be considered as an abstract of the terms of appointment of the Managing Director and Memorandum of concern or interest of the Directors/Key Managerial Personnel in the said appointment, as required under section 190 of the Companies Act, 2013 or any amendment or modification thereof.

The agreement as proposed above will be entered into subject to such other approvals as may be necessary. The draft agreement is available for inspection at the Registered Office of the Company on any working day during business hours.

Item No.8:

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act. With the coming

into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Articles.

The new AOA to be substituted in place of the existing AOA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

**By Order of the Board of Directors
For Gemstone Investments Limited**

Sd/-

Anant Palan

Managing Director

Place : Mumbai.

Date : 5th September, 2015.

Annexure to the Notice (Pursuant to Clause 49 of the Listing Agreement)

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting

Name of the Director:	Mr. Muljibhai Chedda	Mr. Nimesh Ganatra	Mrs. Mamata Shetty	Mr. Dharmesh Belani
DIN:	06976338	02712015	07273684	07273640
Date of Birth:	03.12.1967	15/06/1973	29.09.1981	23.08.1980
Date of Appointment:	30.09.2014	30.09.2011	N.A.	N.A.
Expertise in Special Functional Areas:	Business Administration and Human Resources	Business Management	Business Management	Finance and Accounting
Directorships held in other Public Limited companies *:	Nil	Nil	Nil	Nil
Shareholding held in the Company:	Nil	868000	Nil	Nil

(*Note: Excluding foreign companies and Section 8 Companies)

**By Order of the Board of Directors
For Gemstone Investments Limited**

Sd/-

**Anant Palan
Managing Director**

Place : Mumbai.

Date : 5th September, 2015.

DIRECTORS REPORT

To the members,

The directors are pleased to present this 21st Annual Report of the Company along with the audited financial statements for the financial year ended 31st March, 2015.

Financial Results:

The performance of the Company for the Financial Year ended March 31, 2015 is, summarized as below:

Particulars	FY 2014-15	FY 2013-14
Income from Operations	23,223,874.00	10,892,635.00
Other Revenue	----	7,482.00
Total Revenue	23,223,874.00	10,900,117.00
Employee benefits expense	2,760,635.00	1,990,487.00
Finance costs	1,160,811.46	1,216,532.01
Depreciation and amortization expense	125,127.00	128,100.00
Other expenses	12,997,287.00	4,809,268.22
Total Expenses	17,043,860.46	8,144,387.23
Profit before Exceptional Items and Tax	6,180,013.54	2,755,729.77
Exceptional Items	----	----
Profit Before Tax	6,180,013.54	2,755,729.77
Current Year Tax	2,062,921.00	904,647.00
Deferred Tax	(1,038.00)	4,609.00
Profit After Tax	4,118,130.54	1,846,473.77
Profit for the Year	4,118,130.54	1,846,473.77
Balance brought forward	6,917,146.83	5,070,673.06
Balance carried forward	11,035,277.37	6,917,146.83

Gross Income increased from 10,900,117/- in the FY 2013-14 to 23,223,874/- in FY 2014- 15, recording an increase by 12,323,757. The Profit after Tax also increased to Rs. 4,118,130.54/- in FY 2014-15 as against Rs. 1,846,473.77/- in the FY 2013-14.

Operations:

The operations of the Company are more elaborated in the annexed 'Management Discussion and Analysis Report' which also forms a part of Annual Report.

Share Capital:

The Authorized Share Capital of the company was Rs. 100,000,000/- and the Paid-up Equity Share Capital of the Company as on March 31, 2015, was Rs. 74,750,000. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options. Thus, there was no change in the Authorized or Paid-up Capital or Subscribed Capital during the Financial Year 2014-15.

Dividend:

The Company is in the stage of expansion and thus, in order to conserve the resources of the Company, the Management has not recommended payment of any dividend on the Equity Shares, for the current FY 2014-15.

Transfer to Reserves:

The Company has not transferred any amount to Reserves in the Financial Year 2014-15.

Subsidiaries and Associates:

- ❖ **Subsidiary / Joint Ventures:** The Company does not have any Subsidiary or Joint Ventures.
- ❖ **Associate Company:** The Company holds 24.00% shares in the company Asian Fintrade Services Pvt. Ltd. Thus Asian Fintrade Services Pvt. Ltd is an Associate Company as per meaning of Section 2(6) of the Companies Act, 2013 ("Act"). In terms of Section 129 of the Companies Act, 2013 read with third proviso to Rule 5 of Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statement of Associate Company in form AOC-1 is enclosed as "**Annexure A**" which forms part of this report.

Directors:**❖ Appointment:**

1. Pursuant to the provisions of Section 149 of the Act, which came into effect from April 1, 2014, Mr. Hitesh Dave, Mr. Mahendra Dave, and Mrs. Shikha Kapasi were appointed as independent directors at the annual general meeting of the Company held on September 30th, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.
2. Mr. Devendrakumar Shah was appointed as a Non-Executive director and Mr. Muljibhai Chheda as an Executive Director liable to retire by rotation at the meeting held on 30th September, 2014 in terms of Section 152 & 160 of the Act.
3. The Company has received notice together with requisite deposit of Rs. 1 Lac under Section 160 of the Companies Act, 2013, from the members of the Company proposing the candidature of Mr. Dharmesh Belani and Mrs. Mamata Shetty as a Non Executive Independent Director for a term of five years. Their appointment has been proposed in the Annual General Meeting and a resolution for their appointment forms part of the notice convening the said Annual General Meeting.

- ❖ **Re-appointment:** In accordance with the provisions of the Companies Act, 2013, Mr. Muljibhai Chheda and Mr. Nimesh Ganatra, Director of the Company, being the longest in the office amongst the four directors liable to retire by rotation, retires from the Board by rotation this year and, being eligible, has offered their candidature for re-appointment. Necessary resolution for this purpose is being proposed in the notice of the ensuing Annual General Meeting for the approval of the members. None of the Independent Directors are due for reappointment.

Key Managerial Personnel:

During the year under review, Mr. Anant Palan, Managing Director and Mr. Rohan Barot, Chief Financial Officer (appointed w.e.f 14th November, 2014) were designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013.

Declaration by Independent Directors:

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

Policy on Directors' Appointment and Remuneration:

The Nomination & Remuneration Committee constituted in accordance with the Section 178 of Companies Act & Revised Clause 49 of Listing Agreement formulates the policy for appointment, removal and remuneration of Directors. The Directors of the Company are appointed by shareholders at the General Meetings. As regards the appointment and tenure of Independent Directors, the Company has adopted the provisions of the Companies Act, 2013 read with Clause 49 of the Listing Agreement.

The Company's Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is enclosed as "**Annexure B**" to this Report.

Performance Evaluation of the Board:

Pursuant to Clause 49 of the Listing Agreement, the Companies Act, 2013, and Schedule IV of the Companies Act, 2013, the evaluation of the Board as a whole and all directors was conducted based on identified criteria and framework.

The performance evaluation of the Chairman, Managing Director and the Non-Independent Directors was carried out by the Independent Directors and the performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated. The Board has carried out an annual performance of the directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholders Relationship & Risk Management Committees.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- ❖ In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ❖ They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- ❖ They have taken proper and sufficient care for the 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 fraud and other irregularities;
- ❖ They have prepared the annual accounts on a going concern basis;

- ❖ They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- ❖ They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Meetings:

Five meetings of the board were held during the year. Details of the meetings of the board are included in the Corporate Governance Report, which forms a part of this report.

Audit Committee:

The Audit Committee comprises of 4 Directors, All the recommendations made by the Audit Committee were accepted by the Board. Further Details pertaining to Audit committee are included in the Corporate Governance Report, which forms part of this report.

Auditors:

- ❖ **Statutory Auditors:** Pursuant to the provisions of Section 139 of the Act and the rules framed, the Statutory Auditors of the Company, **M/s. N R Gala & Associates** were appointed on 29.09.2014 for a term of three years subject to ratification at every Annual General Meeting. Necessary resolutions for the ratification by members have been put across in the notice which forms a part of this report. The auditors' report for the financial year 2014-15 does not contain any qualifications, reservations or adverse remarks.
- ❖ **Secretarial Auditor:** Pursuant to Section 204 of the Act and rules framed therein the Board of Directors had appointed **M/s. Mayank Arora & Co.** the Practicing Company Secretary Firm as a Secretarial Auditor on the recommendation of the Audit committee, to conduct Secretarial Audit for the financial year 2014-15. Their report of the Secretarial Audit is given as an "**Annexure C**" which forms part of this report.
- ❖ **Internal Auditor:** The Board on recommendation of the Audit Committee had appointed **M/s. Tejas Nadkarni & Associates** as the Internal Auditors.

Risk Management

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The broad terms of reference of the Committee are stated in the Corporate Governance Report. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Deposits:

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

Particulars of Loans, Guarantees and Investments:

The Company, being a non-banking finance company registered with the Reserve Bank of India and engaged in the business of giving loans, is exempt from complying with the prescribed limits as specified under the provisions of section 186 of the Companies Act, 2013. The details of investments made are given in Notes to the Financial Statements which forms a part of this Report.

Particulars of Contracts or Arrangements Made With Related Parties:

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in “**Annexure D**” in Form AOC-2 and the same forms part of this report.

Conservation of Energy and Technology Absorption:

The Company, being a non-banking finance company (NBFC), does not have any manufacturing activity. The information required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is appended hereto as “**Annexure E**” and it forms part of this Report.

Corporate Social Responsibility:

The conditions as prescribed under the section 135 of the Companies Act, 2013, requiring a Company to constitute a Corporate Social Responsibility Committee is not applicable to the Company. The Board of Directors also periodically reviews the applicability of CSR rules to the Company so as to take necessary steps for constitution of Committee, if required.

Extract of annual return:

As provided under Section 92(3) of the Act, the extract of annual return is enclosed as “**Annexure F**” in the prescribed Form MGT-9, which forms part of this report.

RBI Guidelines:

The Company is a non-deposit accepting NBFC registered with the Reserve Bank of India. The Company provided all required information to the RBI for the financial year under the review. The Company continues to fulfill all the norms and standards as laid down by the Reserve Bank of India.

Management Discussion and Analysis:

Pursuant to clause 49 of the Listing Agreement entered into with the Stock Exchanges, “Management Discussion and Analysis” is given separately forming part of this Report.

Corporate Governance:

The Company has complied with all the mandatory requirements of Corporate Governance specified by the Securities & Exchange Board of India through clause 49 of the Listing Agreement. As required by the said clause, a separate “Report on Corporate Governance” forms part of the Annual Report of the Company. A certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance also forms part of this Report.

Regulatory Actions:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

Internal Financial Control Systems:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

The Company's internal control system is commensurate with the size, nature and operations of the Company. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new or improved controls.

Human Resources:

The Company recognizes people as its most valuable asset and has built an open, transparent and meritocratic culture to nurture this asset. Therefore adopts friendly human resource (HR) policies to motivate its employees and create a congenial work environment. Merit based recruitment, adequate training facilities, rewards and recognitions are some of the components of its HR policies. Such policies help in skill enhancement, knowledge upgradation and employee motivation, which in turn, contribute to organizational excellence.

Particulars of Employees:

During the year ended March 31, 2015, no employee is drawing remuneration in excess of the amount prescribed under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

Sexual Harassment at Workplace:

The Company has formulated a policy for prevention and deterrence of acts of sexual harassment. The Policy also defines the procedures for the resolution and settlement of complaints, if any. This policy ensures implementation and compliance with the requirements under the law. There were no such complaints received on sexual harassment so far.

Vigil Mechanism / Whistle Blower Policy:

The Company has formulated a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges. The 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.

Disclosures:

- ❖ There has been no change in the nature of business of the Company during the year under review.
- ❖ There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of financial year and the date of this Report.
- ❖ There Company did not issue any equity shares with differential rights as to dividend, voting or otherwise.
- ❖ The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

Acknowledgement:

Your Directors wish to convey their gratitude and appreciation to all the employees of the Company for their valuable contribution during the year through their dedication, hard work and commitment and the trust and confidence reposed on us. They also wish to place on record their appreciation of the Company's customers, shareholders, investors, bankers, agents, suppliers, distributors and other business associates for their cooperation and support. Your Directors especially appreciate the continued understanding and confidence of the Members.

For and on behalf of the Board

Place: Mumbai
Date: 5th September, 2015.

