

# Enchanté Jewellery Limited

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## NOTICE OF 29th ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that 29th Annual General Meeting of Members of Enchante Jewellery Limited will be held at 9:30 a.m. on Wednesday, 30th September, 2015 at Plot No. 3&4, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015 to transact the following business:

### Ordinary Business

1. To receive, consider and adopt the audited Profit & Loss A/c and Balance Sheet for the year ended 31st March 2015 and Report of Board and Auditor therein.
2. To Re-appoint of Mr C.L.Mehra, who retires by rotation and, being eligible, offer himself for reappointment.
3. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM to be held for the Financial Year 2016-17 and to fix their remuneration.

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, **M/s Raj K Sri and Co., Chartered Accountants, (Firm Registration No. 014141N)**, their appointment be and is hereby ratified as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the 31st (Thirty First) Annual General Meeting (subject to annual ratification by the Members at the Annual General Meeting), at such remuneration recommended by the Audit Committee of the Company and finalized by the Board of Directors in consultation with the Statutory Auditors."

By Order of the Board  
**For Enchante Jewellery Limited**

Sd/-  
**Chand Mehra**  
Managing Director

Place : Gurgaon  
Date: 05.09.2015

### Note:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY
2. Proxy form, in order to be effective, must be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time of the Meeting. Proxies submitted on behalf of the companies, societies etc must be accompanied by an appropriate resolution, as applicable
3. The Register of Members & Share Transfer Books of the Company will remain closed from 23rd September, 2015 to 30th September, 2015 (both days inclusive).
4. Members are requested to send their Share Certificates for transfer/demat to the Registrar & Share Transfer Agent at Link Intime India Pvt. Ltd., A-31, 2nd Floor, Phase-I, Naraina Industrial Area, New Delhi-110 028
5. In terms of Clause 35 B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 23rd September, 2015, i.e. the cut-off date taken by the Company for dispatch of the Annual Report and the Notice (including notice for e-voting) calling the Annual General Meeting. The 'Step-by-Step' procedure and instructions for casing your vote electronically are as under:
  - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Now Enter your User ID

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- 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:

| <b>For Members holding shares in Demat Form and Physical Form</b> |   |
|---|---|
| <b>PAN*</b>   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the attendance slip in the Annual Report.                           |
| <b>DOB</b>  | 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.   |
| <b>Dividend Bank Details#</b>                                     | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.<br>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company the number of shares held by you as on 23rd September, 2015 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 also to be 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 (150902100) for the Enchante Jewellery Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take 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.

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- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.

### **In case of members receiving the physical copy:**

Please follow all steps from S. No. (i) to S. No. (xvi) above to cast vote.

### **General**

- (A) The voting period begins on 27th September, 2015 (10:00 am) and ends on 29th September, 2015 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) Mr Ankush Aggarwal Practising Company Secretary, of "AD & ASSOCIATES" (C.P.No. 9222), has been appointed as the Scrutinizer to scrutinize the e-voting process.
- (C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 23rd September, 2015.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (E) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (F) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (G) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.

# Enchanté Jewellery Limited

## DIRECTOR'S REPORT

The Members of Enchanté Jewellery Limited  
Plot No. 3&4 Udyog Vihar, Phase IV,  
Gurgaon, Hariyana-122005

To,  
The Members,  
Your Directors have pleasure in presenting their 29th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

### 1. **Financial summary or highlights/Performance of the Company (Standalone)**

The Board's Report shall be prepared based on the stand alone financial statements of the company.

| Particulars                             | 2014-2015     | 2013-2014     |
|---|---------------|---------------|
| Gross Income                            | 11198958.00   | 11199580.00   |
| Profit Before Interest and Depreciation | 5139386.13    | 4065165.74    |
| Finance Charges                         | 46008.91      | 4191.54       |
| Gross Profit                            | 0.00          | 0.00          |
| Provision for Depreciation              | 242570.00     | 989224.00     |
| Net Profit Before Tax                   | 4896816.13    | 3075941.74    |
| Provision for Tax                       | 118416.00     | (75584.00)    |
| Net Profit After Tax                    | 4778400.13    | 3151525.74    |
| Balance of Profit brought forward       | (85542665.32) | (88694191.06) |
| Balance available for appropriation     | 4778400.13    | 3151525.74    |
| Proposed Dividend on Equity Shares      | 0.00          | 0.00          |
| Tax on proposed Dividend                | 0.00          | 0.00          |
| Transfer to General Reserve             | 4778400.13    | 3151525.74    |
| Surplus carried to Balance Sheet        | (80764265.19) | (85542665.32) |