Sd/-
Mahendra Dave
Chairman & Director

FORM AOC- 1

[Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

Sl.	Particulars	Details
1	Name of the subsidiary	The Company does not have any subsidiaries, thus Part A of the form is not applicable to the Company.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
4	Share capital	
5	Reserves & surplus	
6	Total assets	
7	Total Liabilities	
8	Investments	
9	Turnover	
10	Profit before taxation	
11	Provision for taxation	
12	Profit after taxation	
13	Proposed Dividend	
14	% of shareholding	

Notes: the following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations:** None
- Names of subsidiaries which have been liquidated or sold during the year:** None

Part "B": Associate/Joint Venture

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

Sl	Particulars	Details
1	Name of Associate/Joint Ventures	Asian Fintrade Services Pvt. Ltd.
2	Latest Audited Balance Sheet Date	31.03.2014
3	Shares of Associate/Joint Ventures held by the Company on the year end	
	No. of shares	2,40,000
	Amount of investment in Associate/Joint Venture	2400000 Rs.
	Extent of Holding %	24.00%
4	Description of how there is significant influence	Common Director (Nimesh Ganatra) and the company have 24.00% of the shareholdings in the company.

5	Reason why the associate/joint venture is not consolidated	Not Applicable as per the Notification no. GSR-E dated 14 th October, 2014.
6	Net worth attributable to shareholding as per latest audited Balance Sheet	25,07,338
7	Profit/Loss for the year	
	i. Considered in consolidation	Nil
	ii. Not Considered in Consolidation	22,673

1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year:
None

For and on behalf of the Board

Sd/-

**Mahendra Dave
Chairman & Director**

Place: Mumbai

Date: 5th September, 2015.

NOMINATION AND REMUNERATION POLICY

Purpose

The Board of Directors in order to align with the provisions of the Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement renamed the “Remuneration Committee” as “Nomination and Remuneration Committee”. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel (SMP) has been formulated by the Nomination and Remuneration Committee and has been approved by the Board of Directors of the Company. This policy shall act as a guideline for determining, inter alia qualifications, independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees.

Applicability

This Policy is applicable to:

1. Directors viz. Executive, Non-executive and Independent
2. Key Managerial Personnel
3. Senior Management Personnel
4. Other Employees of the Company, as applicable.

Objective

The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees. The Key Objectives of the policy is:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To assist the Board in fulfilling responsibilities.

Constitution of Committee

The Nomination and Remuneration Committee constituted should consist of three or more non-executive directors out of which not less than one-half should be independent directors. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries. Minimum two (2) members shall constitute a quorum for the Committee meeting. Membership of the Committee shall be disclosed in the Annual Report.

Role of Committee

The Role and Powers of the Committee shall be as under:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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.

Definitions

- “**Act**” means Companies Act, 2013 and rules framed thereunder.
- “**Board**” means Board of Directors of the Company as constituted from time to time.
- “**Policy**” or “**This policy**” means Nomination and Remuneration Policy.
- “**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- “**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
- “**Key Managerial Personnel**” means:
 - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
 - ii. Chief Financial Officer;
 - iii. Company Secretary;
 - iv. And such other officer as may be prescribed.

- **“Senior Managerial Personnel”** mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.
- **“Independent Director”** means a Director referred to in Section 149 (6) of the Companies Act, 2013.

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

Appointment and Removal of Director, KMP and Senior Management

1. Appointment Criteria and Qualifications:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) Appointment of Independent Directors is subject compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules framed thereunder.

2. Term / Tenure:

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

3. Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals i.e. yearly or at such intervals as may be considered necessary. The same may however be delegated by the Committee.

4. Removal:

Due to reasons for any disqualification as mentioned in the Act pursuant to section 164 or under any other applicable provisions, 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

5. Retirement:

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Remuneration to Directors / KMP/ SMP

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

- i. The Services are rendered by such Director in his capacity as the professional; and
- ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.
- d) Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.

4) Familiarization Program for Independent Directors:

The Company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, etc., through various programs.

Proceedings of the Meeting

Proceedings of all meetings must be minuted and signed by the Chairperson of the Committee at the subsequent meeting. Minutes of the Committee meeting will be circulated at the subsequent Board and Committee meeting for noting.

Review and Amendment to the Policy

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

- The Committee or the Board may review the Policy as and when it deems necessary.
- The Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- This Policy may be amended or substituted by the Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

Disclosure

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report.

SECRETARIAL AUDIT REPORT

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

For The Financial Year Ended 31st March, 2015

To,

The Members,

Gemstone Investments Limited

Room No. 105, 1st Floor, Shradhanand Building,

274 Samuel Street, Masjid Bander,

Mumbai - 400 003

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **M/s. Gemstone Investments 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 my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Gemstone Investments Limited ("the Company") for the financial year ended on 31st March, 2015, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder for specified sections notified and came into effect from 12th September, 2013 and sections and Rules notified and came into effect from 1st April, 2014;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (not applicable to the Company during the Audit Period);
- v. Reserve Bank of India Act, 1934;
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2009, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014 (not applicable to the Company during the Audit period);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit period);
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (not applicable to the Company during the Audit period), and
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period), and;
- vii. Other Laws applicable to the Company as per the representations made by the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts I have relied on the Reports given by the Statutory Auditors of the Company.

I have also examined compliance with the applicable clause of the following:

- a. Secretarial Standards issued by The Institute of Company Secretaries of India. (not notified hence not applicable the Company during the Audit Period); and
- b. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the financial year under report, the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has not complied with the Bank's circular DNDS/(PD) CC No. 200/03-10001/2010-11 dated 17/09/2010 for all the NBFC being credit institution are required to become member of at least one credit information Company.
2. The Company has not done Annual filing with Registrar of Companies for last three years. The Company has made default under section 164(2) of the Companies Act, 2013.
3. The Company has outstanding balance as on 31/03/2015 of Rs. 20 lacs to M/s Asian Comtrade Private Limited, a Company listed in the register maintained under section 189 of the Companies Act, 2013. However, as per information and explanation given to us, the Company has not granted any loans secured or unsecured to Companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 during the year.
4. Following enterprises are owned or significantly influenced by Key Managerial Personnel or their relatives:
 - a) Asian Fintrade Services Pvt. Ltd.
 - b) Asian Comtrade Pvt. Ltd.
 - c) Money Mount Securities Pvt. Ltd.
 - d) Power-Point Energy Pvt. Ltd.

I further report that:

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

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

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The Company is in the process of appointing a whole time Company Secretary and filing necessary Forms & Returns.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / debentures / sweat equity.
- ii. Buy-Back of securities.
- iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction etc.
- v. Foreign technical collaborations

This report is to be read with my letter of even date which is annexed as Annexure I and form an integral part of this report.

Date: - 05.09.2015

Place: - Mumbai

For Mayank Arora & Co.

Sd/-
Mayank Arora
Proprietor

To,
The Members,
Gemstone Investments Limited
Room No. 105, 1st Floor, Shradhanand Building,
274 Samuel Street, Masjid Bander,
Mumbai - 400 003.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. I have reported, in my audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in my opinion, are material and having major bearing on financials of the Company.

Date: - 05.09.2015

Place: - Mumbai

For Mayank Arora & Co.

Sd/-

Mayank Arora

Proprietor

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Account) 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 arm's length transactions under third proviso thereto:

1. Details of Contracts or Arrangements or Transactions not at Arm's Length basis:

Particulars	Details
Name(s) of the related party and nature of relationship	Nil
Nature of contracts / arrangements / transactions	
Duration of the contracts / arrangements/transactions	
Salient terms of the contracts or arrangements or transactions including the value, if any	
Justification for entering into such contracts or arrangements or transactions	
Date(s) of approval by the Board	
Amount paid as advances, if any	
Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of Material Contracts or Arrangement or Transactions at arm's length basis:

Particulars	Details
Name(s) of the related party	Asian Fintrade Services Pvt. Ltd.
Nature of relationship	Associate Company
Nature of contracts/ arrangements/ transactions	Investment in Equity
Duration of the contracts / arrangements/transactions	From 2009 and still going on.
Salient terms of the contracts or arrangements or transactions including the value, if any	Rs. 24,00,000/-
Date(s) of approval by the Board, if any	30 th October, 2009
Amount paid as advances, if any	None

For and on behalf of the Board

Sd/-

**Mahendra Dave
Chairman & Director**

Place: Mumbai

Date: 5th September, 2015.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo pursuant to provisions of section 134 of The Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY:

Sr. No.	Particulars	Details
1.	The steps taken or impact on conservation of energy	N. A
2.	The steps taken by the company for utilizing alternate sources of energy	N. A
3.	The capital investment on energy conservation equipments	N. A

B) TECHNOLOGY ABSORPTION:

Sr. No.	Particulars	Details
1.	The efforts made towards technology absorption	N. A
2.	The benefits derived like product improvement, cost reduction, product development or import substitution;	N. A
3.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- i. The details of technology imported; ii. The year of import; iii. Whether the technology been fully absorbed; iv. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N. A
4.	The expenditure incurred on Research and Development.	N. A

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	2014-15	2013-14
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo	NIL	NIL

For and on behalf of the Board

Sd/-

**Mahendra Dave
Chairman & Director**

Place: Mumbai

Date: 5th September, 2015.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

Sr. No.	Particulars	Details
1.	CIN	L65990MH1994PLC081749
2.	Registration Date	05/10/1994
3.	Name of the Company	Gemstone Investments Limited
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder, Mumbai 400003. Tel: 022-65102060. E-mail: gemstoneltd@gmail.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Sharex Dyanamic (India) Pvt. Ltd. Unit-1, Luthra Ind. Premises, 1st Floor, 44-E, M Vasanti Marg, Anderi -Kurla Road, Safed Pool, Andheri (West), Mumbai 400 072. Tel: 022 28515606/ 28515644

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	Non Banking Financial Activities	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Asian Fintrade Services Pvt. Ltd. Add: B / 503 Western Edge2 Western Express Highway, Borivali East, Mumbai 400066	U67190MH2009PTC194614	Associate	24.00%	2(6)

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held as on 31-March-2014.				No. of Shares held as on 31-March-2015				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	868000	0	868000	1.16	868000	0	868000	1.16	0.00
a) Individual/HUF	0	0	0	0	0	0	0	0	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.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)(1)	868000	0	868000	1.16	868000	0	868000	1.16	0.00
(2) Foreign	0	0	0	0	0	0	0	0	0
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Foreign Nationals	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
Total shareholding of Promoter (A)(2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	868000	0	868000	1.16	868000	0	868000	1.16	0.00
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	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) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	38205223	5000	38210223	51.12	37966399	5000	37971399	50.80	(0.32)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	8122675	493850	8616525	11.53	8684441	493850	8190591	11.62	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	26307738	344000	26651738	35.65	27161780	0	27161780	36.34	0.69
Any Other Clearing Members	345634	0	345634	0.46	0	0	0	0	(0.46)
NRI	57880	0	57880	0.08	64380	0	64380	0.09	0.009
Sub-total (B)(2):-	73039150	842850	73882000	98.84	73383150	498850	73882000	98.84	0.02
Total Public Shareholding (B)=(B)(1)+(B)(2)	73039150	842850	73882000	98.84	73383150	498850	73882000	98.84	0.002
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	73907150	842850	74750000	100	74251150	498850	74750000	100	0.002

B) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Nimesh Ganatra	868000	1.16	0.00	868000	1.16	0.00	0.00

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

There have been no changes in the shareholding of the promoter during the year 2014-15.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Names of the Shareholders	Shareholding at the beginning of the year		Date	Increase Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the co.				No. of shares	% of total shares of the co.
1	Arcadia Share & Stock Brokers Pvt. Ltd.	15829788	21.178	1/4/2014	Opening			
				2/5/2014	38000	Transfer	15867788	21.228
				30/5/2014	500	Transfer	15868288	21.228
				13/6/2014	2504	Transfer	15870792	21.232
				8/8/2014	100	Transfer	15870892	21.232
				10/10/2014	10000	Transfer	15880892	21.245
				31/10/2014	1000000	Transfer	14880892	19.908
				7/11/2014	83300	Transfer	14797592	19.796
				14/11/2014	599000	Transfer	14198592	18.995
				28/11/2014	1200000	Transfer	12998592	17.389
				5/12/2014	4195585	Transfer	8803007	11.777
				12/12/2014	1200000	Transfer	7603007	10.171
				19/12/2014	1230039	Transfer	6372968	8.526
				31/12/2014	9700	Transfer	6382668	8.539
				9/1/2015	1000	Transfer	6381668	8.537
				6/2/2015	9850	Transfer	6391518	8.551
				13/2/2015	23174	Transfer	6414692	8.582
20/2/2015	40202	Transfer	6454894	8.635				
20/3/2015	7609500	Transfer	14064394	18.815				
31/3/2015	Closing		14064394	18.815				
2	Kaushik Shah Shares & Securities Pvt. Ltd.	6000000	8.027	1/4/2014	Opening			
				31/3/2015	Closing		6000000	8.027
3	Heena Mahesh Varde	4000000	5.351	1/4/2014	Opening			
				31/3/2015	Closing		4000000	5.351
4	Religare Securities Ltd.	2793554	3.737	1/4/2014	Opening			
				2/5/2014	50	Transfer	2793504	3.737
				30/5/2014	500	Transfer	2793004	3.736
				13/6/2014	2000	Transfer	2791004	3.734
				30/6/2014	2000	Transfer	2789004	3.731
				17/10/2014	430	Transfer	2788574	3.731
				24/10/2014	1515	Transfer	2787059	3.729
				7/11/2014	11535	Transfer	2798594	3.744
				14/11/2014	11535	Transfer	2787059	3.729
				5/12/2014	75	Transfer	2787134	3.729
				19/12/2014	75	Transfer	2787059	3.729
31/3/2015	Closing		2787059	3.729				
5	IFCI Financial	2947007	3.942	1/4/2014	Opening			

	Services Limited			31/3/2015	Closing		2947007	3.942
6	Ashika Stock Broking Ltd.	2954588	3.953	1/4/2014	Opening			
				11/4/2014	10000	Transfer	2944588	3.939
				30/5/2014	6998	Transfer	2937590	3.93
				29/8/2014	3027	Transfer	2940617	3.934
				5/9/2014	3027	Transfer	2937590	3.93
				31/3/2015	Closing		2937590	3.93
7	Mahesh Manohar Varde	2000000	2.676	1/4/2014	Opening			
				31/3/2015	Closing		2000000	2.676
8	Padmakant Devidas Shah	2000000	2.676	1/4/2014	Opening			
				31/3/2015	Closing		2000000	2.676
9	Mahesh Reddy Althuru	1475000	1.973	1/4/2014	Opening			
				31/3/2015	Closing		1475000	1.973
10	Anubhav Consultancy Services Pvt. Ltd.	500000	0.669	31/10/2014	Opening			
				14/11/2014	200000	Transfer	700000	0.936
				28/11/2014	400000	Transfer	1100000	1.472
				5/12/2014	800000	Transfer	1900000	2.542
				31/3/2015	Closing		1900000	2.542

E) Shareholding of Directors and Key Managerial Personnel:

S N	Shareholding of each Directors and each Key Managerial Personnel	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.	Anant Palan				
	At the beginning of the year	3750000	5.02%		
	At the end of the year	3750000	5.02%	3750000	5.02%
2.	Nimesh Ganatra				
	At the beginning of the year	868000	1.16%		
	At the end of the year	868000	1.16%	868000	1.16%

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	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil

Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Anant Palan (M.D)	
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify.	Nil	Nil
5	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act		

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil
2	Other Non-Executive Directors	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil

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

SN	Particulars of Remuneration	Key Managerial Personnel
		Rohan Barot (C.F.O)
1	Gross salary	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2	Stock Option	Nil
3	Sweat Equity	Nil
4	Commission	Nil
	- as % of profit	Nil
	others, specify...	Nil
5	Others, please specify	Nil
	Total	Nil

VII. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE	NONE	NONE	NONE	NONE
Punishment					
Compounding					

For and on behalf of the Board

Sd/-

Mahendra Dave
Chairman & Director

Place: Mumbai

Date: 5th September, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

A. INDUSTRY STRUCTURE AND DEVELOPMENTS.

The Indian economy is currently recovering from the phase of sluggish growth thanks to UPA government and is characterized by tangible progress towards fiscal consolidation and strong macro-economic fundamentals. The stable government formed in the 16th Lok Sabha elections has acted as a catalyzing agent for uplifting the Indian sentiments by promising stability in providing good governance and the fundamental solutions to present day economic issues. The "Make in India" campaign by MODI Government is encouraging on bringing regulatory reforms to facilitate ease of doing business in India, thrust towards growth of infrastructure sector and financial inclusion will also demand NBFCs to shoulder the growth and development phase with banks, India is seemingly walking into. NBFCs in India have been complimenting the banks in rendering financial services and over the last few years have also been instrumental in bringing about financial inclusion in the country. Also they have been playing a critical role in infrastructure financing, micro lending, asset-backed lending, factoring and have a network which is far wider and granular than banks in some cases. NBFCs achieved for double digit growth as compared to the bank's performance during the financial year 2014-15.

Our company is an NBFC operating as an Investment Company, which prohibits accepting deposits from public. Our company strongly believes in building a strong financial community by catering to the financial needs of people who do not have access to organized financial services like banks etc.. We follow a simple 'credit with confidence' policy with sole aim to supplement the financial needs of masses.

B. OPPORTUNITIES AND THREATS.

NBFCs may get bank license and proposal to increase the cap on loans. With latest reforms in government norms now NBFCs can give finance against pledged gold. NBFCs, especially with retail focus, have been reporting healthy profits with steady asset quality. Valuations have also been boosted by clearance to the banking Bill, which paves the way for new bank licenses that some NBFCs expect to get.

Experts say this year will also be positive for those who invest in NBFCs due to the expected easing of regulations and fall in interest rates. India Ratings says falling interest rates and uptick in economic growth will ease cyclical pressures. However, the continued harsh environment around some asset classes, including heavy and medium commercial vehicles and construction equipment, and building pressure points in the fast-growing light commercial vehicles will keep the asset quality under pressure.

Further, the changes in NPA recognition norms from 180 days to 90 days will increase the burden on balance sheet, enforcing them to follow stringent evaluation of credit proposal.

HEIGHTENED COMPETITION

Since India is a growing economy and the real growth in Indian economy comes from the industrial sector in operation mainly private and public and private (jointly), the cumulative effort of this industry is shown at indices level. Since companies are growing so is the share prices, making it the most lucrative option of making wealth. This attracts huge competition from not only India but global competition in Indian JVs.

C. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

At present company is operating under only one segment namely investment business.

D. OUTLOOK

Since "PAST IS A GUIDE TO FUTURE" the industry has been subject to few key developments which will define the future outlook of the industry as enumerated below (SOURCE- CARE RESERCH REPORT)

- ❖ NBFCs registered prior to April, 1999 to raise their Net Owned Funds (NOF) to Rs. 2 Crore by March, 2017. This will bring in parity for NBFCs formed prior to and after April, 1999. AND Ensure only serious and competitive players with minimum NOF remain in the market.
- ❖ Limit on deposit acceptance reduced to 1.5 times of Owned Funds from 4 times of Owned Funds for Deposit taking AFCs. The Limit on deposits improves safety for public depositors. However, majority of deposit taking NBFCs are already compliant with this provision.
- ❖ Mandatory investment grade credit rating for accepting public deposits. This helps to safeguard public deposited.
- ❖ Revision in threshold for defining systemically important NBFC to asset size of Rs.500 Crore from Rs.100 Crore. Larger NBFCs are subjected to more stringent norms. However, regulatory compliance requirement reduced for NBFCs having assets size between 100 Crore to 500 Crore.
- ❖ Multiple NBFC that are part of a corporate group or floated by common set of promoters will not be viewed on standalone basis. To help regulate groups having multiple small NBFCs and bring them under more regulatory supervision
- ❖ Introduction of leverage ratio of 7 for NBFC-ND having assets less than Rs.500 Crore. It restricts the lending ability of NBFC reducing the chances of failure.
- ❖ Change in NPA recognition to 90 days overdue from 180 days overdue for loans and 360 days for hire purchase assets.
- ❖ This removes regulatory arbitrage for NBFCs vis-à-vis banks in NPA recognition. This will lead to jump in NPAs for the NBFCs over the short term, and it will impact the profitability due to higher provisioning requirement with increase in NPAs and interest reversals.
- ❖ Provision on standard assets increased from 0.25% to 0.40%. This will Strengthen the balance sheet of NBFCs by increasing the loss absorption capacity of NBFCs in long run but it Will have higher impact on profitability in short run

- ❖ Credit concentration norms for AFCs to be in line with other NBFCs. This will have a impact on AFC unless that AFC have solemnly have retail loan.

E. RISKS AND CONCERNS.

Risk management is an integral part of the Company's business process. In the normal course of business, NBFCs are exposed to numerous various risks. The managements of NBFCs have to base their business decisions on a dynamic and integrated risk management system and process, driven by corporate strategy. The several major risks in the course of their business are - fraudulent transaction risk, reputational risk, credit risk, interest rate risk, liquidity risk and operational risk. At the Company, a governance process has been institutionalized, which ensures that risk management concepts are applied to all business and risk types. Decision making levels are based on the Company's objectives and risk tolerance limits. Strategies, policies and limits are designed to ensure that risks are prudently diversified. Risk mitigating activities are reviewed periodically by senior management and further at the Board.

Risk Mitigation Strategies are Enlisted Below

- Identification of the diverse risks faced by the company either it be internal substantive risk or external socio-economic-political risk.
- Risk Management through appropriate mitigation strategies within the general framework at appropriate management level & their reporting
- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

Based on auditor and management satisfaction we have found that the internal control system commensurate with nature and size of the business and no loopholes and deficiencies have been noted and observed by the management.

G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

Your company falls into investment company classification under NBFC norms. Your company has been able to generate investment income majorly constituting towards interest income, bad debts recovery and past recovery. Further management initiatives are shown with increased short term loans and advances amount.

This year company reported revenue of 23,223,874/- in comparison to 10,892,635/- during the last financial year. The company efforts have led to a multiple growth which by far is a tremendous achievement on any scale. With Notable growth in sales, come simultaneous expenses, namely employee benefit expenses and other expenses which rose substantially. These head which majorly include provisioning for standard assets and miscellaneous expenses, brokerage & balances written off.

H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

Your Company believes that people are its most significant resource and endeavors to provide an environment which encourages and enables talented professionals to perform to their fullest. The Company's recruitment, re-training, rewarding and retention policies are developed to protect and fortify the core culture. Today, the Company offers a strong brand, a challenging work environment conducive for independent decision making and competitive compensation. This allows the Company to attract and retain extremely qualified professionals with impeccable professional track records.

I. CAUTIONARY STATEMENTS:

Statements in this Management Discussion and Analysis Report describing Company's objectives, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual Results might differ substantially or materially from those expressed or implied. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. Your Company does not undertake to update these statements.

For and on behalf of the Board

Sd/-

Mahendra Dave

Chairman & Director

Place: Mumbai

Date: 5th September, 2015.

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance:

The Company is committed and continues to practice good corporate governance as it believes that it is essential for achieving long term corporate goals and to enhance the stakeholder's value. The Company continues to lay great emphasis on the broad principles of Corporate Governance. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performances, as well as leadership & governance of the Company. SEBI vide its circular no. CIR/CFD/POLICY CELL/2/2014 dated 17 April 2014 and as subsequently amended by circular dated 15 September 2014 notified the revised clause 49 of the Listing Agreement to be applicable with effect from 1 October 2014. Our Corporate Governance framework has helped us be aligned with the amended provisions and are aimed to protect the long term interests of the stakeholders be it Customers, Employees, Shareholders or the Society at large. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a code of conduct for its employees including the managing director and the executive directors. Our pursuit towards achieving good governance is an ongoing process. This Report, therefore states compliance as per requirements of Companies Act, 2013, revised clause 49, and NBFC Directions.

BOARD OF DIRECTORS

I) Board Composition:

The Board of Directors play crucial role as they are responsible for principles of Corporate Governance in the Company. The Board comprises such number of Non-Executive, Executive and Independent Directors as required under applicable legislation. The Board of Directors consists of 9 (nine) directors as on the date of this report.

The composition of and the category of Directors on the Board of the Company are as under:

Sr. No.	Name of Directors	Category of the Directors
1.	Mahendra Dave	Chairman# (Non - Executive Independent Director*)
2.	Anant Palan	Managing Director
3.	Rohan Barot	Chief Financial Officer
4.	Dhara Brahmhatt	Executive Director
5.	Nimesh Ganatra	Executive Director
6.	Hitesh Dave	Non - Executive Independent Director*

7.	Shikha Kapasi	Non - Executive Independent Director*
8.	Muljibhai Chedda	Executive Director
9.	Devendrakumar Shah	Non - Executive Director

#Anant Palan expressed his inability to act as a chairman thus Mahendra Dave was elected as the Chairman by the Board and Anant Palan stepped down as Chairman with effective from 14th November, 2014.

*All the Independent Directors have confirmed that they meet the criteria as mentioned under clause 49 of the Listing Agreement and Section 149 of the Act and all such declarations are placed before the Board.