### 2. **Brief description of the Company's working during the year/State of Company's affair**

The Company has a manufacturing facility capable of manufacturing the following jewellery products: gold and silver jewellery including chains, rings, bangles, necklaces, earrings, medallions, and other jewellery products, plain as well as studded with precious / semi-precious gems. The Company's manufacturing facility was shut down in 2009-10 due to the paucity of working capital and the Company has not been able to mobilize the required working capital to restart manufacturing operations on account of certain pending issues pertaining to its financial rehabilitation. The Company is in the process of resolving the pending issues.

There has been a positive change in the Company's profit before tax (PBT) because of a reduction in expenses. The Company hopes to reduce the expenses further during the 2015-16 financial year, and also begin trading / manufacturing operations so as to increase its income.

### 3. **Change in the nature of business, if any**

There is no change in the nature of business of the company in the financial year 2014-2015.

### 4. **Dividend**

No dividend was distributed for the financial year 2014-2015 because the Company is not operative and it has only rental income. The Company is in BIFR.

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**5. Reserves**

The Board proposed to carry Rs. 4778400.13/-, amount of profit transferred from Profit & Loss A/c, to reserves.

**6. Change Of Name**

The Company has not changed its name during the financial year 2014-2015.

**7. Share Capital**

**ISSUE OF SHARES WITH DIFFERENTIAL RIGHTS**

The company has not issued such shares under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] for the financial year 2014-2015.

**ISSUE OF SWEAT EQUITY SHARE**

The company has not issued such shares under the provision of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year 2014-2015.

**8. Directors and Key Managerial Personnel**

Mr. C.L. Mehra, Director liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

During the year, Mrs Lata Rani Mehra has been appointed as the women director.

Woman Director      Ms. Lata Rani Mehra

Din No.                      07172171

Address                      S-555, Greater Kailash, Part-2, New Delhi-110048

During the year 2014-2015, no appointment has been made in respect of Independent Directors. Further, no director has resigned as Director of the Company.

Also, no appointment/ resignation has been incurred in respect of Chief Executive Officer, Chief Financial Officer and Company Secretary.

**9. Particulars of Employees**

The Company does not have any managerial employees as per the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thus the company is not required to file statement of particulars of employees.

**10. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year six Board Meetings and five Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**11. Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report in Annexure C

**12. Declaration by an Independent Director(s) and re- appointment, if any**

A declaration by an Independent Directors that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been enclosed as Annexure II.

**13. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report as Annexure A.

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### **14. Details of Subsidiary/Joint Ventures/Associate Companies**

Pursuant to sub-section (3) of section 129 of the Act, The Company does not have any subsidiaries, associate company or companies and joint venture therefore the company is not required to file the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

### **15. Auditors**

The Auditors, M/s Raj K Sri and Co., Chartered Accountants, (Firm Registration No. 014141N), retire at the 28th Annual General Meeting and, being eligible, offer themselves for reappointment for a period of 3 year from the conclusion of 28th Annual General Meeting [AGM] till the conclusion 31st AGM.

### **16. Auditors' Report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### **17. Disclosure About Cost Audit**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

### **18. Secretarial Audit Report**

In terms of Section 204 of the Act and Rules made there under, M/s. AD & Associates Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and do not call for any further comments.

### **19. Internal Audit & Controls**

The Company continues to engage M/s Manoj Aggarwal., Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

### **20. Issue of employee stock options**

The Board of directors, shall, inter alia, are not required to disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, as the company has not issued such options during the financial year 2014-2015.