II) Board Meetings:

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. The Board meetings are pre-scheduled and a tentative annual calendar for the meetings of the Board and Board Committee's is circulated to the Directors well in advance in order to facilitate and assist the Directors to plan their schedules for the meetings. Additional meetings are held, when necessary. Five board meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held viz. 29th May 2014, 13th August 2014, 05th September 2014, 14th November 2014 and 13th February 2015.

III) Attendance of Directors:

Attendance of directors at the Board Meetings held during 2014-2015 and the last Annual General Meeting held on 30th September, 2014:

Name of the Director	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance at the last AGM held on 30.09.2014	Directorship In Other Companies	Membership of Committees of Other Companies
Anant Palan	5	5	Yes	Yes	1
Nimesh Ganatra	5	5	Yes	Yes	Nil
Hitesh Dave	5	5	Yes	No	Nil
Shikha Kapasi	5	5	Yes	No	Nil
Dhara Brahmhatt	5	5	Yes	No	Nil

Rohan Barot	5	5	Yes	No	Nil
Mahendra Dave	5	5	Yes	No	Nil
Muljibhai Chedda*	2	2	NA	No	Nil
Devendrakumar Shah*	2	2	NA	Yes	Nil

*Appointment of Directors made on 30.09.2014

Notes:

- 1. Other Directorships:** None of the directors holds office as a director, including as alternate director, in more than 20 companies at the same time. None of them has directorships in more than 10 public companies.
- 2. Membership of Board Committees:** No director holds membership of more than 10 committees of Board nor any director is a chairman of more than 5 committees of Board.
- 3. Maximum Tenure of Independent directors:** The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and Clause 49 of the Listing Agreement.
- 4. Formal Letter of Appointment to Independent Directors:** The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and clause 49 of the Listing Agreement.

IV) Code of Conduct:

During the year, a revised code of conduct for all Board members and Senior Management of the Company was approved by the Board to comply with the provisions of revised clause 49. All the Board members and Senior Management personnel have affirmed compliance with the code for the year ended 31 March 2015. A declaration to this effect signed by the Managing Director is given in this Annual Report..

V) Pecuniary transactions with non-executive directors:

During the year under review, there were no pecuniary transactions with any of the non-executive directors of the Company.

COMMITTEES OF THE BOARD

With a view to comply with various requirements under the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of Directors has constituted various committees. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013, clause 49 of the Listing Agreement and NBFC regulations.

A. Audit Committee:

The audit committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges and with Section 177 of the Act with a view to comply with various requirements.

I) Composition:

It consists of three Non-executive Independent Directors and a Executive Director. The Members of the Committee are well versed in accounting and related financial management expertise.

The composition of and the category of Directors of the committee are as follows:

Sr. No.	Name Of Director	Category	Designation
1.	Shikha Kapasi	Non - Executive Independent Director	Chairman
2.	Hitesh Dave	Non - Executive Independent Director	Member
3.	Mahendra Dave	Non - Executive Independent Director	Member
4.	Nimesh Ganatra	Executive Director	Member

II) Meetings:

The Audit Committee met four times during the Financial Year ended 31st March, 2015 on 21st May, 2014, 7th August, 2014, 5th November, 2014 and 3rd February, 2015. In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened if necessary. In these meetings, the Audit Committee reviews various businesses functions, business risk assessment, controls, and internal audit and control assurance reports of the Company. The Audit Committee also reviews the functioning of the Whistle Blower Policy of the Company and cases reported there under.

III) Attendance of Directors:

Attendance of directors at the Meetings held during the year 2014-2015 is as follows:

Sr. No.	Name of Director	Number of Meetings Held	Number of Meetings Attended
1.	Shikha Kapasi	4	4
2.	Hitesh Dave	4	4
3.	Mahendra Dave	4	4
4.	Nimesh Ganatra	4	4

IV) Role of the Audit Committee:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

- To review any change in accounting policies and practices.
- To confirm whether major accounting entries are based on exercise of judgments by management.
- To review and examine the financial results before submission to the Board;
- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend the appointment, remuneration and terms of appointment of auditors of the Company and approval for payment of any other services;
- To check whether there are any qualifications made in the draft Auditors' Report.
- To review whether there are any significant adjustments arising out of audit.
- To confirm whether the accounts are prepared on going concern basis.
- To confirm whether the accounts are prepared by applying applicable accounting standards.
- To review whether the financial statements comply with the Stock Exchange and Legal requirements.

- To review, approve or subsequently modify any Related Party Transactions which may have potential conflict with interests of Company in accordance with the Related Party Transaction Policy of the Company;
- To review the adequacy of internal audit function and review the progress of corrective actions on such issues;
- To review the functioning of the Whistle Blowing Mechanism;

B. Nomination and Remuneration Committee:

The Board has re-designated the Remuneration Committee as 'Nomination and Remuneration Committee' and has revised terms of reference of the Committee to align the same with the requirements of the Companies Act, 2013 and revised clause 49 of the Listing Agreement.

I) Composition:

The Nomination and Remuneration Committee comprised of Ms. Shikha Kapasi, Mr. Hitesh Dave Mr. Mahendra Dave & Mr. Nimesh Ganatra. During the year, Mr. Nimesh Ganatra stepped down as a member of the Committee with effect from 14.11.2014 to make the composition of the Committee consistent with requirements of revised clause 49 of Listing Agreement and in terms of Section 178 (1) of the Companies Act, 2013. The Company adopts policy recommended by the Committee relating to the appointment and remuneration for the Directors, Key Managerial Personnel and Senior Management Employees. The composition of and the category of Directors of the Committee are as follows:

Sr. No.	Name of Director	Category of Directors	Designation
1.	Shikha Kapasi	Non - Executive Independent Director	Chairman
2.	Hitesh Dave	Non - Executive Independent Director	Member
3.	Mahendra Dave	Non - Executive Independent Director	Member

II) Meetings of the Committee:

During the year the committee met once for the financial year ended on 31.03.2015 i.e. on 27.08.2014.

III) Attendance of the Directors:

Attendance of directors at the Meetings held during the year 2014-2015 is as follows:

Sr. No.	Name of Director	Number of Meetings Held	Number of Meetings Attended
1.	Shikha Kapasi	1	1

2.	Hitesh Dave	1	1
3.	Mahendra Dave	1	1
4.	Nimesh Ganatra	1	1

IV) Role of the Committee:

The role of Nomination and Remuneration Committee is as follows:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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.

Under the said policy, the Committee while recommending appointment of directors shall keep in view the following:

- i. The persons being recommended are persons of eminence in areas such as profession, business, industry, finance, law, administration, research etc., and bring with them experience/skills which add value to the performance of the Board with greater diversity.
- ii. Recommendations shall be purely on merit and no discrimination shall be made based on race, colour, religion or gender

C. Stakeholders Relationship Committee:

The Company had a shareholders / investors grievance committee of directors to look into the redressal of complaints of investors such relating to transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. In compliance with the provisions of section 178 of Companies Act, 2013 and new clause 49 of the Listing Agreement, the Board re-named the Committee as 'Stakeholders Relationship Committee' and revised the terms of reference of said Committee

I) Composition:

The Committee comprises of four directors of the Company and the composition and the category of the directors are as follows:

Sr. No.	Name of Director	Category of Directors	Designation
1.	Shikha Kapasi	Non - Executive Independent Director	Chairman
2.	Hitesh Dave	Non - Executive Independent Director	Member
3.	Mahendra Dave	Non - Executive Independent Director	Member
4.	Nimesh Ganatra	Executive Director	Member

II) Meetings of the Committee:

The Stakeholders Relationship Committee meets at regular interval to approve the transfer of shares and related activities as well as other important shareholder matters which require attention of the committee members. The Stakeholders Relationship Committee met four times during the Financial Year ended 31st March, 2015 on 21st May, 2014, 7th August, 2014, 5th November, 2014 and 3rd February, 2015.

III) Attendance of the Directors:

Attendance of directors at the Meetings held during the year 2014-2015 is as follows:

Sr. No.	Name of Director	Number of Meetings Attended	Number of Meetings Held
1.	Shikha Kapasi	4	4
2.	Hitesh Dave	4	4
3.	Mahendra Dave	4	4
4.	Nimesh Ganatra	4	4

IV) Role of the Committee:

In compliance with the provisions of section 178 of Companies Act, 2013 and new clause 49 of the Listing Agreement, the revised terms of reference of the said Committee.

The role of Stakeholders' Relationship Committee is as follows:

- To consider and resolve the grievances of Security holders of the Company;
- To ensure expeditious share transfer process in line with the proceedings of the Share Transfer Committee;

- To evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
- To look into matters that can facilitate better investor services and relations.

V) Investors Complaints status:

Sr. No	Particular	Numbers
1	No. of Shareholder's Compliant received so far.	1
2	No. of Shareholder's Complaint resolved.	1
3	No. of Complaint not solved to the satisfaction of shareholder	0
4	No. of pending complaints.	0

D. Risk Management Committee:

In accordance with the requirement of new clause 49 of the Listing Agreement, your Company constituted a Risk Management Committee during the year. The board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company.

I) Composition:

The Committee comprises of three directors of the Company and the composition and the category of the directors are as follows:

Sr. No.	Name of Director	Category of Directors	Designation
1.	Dhara Brahmhatt	Executive Director	Chairman
2.	Hitesh Dave	Non - Executive Independent Director	Member
3.	Mahendra Dave	Non - Executive Independent Director	Member

II) Meetings of the Committee:

During the year the committee met once for the financial year ended on 31.03.2015 i.e. on 23.01.2015.

III) Attendance of the Directors:

Attendance of directors at the Meeting held of the Risk Management Committee during the year 2014-2015 is as follows:

Sr. No.	Name of Director	Number of Meetings Held	Number of Meetings Attended
1.	Dhara Brahmhatt	1	1
2.	Hitesh Dave	1	1
3.	Mahendra Dave	1	1

IV) Role of the Committee:

The Board of Directors of your Company has, on recommendation of the Risk Management Committee framed and adopted a policy on Risk Management of the Company. The broad terms of reference of the risk management committee are as follows:

- To frame, implement and monitor the risk management plan for the company.
- To develop and implement action plans to mitigate the risks.
- To ensure that management has effectively identified the key operational risk and incorporate them into their activities.
- To examine and determine the sufficiency of the Company's internal processes for reporting on and managing key risk areas.
- To assess and recommend to the Board acceptable levels of risk.
- To allows investors and other stakeholders to be informed of material changes to the Company's risk profile.

E. Meeting of Independent Directors:

Pursuant to the clause 49 of the Listing Agreement and schedule IV of the Companies Act, 2013, the independent directors of the Company shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, independent directors of the Company met on 23 January, 2015, to consider the following business as required under clause 49 of the Listing Agreement and the Companies Act, 2013:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- Assess the quality, quantity and timeliness of flow of information between the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors were present for the meeting.

INFORMATION ON GENERAL BODY MEETINGS:

I) General Body Meetings:

The details of the last three Annual General Meeting of the Company which were held at Registered Office situated at Room no.105,1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bander, Mumbai - 400 003 are as follows:

Financial Year	AGM No.	Date	Time
2013-14	20th	30th September, 2014	9.30 A.M
2013-14	19th	30th September, 2013	9.00 A.M
2011-12	18th	29th September, 2012	10.30 A.M

II) Special Resolutions:

The details of the special resolutions passed during the last three Annual General Meetings are as follows:

Date of AGM	No of Special Resolutions passed	Particulars of Special Resolutions
30/9/2014	NIL	NIL
30/9/2013	NIL	NIL
29/9/2012	2	i) Appointment of Mr. Anant Palan as Managing Director for a period of three years. ii) Change of Company Name from "Gemstone Investments Limited" to "Asian Project Finance Limited"

III) Resolutions passed through postal ballot:

No resolutions were passed through postal ballot during the last three years.

SUBSIDIARY COMPANY:

Your Company does not have any material unlisted Indian Subsidiary Company.

DISCLOSURES:

I) Related Party Transactions:

Transactions with related parties, during the year under review, were entered into pursuant to the prior approval of the Audit Committee. The details of such transactions were placed before the Committee for noting/review. All related party transactions which were entered into during the year were on an arm's length basis, in the ordinary course of business and not material under clause 49 of Listing Agreement and hence did not require shareholders' prior approval under the Companies Act, 2013 and Listing Agreement. During the year under review, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

II) Details of Capital Market Non Compliance:

There was no non-compliance by the Company of any legal requirements; nor has been any penalty imposed on the Company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets at any time in the past.

III) Accounting Treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed under Companies (Accounting Standards) Rules, 2006. The Accounting Policies followed by the Company to the extent relevant, are set out in this Annual Report wherever applicable.

IV) Policy on Insider Trading:

Securities and Exchange Board of India has notified on 15 January 2015 new regulations for prohibition of insider trading (effective from 15 May 2015) repealing the regulations issued in 1992. In terms of the new Regulations, the Board of the Company has approved a new code of conduct and a new code of fair disclosure. The code of conduct and code of corporate disclosure practices framed by the Company have helped in ensuring compliance with the requirements.

MEANS OF COMMUNICATION:

The quarterly & half yearly unaudited financial results & the annual audited financial results are published in one English daily and in one Vernacular Newspaper & are also furnished to the Stock Exchange with whom the company has listing Agreements.

GENERAL SHAREHOLDERS INFORMATION:

I) Annual General Meeting:

Particulars	Details
Date	29 th September, 2015
Day	Tuesday
Time	9.30 a.m.
Venue	Room No. 105, 1 st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder, Mumbai - 400 003.
Book Closure Date	23 rd September, 2015 to 29 th September, 2015 (Both Days Inclusive)
E-voting Dates	26 th September, 2015 (9.00 a.m.) to 28 th September, 2015 (5.00 p.m.)

II) Financial Year: 1st April, 2015 to 31st March, 2016.

III) Listed on Stock Exchange: BSE Limited, P. J. Towers, Fort, Mumbai 400001.

IV) Payment of Listing Fees: The Listing fee for the financial year 2015-2016 is already paid to the BSE.

V) Tentative Calendar for financial year ending 31st March, 2016: The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2016 are as follows:

Quarter	Dates
First Quarter Results	14 th August, 2015
Second Quarter & Half yearly Results	On or Before 14 th November, 2015
Third Quarter Results	On or Before 14 th February, 2015
Fourth Quarter & Annual Results	On or Before 30 th May, 2016

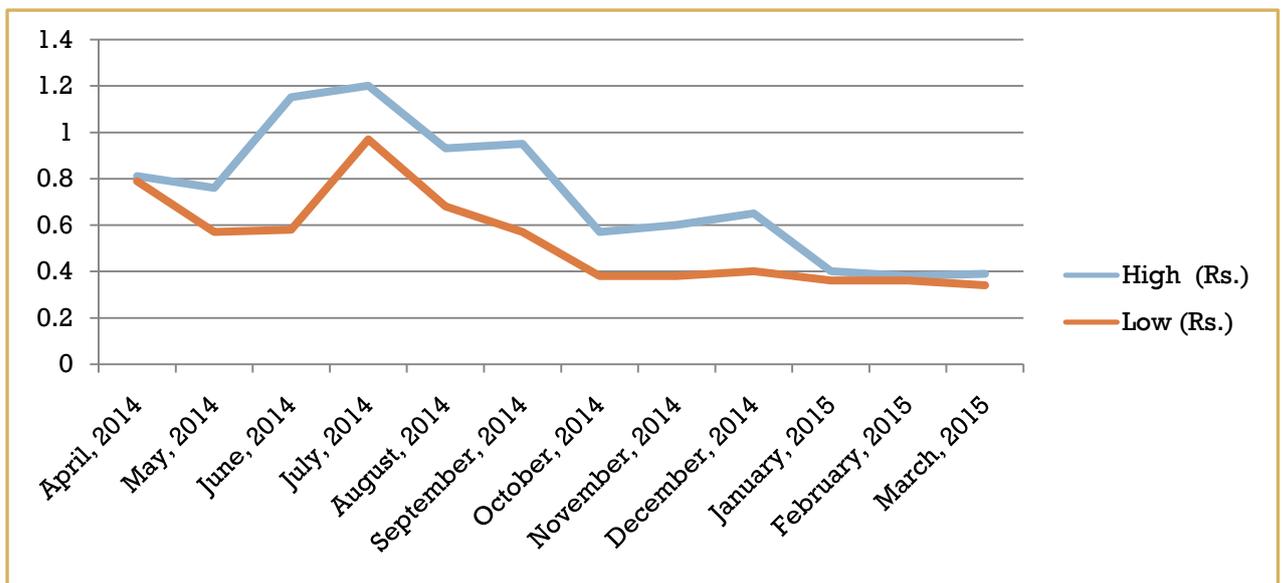
VI) Stock Code:

a) **Scrip Code:** 531137

b) **ISIN No.:** INE503D01027

VII) Stock Market Data: High, low (based on daily closing prices) and number of equity shares traded during each month in the year 2014-15 on BSE.

Month	High (Rs.)	Low (Rs.)	Volume
April, 2014	0.81	0.79	76095
May, 2014	0.76	0.57	26425
June, 2014	1.15	0.58	76098
July, 2014	1.2	0.97	30186
August, 2014	0.93	0.68	855181
September, 2014	0.95	0.57	237302
October, 2014	0.57	0.38	89168
November, 2014	0.6	0.38	20178
December, 2014	0.65	0.4	20742
January, 2015	0.4	0.36	31985
February, 2015	0.38	0.36	91176
March, 2015	0.39	0.34	127973



VIII) Registrar And Share transfer Agent:

- a) **Name and Address:** Sharex Dynamic India Pvt Ltd
 Unit 1, Luthra Industrial Premises,
 Safed Pool, Andheri-Kurla Road,
 Andheri (E), Mumbai 400072.

b) **Contact No.:** +91- 22-2851 5606/ 5644/ 6338.

c) **E-mail:** sharexindia@vsnl.com

IX) Share Transfer System:

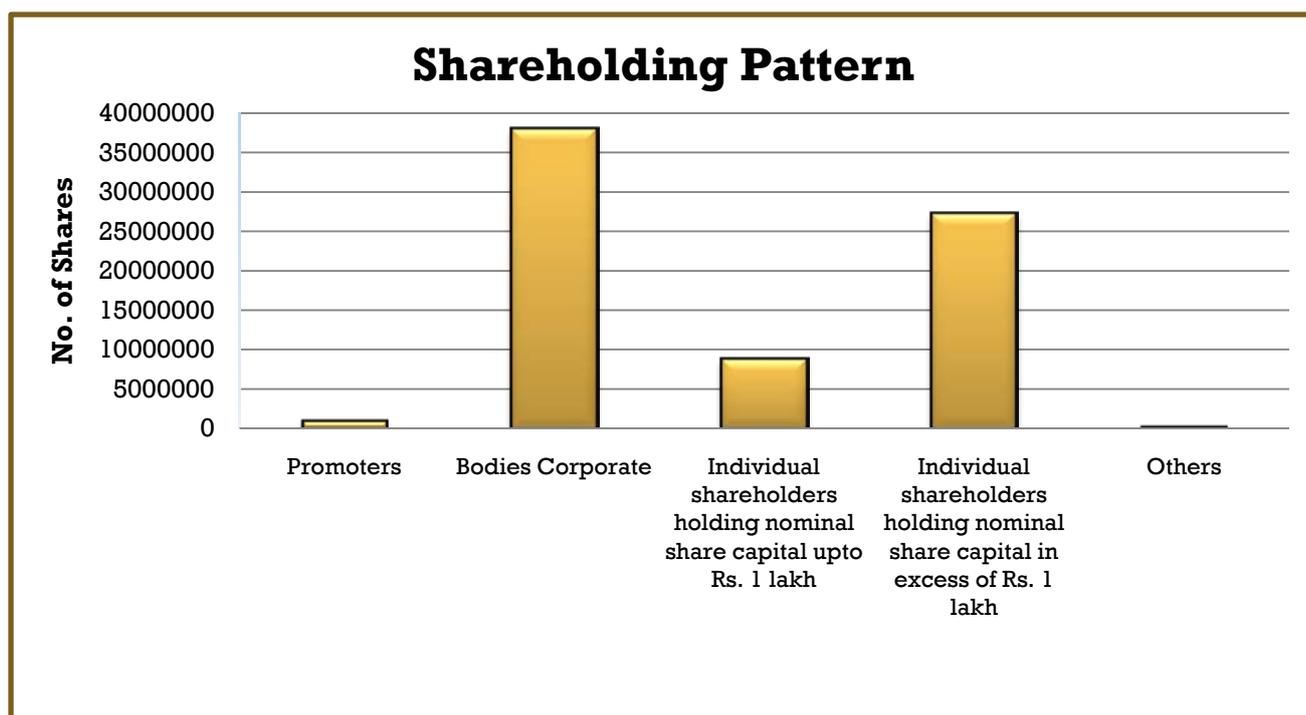
Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Senior Executives of the Company are empowered to approve transfer of shares and other investor related matters which are noted at subsequent meetings. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.

X) Secretarial Audit:

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued /paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

XI) Shareholding Pattern (As At March 31, 2015)

Category	Number of Shares	Percentage
Promoters	868000	1.16
Bodies Corporate	37971399	50.80
Individual shareholders holding nominal share capital upto Rs. 1 lakh	8684441	11.62
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	27161780	36.34
Others	64380	0.09
Total	74750000	100.00



XII) Distribution of Shareholding (as at March 31, 2015):

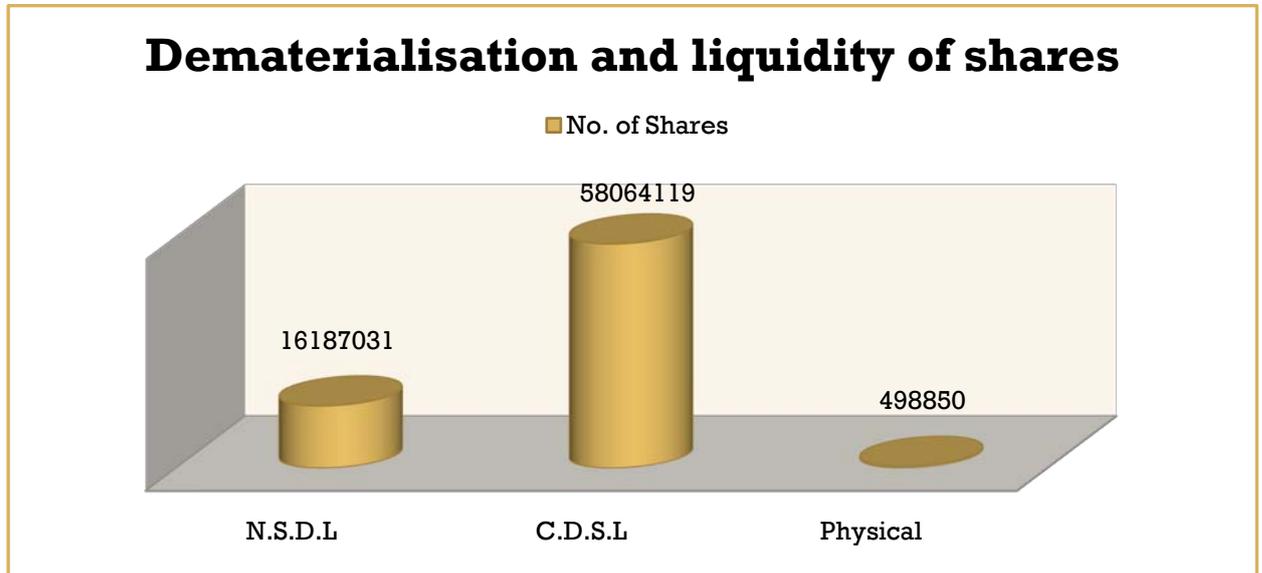
Share Of Nominal Value	No. of Holder(s)	Percentage	Number of Shares	Percentage
Up to 5000	1265	77.32	1747565	2.34
5001 to 10000	104	6.36	842819	1.13
10001 to 20000	85	5.20	1207055	1.61
20001 to 30000	26	1.59	659967	0.88
30001 to 40000	24	1.47	878180	1.17
40001 to 50000	23	1.41	1123330	1.50
50001 to 100000	39	2.38	3165109	4.23
100001 to above	70	4.28	65125975	87.13
Total	1636	100.00	74750000	100.00

XIII) Dematerialisation Of Shares And Liquidity:

99.33% of the equity shares of the Company are in electronic form as on 31st March, 2015. Transfers of these shares are done through the depositories with no involvement of the Company.

Particulars	No. of Shares	% of the Total Capital
N.S.D.L	16187031	21.65%

C.D.S.L	58064119	77.68%
Physical	498850	0.67%
Total	74750000	100.00



XIV) Outstanding GDRS/ADRS / Warrants or Any Convertible Instruments:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2015, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

XV) Address for Correspondence:

Gemstone Investments Limited

Regd Off: Room no. 105 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder
Mumbai - 400003.

Tel No: 022-65102060

Email- Id: gemstoneltd@gmail.com

NON MANDATORY COMPLIANCES:

I) Shareholders Rights:

The quarterly, half-yearly and annual financial results of the Company are published in newspapers on an all India basis .The complete Annual Report is sent to every Shareholder of the Company. The quarterly financial results including summary of significant events of relevant period are published in newspapers. All financial and other vital official news releases are also communicated to the concerned stock exchanges.

II) Auditors Qualifications:

There are no adverse remarks or qualifications on the financial statements of the Company for Financial Year 2014-2015.

III) Reporting of Internal Auditor:

The internal auditor has direct access to the Chairman of the Audit Committee.

IV) Training of Board members:

The Board is equipped to perform its role of business assessment through inputs from time to time. Directors are fully briefed on all business related matters, risk assessment & minimization procedures, and new initiatives proposed by the Company. Directors are also updated on changes / developments in the domestic / global corporate and industry scenario including those pertaining to statutes / legislation and economic environment.

For and on behalf of the Board

Sd/-

Place: Mumbai

Date: 5th September, 2015

Mahendra Dave

Chairman & Director

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

To the best of my knowledge and belief, I hereby affirm that all the Board Members and Senior Management Personnel of the Company have fully complied with the provision of the Code of Conduct as laid down by the Company for Directors and Senior Management Personnel during the financial year ended on 31st March, 2015.

For and on behalf of the Board

Sd/-

Place: Mumbai

Date: 5th September, 2015.

Mahendra Dave

Chairman & Director

CHIEF EXECUTIVE OFFICER (CEO) /CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
Gemstone Investments Limited

I, the undersigned in my capacity as Chief Financial Officer of Gemstone Investments Limited (“the Company”), to the best of my knowledge and belief certify that:

- a) I have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2015 and based on my knowledge and belief, we state that:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year ended 31st March, 2015 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) I hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- e) I have indicated to the Auditors and the Audit Committee:
- i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant frauds of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board

Sd/-

Rohan Barot

Chief Financial Officer

Place: Mumbai

Date: 5th September, 2015

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Gemstone Investments Limited

Report on Financial Statements

We have audited the accompanying financial statements of Gemstone Investments Ltd, which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements

Management is responsible for the matter stated in section 134(5) of the companies Act, 2013 ("the Act") with respect to 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 Standards specified under section 133 of the Act, read with rule 7 of the companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Subject to the matters discussed in this report, we conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Companies (Auditor's Report) Order, 2015 (CARO)

As required by the Companies (Auditor's Report) Order, 2015 (CARO) issued by the Central Government in terms of sub Section (11) of section 143 the Companies Act, 2013 ("the Act") we

give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, which is subject to the matters discussed in this report.

Basis of Opinion

We draw our attention to the following matters:

1. The balance of the loans and advances are subject to confirmation and reconciliation.
2. The company has not stipulated any term for payment of interest and repayment of loans at the time of sanctioning the loan but the company follows the practice of providing interest at the year end.
3. One bank account with the HDFC bank is being freedged by the investigation wing of the Income Tax Department in the year 2013-14 for the inquiries in respect of some other companies.
4. During the year the company has classified unquoted investment worth Rs. 429.00 lacs as Current investment and has disposed of them at the book value during the year and has collected Rs. 310.00 lacs during the year and balance amount of Rs. 119.00 lacs are receivables which is shown as current investment in the balance sheet.
5. The company has not complied with the bank's circular DNDS/(PD) CC No. 200/03-10001/2010-11 dated 17/09/2010 for all the NBFC being credit institution are required to become member of at least one credit information company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required subject to the our comments in paragraph 1 to 5 in basis of opinion above, 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 Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, subject to the our comments in paragraph 1 to 5 in basis of opinion above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the companies (Account) Rules, 2014.
- e) Since the company has not filled the annual return with registrar of companies for last three years the company has made defaults under section 164(2) of the company Act, 2013.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For N R Gala & Associates

Chartered Accountants

FRN No.: 131744W

Sd/-

Navin Gala

(Proprietor)

Membership No.: 040640

Place: Mumbai

Date: 29/05/2015

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Gemstone Investments Ltd on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
2. According to information and explanation given to us, the company is Non Banking Finance Company which does not carry any inventory.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans secured or unsecured to companies firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 during the year. However the outstanding balance as on 31/03/2015 is of Rs.20 lacs(previous year 20 lacs) to M/S Asian Comtrade Pvt Ltd a company listed in the register maintained under Section 189 of the Companies Act, 2013.

(b) We have been informed that the company is holding 24.48 % of the shares of M/S Asian Comtrade Pvt. Ltd. The loan does not carry any interest. The loan is granted to company for its working Capital to carry business which is in the interest of The Company.

(c) The Outstanding balance of loan to M/S Asian Comtrade Pvt Ltd is of Rs. 20 Lacs as on 31/03/2015.

(d) There are no Overdue amount exceeding Rs.1.00 Lacs

(e) The company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the Register maintained under Section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and payment for expenses. However the company doesn't have adequate internal control system for sanctioning and review of loans and advances.
5. The Company has not accepted any deposits from the public covered under Section 73 and 76 of the Companies Act, 2013 and rules framed there under and hence the provisions of the clause of 4(vi) of the Companies (Auditor's Report) Order, 2015 (as amended) are not applicable to the company.
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, except income tax of Rs. 7.96 lacs (Asst year 2012-13) no undisputed amount amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty and cess were in arrears as at March 2015 for a period of more than six months from the date they became payable.
- (c) There are no amounts which were required to be transferred to the investor education and protection fund by the company in accordance with the relevant provision of the Companies Act 1956 (1 of 1956) and the rules made there under.
8. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
11. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For N R Gala & Associates

Chartered Accountants

FRN No.: 131744W

Sd/-

Navin Gala

(Proprietor)

Membership No.: 040640

Place: Mumbai

Date: 29/05/2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	2014-15	2013-14
		Amt (in Rs.)	Amt (in Rs.)
I. Equity And Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	1	74,750,000.00	74,750,000.00
(b) Reserves and Surplus	2	144,637,814.56	140,519,684.02
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	18,537,972.00	11,245,699.00
(b) Deferred tax liabilities (Net)		-	-
(3) Current Liabilities			
(a) Trade payables		-	-
(b) Other current liabilities	4	5,152,116.44	2,493,091.44
(c) Short-term provisions	5	3,833,455.00	2,560,805.00
Total		246,911,358.00	231,569,279.46
II. Assets			
(1) Non-current assets			
(a) Fixed assets	6	298134.13	423261.60
(i) Tangible assets			
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non Current investments	7	19100730.25	53100730.25
(c) Deferred tax assets (net)		12848.00	11,810.00
(d) Long term loans and advances	8	111,000.00	111,000.00
(e) Other non-current assets	9	6,088,310.77	5,911,318.77
(2) Current assets			
(a) Current investments	10	11,900,000.00	8,900,000.00
(b) Inventories		-	-
(c) Trade receivables	11	337,000.00	337,000.00
(d) Cash and cash equivalents	12	1,111,646.38	443,034.84
(e) Short terms loans and advances	12	207,950,508.00	162,324,944.00
(f) Other current assets	14	1,180.00	6,180.00
Total		246,911,357.53	231,569,279.46

The Schedules & Notes referred to above form an integral part of the Accounts.

As per our report of even date

For N R Gala & Associates

Chartered Accountants

Sd/-

Navin R. Gala

Partner

Membership No : 40640

Firm Reg. No :- 131744W

Place : Mumbai

Date : 29th May, 2015

For Gemstone Investments Ltd

Sd/-

Director

Sd/-

Director

Place: Mumbai

Date : 29th May, 2015

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

Particulars		Refer Note No.	2014-15	2013-14
			Amt (in Rs.)	Amt (in Rs.)
I.	Revenue from operations	15	23,223,874.00	10,892,635.00
II.	Other income	16	-	7,482.00
III.	Total Revenue (I + II)		23,223,874.00	10,900,117.00
IV.	Expenses:			
	Cost of material consumed		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
	Employee benefits expense	17	2,760,635.00	1,990,487.00
	Finance costs	18	1,160,811.46	1,216,532.01
	Depreciation and amortization expense	6	125,127.00	128,100.00
	Other expenses	19	12,997,287.00	4,809,268.22
	Total expenses		17,043,860.46	8,144,387.23
V.	Profit before exceptional and extraordinary items and tax (III-IV)		6,180,013.54	2,755,729.77
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		6,180,013.54	2,755,729.77
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		6,180,013.54	2,755,729.77
X	Tax expense:			
	(1) Current tax		2,062,921.00	904,647.00
	(2) Deferred tax		(1,038.00)	4,609.00
			2,061,883.00	909,256.00
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		4,118,130.54	1,846,473.77
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		4,118,130.54	1,846,473.77
XVI	Earnings per equity share:			
	(1) Basic		0.06	0.02
	(2) Diluted		0.06	0.02

As per our report of even date

For N R Gala & Associates

Chartered Accountants

Sd/-

Navin R. Gala

Partner

Membership No : 040640

Firm Reg. No :- 131744W

Place : Mumbai

Date : 29th May, 2015

For Gemstone Investments Ltd

Sd/-
Director

Sd/-
Director

Place: Mumbai

Date : 29th May, 2015

CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	2014-15		2013-14	
	Amt (in Rs.)		Amt (in Rs.)	
<u>A) Cash flow from operating activities</u>				
Net profit before tax & extra ordinary items & prior period items	6,180,014		3,440,649	
Adjustment for:				
I) Profit on sale of investments	-		-	
ii) Provisions for non performing assets no longer required.	-		-	
iii) Dividend income	-		-	
iv) Prior period expenses	-		(684,919)	
v) Prior period income	-		-	
	6,180,014		2,755,730	
vi) Preliminary expenses				
vii) New issue expenses written off				
viii) Depreciation	(125,127)		(128,100)	
ix) Provision for decline in value of investments				
x) Sundry balance written back				
xi) Loss on sale of shares				
xii) Provision for tax				
	(125,127)		(128,100)	
Operating Profits Before Working Capital Changes		6,305,141		2,883,830
Changes in working capital				
Taxes Paid(T.D.S)	1,479,266		(810,600)	
		1,479,266		(810,600)
<u>Changes in working capital: Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	-		-	
Trade receivables	-		-	
Short-term loans and advances	(45,625,564)		(62,405,230)	
Long-term loans and advances	-		(10,000)	
Other current assets	5,000		(6,180)	
Other non-current assets	(1,656,258)		1,099,099	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	-		-	
Other current liabilities	2,659,025		(1,016,516)	
Other long-term liabilities				
Short-term provisions	-		-	
Long-term provisions	(790,271)	(45,408,068)	(1,183,842)	(63,522,669)
Cash flow from operating activities		(37,623,661)		(61,449,439)
<u>B) Cash flow from investing activities</u>				
I) Purchase /Sale of fixed assets	-		-	

ii)Acquisition of investment (net of sales)	31,000,000		58,000,000	
iii)Dividend received	-		-	
iv) Sale of fixed assets	-		-	
v) Loss on sale of fixed assets	-		-	
vi)Net income from sale of investment	-		-	
vii)Increase in share capital and share premium	-		-	
Net cash used in investment activities		31,000,000		58,000,000
		(6,623,661)		(3,449,439)
<u>C)Cash flow from financial activities</u> (Repayment of loan)/proceeds from borrowing	7,292,273	7,292,273	1,080,000	1,080,000
Net changes in cash or cash equivalents(A+B+C)		668,612		(2,369,439)
Cash &Cash equivalents				
Opening balance		443,035		2,812,474
Closing balance		1,111,646		443,035

As per our report of even date

For N R Gala & Associates

Chartered Accountants

Sd/-

Navin R. Gala

Partner

Membership No : 040640

Firm Reg. No :- 131744W

Place : Mumbai

Date : 29th May, 2015

For Gemstone Investments Ltd

Sd/-
Director

Sd/-
Director

Place: Mumbai

Date : 29th May, 2015

Note 1: Share capital

(` in '000)

Particulars	2014-15		2013-14	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of ` Rs. 1 each	100,000,000	100,000,000	100,000,000	100,000,000
Issued				
Equity Shares of ` Rs.1 each	74,750,000	74,750,000	74,750,000	74,750,000
Subscribed & Paid up				
Equity Shares of ` Rs. 1 each fully paid	74,750,000	74,750,000	74,750,000	74,750,000
Subscribed but not fully Paid up				
Equity Shares of ` Rs. 1 each fully paid	-	-	-	-
Total	74,750,000	74,750,000	74,750,000	74,750,000

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	2014-15		2013-14	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	74,750,000	74,750,000	74,750,000	74,750,000
Shares Issued during the year	0	0	0	0
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	74,750,000	74,750,000	74,750,000	74,750,000

NIL Equity Shares (Previous year NIL) are held by the holding company.

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2014-15		2013-14	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Anant Haridas Palan	3750000	5.02	3750000	5.02
Heena Varde	4000000	5.35	4000000	5.35
Arcadia Share & Stock Brokers P Ltd	14064394	18.82	12000000	16.05
Arcadia Share & Stock Brokers P Ltd			3829788	5.12
Kaushik Shah Shares And Sec Pvt Ltd	6000000	8.03	600000	8.03

Shares issued for other than cash, Bonus issue and Shares bought back:

Particulars	Year (Aggregate No. of Shares)				
	2014-15	2013-14	2013-14	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

Preference Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

Unpaid Calls	2014-15	2013-14
By Directors	NIL	NIL
By Officers	NIL	NIL

Note 2: Reserves and surplus

Particulars	2014-15	2013-14
a. Capital Reserves		
Opening Balance	3,693,335.59	3,693,335.59
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,693,335.59	3,693,335.59
b. Investment Fluctuation Reserve		
Opening Balance	4,233,201.60	4,233,201.60
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	4,233,201.60	4,233,201.60
c. Securities Premium Account		
Opening Balance	116,550,000.00	116,550,000.00
Add : Securities premium credited on Share issue	-	-
<u>Less : Premium Utilised for various reasons</u>	-	-
Closing Balance	116,550,000.00	116,550,000.00
d. Share Forfeiture Reserve		
Opening Balance	9,126,000.00	9,126,000.00
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	9,126,000.00	9,126,000.00
e. Surplus		
Opening balance	6,917,146.83	5,070,673.06
(+) Net Profit/(Net Loss) For the current year	4,118,130.54	1,846,473.77
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	11,035,277.37	6,917,146.83
Total	144,637,814.56	140,519,684.02

Note 3: Long term borrowings

Particulars	2014-15	2013-14
Unsecured Loans		
Inter-Corporate Loans		
Man Finance Ltd	7,287,972.00	11,245,699.00
Blumdale Finvest P Ltd	1,500,000.00	-
Divya Dhawani Investments	1,700,000.00	-
Jai Hind Mercantile Pvt Ltd	1,300,000.00	-
Nayan Trade Resourcres P Ltd	750,000.00	-
Plumetti Exports P Ltd	2,000,000.00	-
Spring Fab & Text Pvt Ltd	2,000,000.00	-
Tinal Pharmaceuticals P Ltd	2,000,000.00	-
Total	18,537,972.00	11,245,699.00

Note 4: Other Current Liabilities

Particulars	2014-15	2013-14
(a) Tds Payable	59,989.00	63,244.00
(b) Accounting charges payable	193,000.00	145,000.00
(c) Audit fees payable	207,317.00	244,722.00
(d) Brokerage Payable	3,034,441.00	1,212,033.00
(e) Director remuneration payable	58,301.21	33,301.21
(f) Prof fees payable	126,388.00	111,388.00
(g) Salary Payable	666,000.00	31,500.00
(h) Others	806,680.23	651,903.23
Total	5,152,116.44	2,493,091.44

Note 5: Short Term Provisions

Particulars	2014-15	2013-14
Prov for IT for assessment year (12-13)	1,250,658.00	1,250,658.00
Prov for IT for assessment year (14-15)	-	904,647.00
Prov for IT for assessment year (15-16)	2,062,921.00	-
Provision for standard assets	519,876.00	405,500.00
Total	3,833,455.00	2,560,805.00

Note 6 : Fixed Assets

Sr. No.	Name of the Assets	Gross Block			Accumulated Depreciation				Net Block	
		Gross Value As on 01/04/13	Acquired through business combinations	Gross Value as on 31/03/2014	Op. Balance As on 01/04/13	Depreciation during the Year	On Disposals during the Year	Balance as on 31/03/2014	Bal. As on 31/03/13	Bal. As on 31/03/2014
(A)	<u>Tangible Assets</u>									
	1 Furniture & Fixture	50000	-	50,000	21,753.11	6,243.00	-	21,753.11	34,489.89	28,246.89
	2 Vehicles	936,691	-	936,691	627,632.62	107,968.00	-	627,632.62	417,026.38	309,058.38
	3 Office equipment	130,900	-	130,900	31,054.67	13,889.00	-	44,943.67	99,845.33	85,956.33
	Sub Total(A)	1,117,591	-	1,117,591.00	566,229.40	128,100.00	-	694,329.40	551,361.60	423,261.60
(B)	Intangible Assets	-	-	-	-	-	-	-	-	-
(C)	Capital Work In	-	-	-	-	-	-	-	-	-
(D)	Intangible Assets under Development	-	-	-	-	-	-	-	-	-
	Total (A)	1,117,591	-	1,117,591	694,329.40	125,127.0	-	819,456.87	423,261.60	298,134.13
	Previous Year Total	1,117,591	-	1,117,591	566,229.40	128,100.00	-	694,329.40	551,361.60	423,261.60

Note 7: Non-current investments

	Particulars	2014-15	2013-14
A	Trade Investments (Refer A below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	-	-
	Total (A)	-	-
B	Other Investments (Refer B below)		
	(a) Investment Properties	0.00	34000000.00
	(b) Investment in Equity instruments	15200730.25	15200730.25
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	3900000.00	3900000.00
	Total (B)	19,100,730.25	53,100,730.25
	Grand Total (A + B)	19,100,730.25	53,100,730.25
	Less : Provision for dimunition in the value of Investments		
	Total	19,100,730.25	53,100,730.25

Particulars	2014-15	2013-14
Aggregate amount of quoted investments (Market value of ` Rs.493234 (Previous Year ` Rs.1188553)	15200730.25	15200730.25
Aggregate amount of unquoted investments	3900000.00	37900000.00

Market value of shares

Name of shares(No. of shares)	Price	3/31/2015	Price	31/03/2014
RFL International (325000)	1.29	419250	1.7	552500
spectacle (102755)	0.72	73984	6.19	636053
		493234		1188553

B. Sr. No.	Details of Other Investments		No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount		Whether stated at Cost Yes / No
	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	2014-15	2013-14			2014-15	2013-14	2014-15	2013-14	
1	2	3	4	5	6	7	8	9	10	11	12
(a)	Investment Properties										
	Blue Circle Infra	Others	-	-	-	-	-	-	34,000,000	34,000,000	
(b)	Investment in Equity										
	RFL International	Others	102,755	102,755	Quoted	Fully paid	2.02%	2.02%	107,513.25	107,513.25	Yes
	Spectacle	Others	32,500	32,500	Quoted	Fully paid	0.63%	0.63%	1,509,3217.00	15,093,217.00	Yes
(c)	Other non-current investments										
	Aishwarya Capital Services	Others	-	-	-	-	-	-	1,500,000	1,500,000	
	Asian FinTrade service Pvt Ltd	Others	240,000	240,000	Unquoted	Fully paid	24%	24%	2,400,000	2,400,000	
									19,100,730.25	53,100,730.25	

Note 8: Long Term Loans and Advances

Particulars	2013-14	2013-14
b. Security Deposits		
Secured, considered good	111,000.00	111,000.00
Unsecured, considered good	0	0
Doubtful	0	0
Less: Provision for doubtful deposits	0	0
Total	111,000.00	111,000.00

Note 9: Other non-current assets

Particulars	2013-14	2013-14
Income tax	3,856.77	3,856.77
TDS (A Y 2008-09)	300,345.00	300,345.00
TDS (A Y 2009-10)	1,180,705.00	1,180,705.00
TDS (A Y 2010-11)	215,089.00	693,471.00
TDS (A Y 2011-12)	415,598.00	415,598.00
TDS (A Y 2013-14)	-	13,292.00
TDS (A Y 2014-15)	-	810,600.00
TDS (A Y 2015-16)	1,479,266.00	-
Others	2,493,451.00	2,493,451.00
Total	6,088,310.77	5,911,318.77

Note 10: Current investments

	Particulars	2014-15	2013-14
A	Trade Investments (Refer A below)		
	(a) Investment Properties	-	-
	(b) Investment in Equity instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	-	-
	Total (A)	-	-
B	Other Investments (Refer B below)		
	(a) Investment Properties	11900000.00	8900000.00
	(b) Investment in Equity instruments	-	-
	(c) Investments in preference shares	-	-
	(d) Investments in Government or Trust securities	-	-
	(e) Investments in debentures or bonds	-	-
	(f) Investments in Mutual Funds	-	-
	(g) Investments in partnership firms*	-	-
	(h) Other non-current investments (specify nature)	-	-

	Total (B)	11900000.00	8900000.00
	Grand Total (A + B)	11900000.00	8900000.00
	Less : Provision for dimunition in the value of Investments		
	Total	11900000.00	8900000.00

Particulars	2014-15	2013-14
Aggregate amount of quoted investments	0.00	0.00
Aggregate amount of unquoted investments	11900000.00	8900000.00

B.	Details of Other Investments								
	Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV / Controlled Entity / Others	No. of Shares / Units		Extent of Holding (%)		Amount	
2014-15				2013-14	2014-15	2013-14	2014-15	2013-14	
1	2		3	4	5	6	7	8	9
(a)	Investment Properties								
	Blue Circle Infra	Others		-	-	-	-	10900000	34,000,000
	Lalita Exports P Ltd	Others		-	-	-	-	1000000	200000
	Nayan Trade Resources PLtd	Others		-	-	-	-	-	250000
	Piumetti Exports P Ltd	Others		-	-	-	-	-	2250000
	Tinal Pharmaceutical P Ltd	Others		-	-	-	-	-	440000
	Total							11,900,000	8,900,000

Note 11: Trade Receivables

Particulars	2014-15	2013-14
Trade receivables outstanding for a period less than six months from the date they are due for payment.		
Secured, considered good		
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	337,000.00	337,000.00
Unsecured, considered doubtful		
Less: Provision for doubtful debts	-	-
	337,000.00	337,000.00
Total	337,000.00	337,000.00

Note 12: Cash and cash equivalents

Particulars	2014-15	2013-14
a. Balances with banks	1,110,583.24	441,310.70
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)		
Margin money		
Security against borrowings		
Guarantees		
Other Commitments		
Bank deposits with more than 12 months maturity		
b. Cheques, drafts on hand	-	-
c. Cash on hand*	1,063.14	1,724.14
d. Others (specify nature)	-	-
Total	1,111,646.38	443,034.84

Note 13: Short-term loans and advances

Particulars	2014-15	2013-14
Unsecured, considered good :		
Loans & Advances recoverable in cash or in kind	207,950,508.00	162,324,944.00
Total	207,950,508.00	162,324,944.00

Note 14: Other current assets

Particulars	2014-15	2013-14
Receivable from employee	1,180.00	6,180.00
Total	1,180.00	6,180.00

Note 15: Revenue from operations

Particulars	2014-15	2013-14
Interest Income	18,224,082.00	10,892,635.00
Bad debts recovery	4,650,000.00	-
Past recovery	349,792.00	-
Total	23,223,874.00	10,892,635.00

Note 16: Other income

Particulars	2014-15	2013-14
Interest Income (in case of a company other than a finance company)	-	-
Swap Income	-	-
Rent income	-	-
Net gain/loss on sale of investments	-	-
Other non-operating income (net of expenses directly attributable to such income)	-	7,482.00
Total	-	7,482.00

Note 17: Employee Benefits Expense

Particulars	2014-15	2013-14
(a) Salaries and incentives	2,745,900.00	1,918,000.00
(b) Staff welfare expenses	14,735.00	72,487.00
Total	2,760,635.00	1,990,487.00

Note 18: Finance costs

Particulars	2014-15	2013-14
Interest expense	1160470.00	1213372.00
Bank charges	341.46	3160.01
Applicable net gain/loss on foreign currency transactions and translation	-	-
Total	1,160,811.46	1,216,532.01

Note 19: Other expenses

Particulars	2014-15	2013-14
Advertisement expenses	23553.00	59726.00
Balances written off	9684844.00	4345600.00
Brokerage	1830908.00	0.00
Provision against standard assets	114376.00	155694.00
Professional and legal fees	402236.00	316043.00
Rent	195000.00	48000.00
Penalty for late submission	378372.00	0.00
Payments to the auditor as		
a. auditor	123595.00	117978.00
b. for taxation matters	-	-

c. for company law matters	-	-
d. for management services	-	-
e. for other services	-	-
f. for reimbursement of expenses	-	-
Prior period expense/(Income)		
Excess interest provided in past period	-	-762696.00
Professional and legal fees	-	77777.00
Miscellaneous expenses,	244403.00	451146.22
Total	12,997,287.00	4,809,268.22

SCHEDULE -20: ACCOUNTING POLICES & NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES:

A. Basis of preparation of Financial Statements:

- i. The financial statements have been prepared under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and in compliance with the Accounting Standards issued by The Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as adopted consistently by the company.
- ii. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- iii. The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reported year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized

B. Revenue Recognition:

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

C. Expenditure:

Expenses are accounted on accrual basis and the provisions are made for all known losses and liabilities.

D. Fixed Assets and Depreciation :

- i. **Fixed Assets:** Fixed assets are stated at their original cost of acquisition including incidental expenses related to acquisition & installation of the concerned assets less accumulated depreciation and impairment losses, if any.
- ii. **Depreciation /Amortization:** Depreciation on fixed assets are provided on W.D.V basis at the rates prescribed under Companies Act.

E. Investments:

Investments are classified into Non current investment and current investments. Current investments are stated at lower of cost or fair market value. Non Current Investments are stated at cost less provision for permanent diminution in value if any, of investments. During the Last year the company has disposed off the some of the unquoted investments of Rs.669.00 lacs at book value and has collected Rs. 580 lacs, the remaining balance of Rs.89.00 lacs has been shown as Current Investments during the last year .Out of this

Rs.89 lacs during the year company has received Rs.79 lacs and remaining balance of Rs. 10 lacs has been shown as current Investments.

F. Deferred tax:

Deferred Income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is reasonable certainty of their realization and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

G. Provision for Tax:

Provision for current tax is determined on the basis of estimated taxable income for the period as per the provisions of Income Tax Act, 1961.

H. Earnings per Share (EPS):

The earnings considered in ascertaining the Company's EPS are computed as per Accounting Standard 20 on "Earning per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

I. Provision and Contingent Liabilities:

Provisions are recognized and computed in accordance with Accounting Standard 29 on "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India i.e. they are recognized if the following conditions are satisfied:

- a. The Company has a present obligation as a result of past event;
- b. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. A reliable estimate can be made of the amount of the obligation.

Similarly, the Contingent liabilities are disclosed in Accordance with the Accounting Standard 29 i.e. they are disclosed when the Company has a possible obligation or a present obligation and it is probable that a Cash Outflow will not be required to settle the obligation

2. The company adopts the accounting system as stipulated under Non banking Financial Companies Prudential Norms, (Reserve Bank) Directions, 1998 dated 2nd January ,1998 issued by reserve Bank

of India in respect of Income Recognition ,provisioning and assets classification for Non- Banking Financial Companies are followed by the company in preparation of accounts.

3. Additional information pursuant to the paragraph 3 and 4 of the part II to the Schedule VI to The Companies Act, 1956, has been given to the extent applicable.

Value of import on CIF basis (previous year 'Nil')	NIL
Expenditure in foreign currency (previous year 'Nil')	NIL
Earning in foreign currency (previous year'Nil)	NIL
Remittance in foreign currency on account of dividend to foreign shareholders (Previous year 'Nil)	NIL

4. Disclosure as required by Accounting Standard 18(AS-18) Related Party Disclosures issued by the Institute of Chartered Accountants Of India is as follows.

Name of the related parties and description of relation:

(a) Directors	Ms Shikha Kapasi
	Mr Nimesh P.Ganatra
	Mr. Anant Palan
	Mr. Hitesh Dave
	Mr. Rohan Barot
	Mr. Mahendra Dave
	Ms. Dhara Brahmhatt
	Mr Devendra kumar Shantilal Shah
	Mr. Muljibhai Laherchand Chheda

Enterprises owned or significantly influenced by key management personnel or their relatives:

1. Asian Fintrade Services Pvt. Ltd
2. Asian Comtrade Pvt. Ltd.
3. Money Mount Securities Pvt. Ltd
4. Power-point Energy Pvt. Ltd

The following is the transaction entered with the Related Parties:

Sr No	Nature of Transaction	Enterprises owned or significantly influenced by key management personnel or their relatives	
		Year Ended 31 st March 2015	Year Ended 31 st March 2014
1	Investment in Equity: Asian Fintrade Services P Ltd.	24,00,000	24,00,000

Sr No	Nature of Transaction	Year Ended 31 st March 2015	Year Ended 31 st March 2014
		1	Salary: Nimesh Ganatra Anant Palan

5. Disclosure as required by Accounting Standard 20 (AS-20)'earning per Share' issued by The Institute of Chartered Accountants of India are as follows.

PARTICULARS	31 st March 2015	31 st March 2014
(I) Profit Computation for both basic and diluted earning per share of Rs. 10 each:		
Net profit as per profit and loss account available for equity shareholders.	4118130.54	1846473.77
(II) weighted Average Number of equity shares for earning per share computation		
For basic /diluted earning per share	7,47,50,000	7,47,50,000
Basic/Diluted earning per Share.	0.06	0.02

6. Payment to Auditors:

Payments to the auditor as	Current Year (Rs)	Previous Year (Rs)
a. auditor	123595.00	117978.00
b. for taxation matters	0.00	0.00
c. for company law matters	0.00	0.00
d. for management services	0.00	0.00
e. for other services	0.00	0.00
f. for reimbursement of expenses	0.00	0.00

7. As required by notification number, GSR 129(E) dated 22nd February,1999 issued by the department of company Affairs, Ministry of Law and company affairs the company doesn't owe Rs. 1,00,000/- and above which are outstanding for more than 30 days to any small scale industrial undertaking.

8. The RBI regulation on prudential norms for Income recognition and provisioning for non performing assets have been followed but no provision for standard assets has been made.

9. There is no amount due to be transferred to investor's education and Protection Fund as on 31st March 2015.

10. Previous years figures have been regrouped, reclassified wherever necessary to make them comparable to that of current year.

For Gemstone Investments Limited

Sd/- Sd/-
Dhara Brahmbhatt Rohan Barot
Director Director

Place : Mumbai
Date : 29/05/2015

For M/S N R Gala & Associates.
Chartered Accountants

Sd/-
Navin R. Gala
Partner
Mem No:040640
Place : Mumbai
Date : 29/05/2015

GEMSTONE INVESTMENTS LIMITED

Registered Office: Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bander, Mumbai – 400 003. **Tel No.:** 022 65102060. **Email:** gemstoneltd@gmail.com

ATTENDANCE SLIP

FOLIO NO. (Shares in physical mode)	
DP ID	
CLIENT ID	
NO. OF SHARES HELD	

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General meeting of the Company to be held on Tuesday September 29, 2015 at 9.30 am and at any adjournment thereof.

Signature of Member/Proxy

Date:

(THIS ATTENDANCE SLIP DULY FILLED TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

GEMSTONE INVESTMENTS LIMITED

CIN: L65990MH1994PLC081749

Registered Office: Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bander, Mumbai – 400 003. **Tel No.:** 022 65102060. **Email:** gemstoneltd@gmail.com

FORM NO. MGT 11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Management and Administration) Rules, 2014]

CIN : L65990MH1994PLC081749

Name of the Company : GEMSTONE INVESTMENTS LIMITED

Registered Office : Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bander, Mumbai – 400 003.

Name of the member(s) :

Registered Address :

Email 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:

.....

Email ID:

Signature:or failing him/her

2) Name:

Address:

.....

Email ID:

Signature:or failing him/her

3) Name:

Address:

.....

Email ID:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Tuesday, September 29, 2015 at 9.30 a.m.** at Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bander, Mumbai – 400 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description
1.	Adoption of Financial Statements and Reports thereon for the financial year ended 31 st March, 2015
2.	Reappointment of Mr. Muljibhai Chedda liable to retire by rotation.
3.	Reappointment of Mr. Nimesh Ganatra liable to retire by rotation.
4.	Ratification of the appointment of M/s N R Gala & Associates, Statutory Auditors and to fix their remuneration for the financial year ending 31 st March, 2016
5.	Appointment of Mr. Dharmesh Belani as Non Executive Independent Director
6.	Appointment of Mrs. Mamata Shetty as Non Executive Independent Director
7.	Appointment of Mrs. Dhara Brahmhatt as Managing Director
8.	Adoption of new Articles of Association of the Company

Signed this day of 2015.

Affix 1
Rupee
Revenue
Stamp

.....

Signature of shareholder

.....

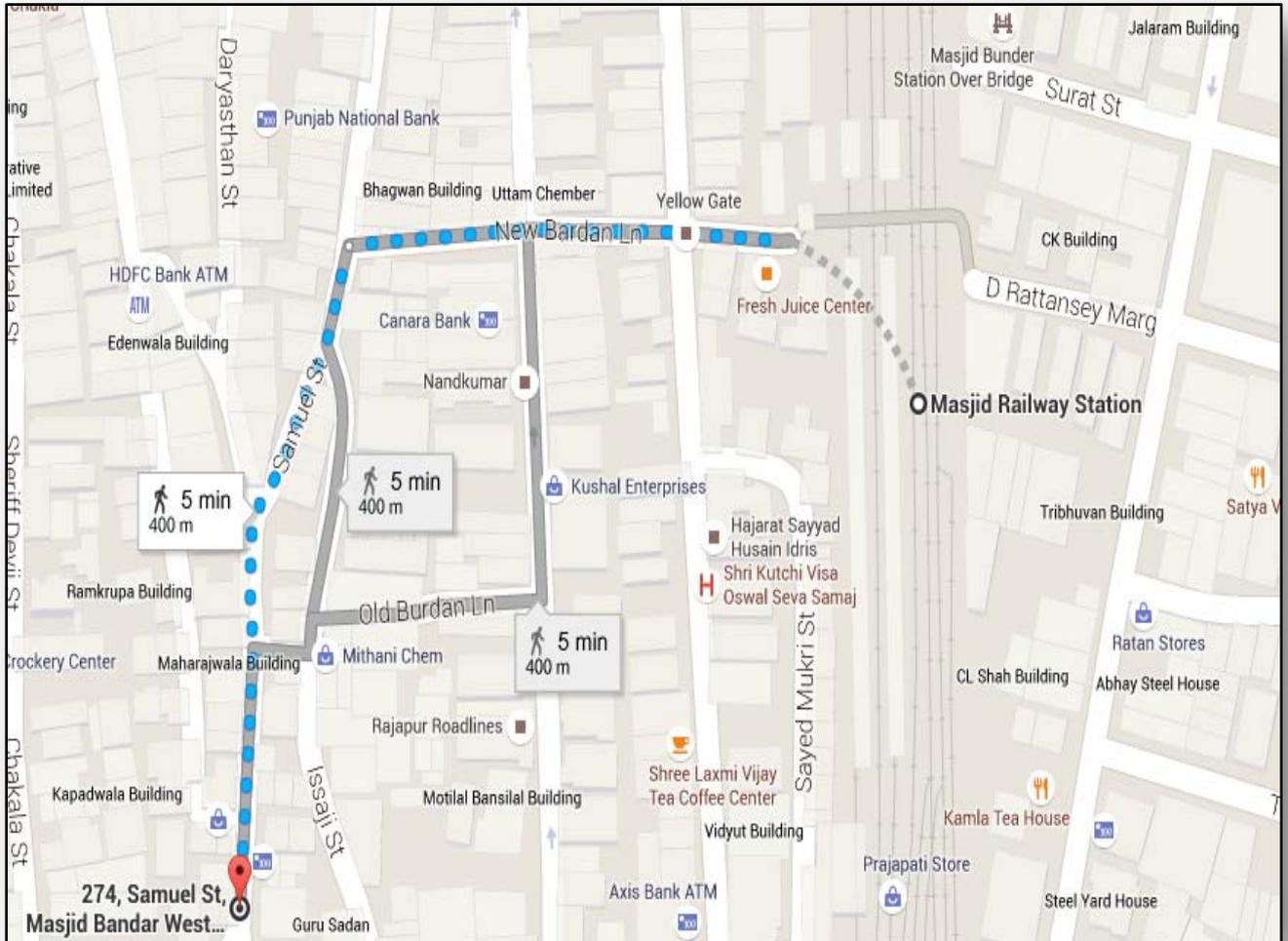
Signature of Proxy holder(s)

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commence of the meeting.

Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

Route Map



❖ **Venue:** Room No. 105, 1st Floor, Shradhanand Building, 274 Samuel Street, Masjid Bunder, Mumbai - 400003.

❖ **Landmark:** State Bank of India.



If Undelivered Return To:

Gemstone Investments Limited

Room No. 105, 1st Floor, Shradhanand Building,
274 Samuel Street, Masjid Bunder,
Mumbai – 400 003.