### **21. Vigil Mechanism :**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.enchantejewellery.co.in](http://www.enchantejewellery.co.in) under investors/Vigil Mechanism Policy link.

### **22. Risk management policy**

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company. The policy is annexed to Corporate Governance Report as Annexure B

### **23. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as ANNEXURE I.

### **24. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report. There have not been any material changes or commitments.**

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- 25. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;** There have not been any significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.
- 26. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**  
Internal Auditors and Audit Committee ensure the adequacy of internal financial controls with reference to the Financial Statements.
- 27. Deposits**  
The details relating to deposits, covered under Chapter V of the Act, cannot be disclosed as the company had no deposits in the financial year 2014-2015.
- 28. Particulars of loans, guarantees or investments under section 186**  
The company did not incur any loans, guarantees or investments under section 186.
- 29. Particulars of contracts or arrangements with related parties:**  
The company did not enter into contracts or arrangements with any of the related parties, pursuant to sub-section (1) of section 188 of the Companies Act, 2013, or any arm's length transactions under third proviso.
- 30. Corporate Governance Certificate**  
The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement has been annexed as Annexure IV.
- 31. Management Discussion And Analysis**  
The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March , 2015.
- 32. Statutory Disclosures**  
In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the Company does not have any Employees.  
33. Obligation Of Company Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013  
The company does not have any employee thus the company is not required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any women employee.
- 33. Conservation of energy, technology absorption and foreign exchange earnings and outgo**  
The company is not operative, therefore, details of conservation of energy, technology absorption, foreign exchange earnings and outgo are not provided.
- 34. Corporate Social Responsibility (CSR)**  
The company is not required to provide disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 .
- 35. Human Resources**  
The Company treats its "human resources" as one of its most important assets.
- 35. Directors' Responsibility Statement**  
The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-
- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **36. Transfer of Amounts to Investor Education and Protection Fund**

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **37. Listing With Stock Exchanges:**

The Company confirms that it has not paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed. This is a legacy issue from the period that the Company became a sick company and its status as a Company duly registered with BIFR. The Company is working with the BSE to resolve the matter.

### **38. Acknowledgements**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

By Order of the Board  
**For Enchante Jewellery Limited**

Sd/-  
**Chand Mehra**  
Managing Director

Place : Gurgaon  
Date: 05.09.2015



## Enchanté Jewellery Limited

### ANNEXURE I

#### 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:

|    |  |   |
|----|--|---|
| 1. | CIN  | L74899HR1995PLC032759   |
| 2. | Registration Date  | 07/07/1995  |
| 3. | Name of the Company  | ENCHANTE JEWELLERY LIMITED  |
| 4. | Category/Sub-category of the Company                                       | COMPANY LIMITED BY SHARES   |
| 5. | Address of the Registered office & contact details                         | INDIAN NON-GOVERNMENT COMPANY   |
| 6. | Whether listed company   | LISTED  |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | LINK INTIME INDIA PVT. LTD.<br>A-31,2RD FLOOR, PHASE-I,<br>NARAINA INDUSTRIAL AREA,<br>NEW DELHI-110028 |

#### 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)

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1      | MANUFACTURING JEWELLERY                          | 32                              | 100.00                             |

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

| S. No. | Name and Address of the Company | CIN/GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|--------|---------------------------------|---------|----------------------------------|------------------|--------------------|
| 1.     | -                               | -       | -                                | -                | -                  |

**IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)**

**i) Category-wise Share Holding**

| Category of Shareholders                  | No. of Shares Held at the beginning of the year(March 31, 2014) |                |                |                   | No. of Shares held at the end of the year(March 31, 2015) |                |                |                   | % Change during the year |
|---|---|----------------|----------------|-------------------|---|----------------|----------------|-------------------|--------------------------|
|   | Demat   | Physical       | Total          | % of Total shares | Demat   | Physical       | Total          | % of Total shares |                          |
| <b>A. Promoters</b>                       |   |                |                |                   |   |                |                |                   |                          |
| <b>(1) Indian</b>                         |   |                |                |                   |   |                |                |                   |                          |
| a. Individual/ HUF                        | 33799   | 940598         | 974397         | 13.5836           | 33799   | 940598         | 974397         | 13.5836           | -                        |
| b. Central Govt.                          | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| c. State Govt.(s)                         | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| d. Bodies Corp.                           | -   | 3055500        | 3055500        | 42.5955           | -   | 3055500        | 3055500        | 42.5955           | -                        |
| e. Banks/FI                               | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| f. Any Other                              | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| <b>Total shareholding of promoter (A)</b> | <b>33799</b>  | <b>3996098</b> | <b>4029897</b> | <b>56.1791</b>    | <b>33799</b>  | <b>3996098</b> | <b>4029897</b> | <b>56.1791</b>    | <b>-</b>                 |
| <b>B. Public Shareholding</b>             |   |                |                |                   |   |                |                |                   |                          |
| <b>1. Institutions</b>                    |   |                |                |                   |   |                |                |                   |                          |
| a. Mutual funds                           | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| b. Banks/FI                               | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| c. Central Govt                           | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| d. State Govt(s)                          | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| e. Venture Capital Funds                  | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| f. Insurance Companies                    | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| g. FIIs                                   | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| h. UTI                                    | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| i. Foreign Venture Capital Funds          | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| j. Others (specify)                       | -   | -              | -              | -                 | -   | -              | -              | -                 | -                        |
| <b>Sub-Total (B) (1)</b>                  | <b>-</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>          | <b>-</b>  | <b>-</b>       | <b>-</b>       | <b>-</b>          | <b>-</b>                 |

| <b>2.Non-institutions</b>   |               |                |                |                |               |                |                |                |          |
|---|---------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------|
| a. Bodies Corporate   | 99020         | 125200         | 224220         | 3.1250         | 99020         | 125200         | 224220         | 3.1250         | -        |
| i) Indian   | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| ii) Overseas  | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| b. Individuals  | 475112        | 1831771        | 2306883        | 32.1593        | 475112        | 1831771        | 2306883        | 32.1593        | -        |
| i. Individual shareholders holding nominal share capital upto Rs.1 lakh         | 450711        | 1727471        | 2178182        | 30.3651        | 450711        | 1727471        | 2178182        | 30.3651        | -        |
| ii.Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 24401         | 104300         | 128701         | 1.7942         | 24401         | 104300         | 128701         | 1.7942         | -        |
| c.Other (specify)   | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| Non Resident Indians  | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| Overseas Corporate Bodies   | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| Foreign Natonals  | -             | 612000         | 612000         | 8.5316         | -             | 612000         | 612000         | 8.5316         | -        |
| Clearing Members  | 300           | -              | 300            | 0.0042         | 300           | -              | 300            | 0.0042         | -        |
| Trusts  | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| Foreign Bodies - D R  | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| <b>Sub total (B) (2)</b>  | <b>574432</b> | <b>2568971</b> | <b>3143403</b> | <b>43.8201</b> | <b>574432</b> | <b>2568971</b> | <b>3143403</b> | <b>43.8201</b> | <b>-</b> |
| <b>Total Public Shareholding (B)= (B)(1) + (B)(2)</b>                           | <b>574432</b> | <b>2568971</b> | <b>3143403</b> | <b>43.8201</b> | <b>574432</b> | <b>2568971</b> | <b>3143403</b> | <b>43.8201</b> | <b>-</b> |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                          | -             | -              | -              | -              | -             | -              | -              | -              | -        |
| <b>Grand Total (A+B+C)</b>  | <b>608231</b> | <b>6565069</b> | <b>7173300</b> | <b>100.00</b>  | <b>608231</b> | <b>6565069</b> | <b>7173300</b> | <b>100.00</b>  | <b>-</b> |

## Enchanté Jewellery Limited

### B) Shareholding of Promoter-

| SN. | 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   | Barkha Exports Ltd.                  | 2145000                                   | 29.9                             | -  | 2145000                             | 29.9                             | -  | -  |
| 2   | Mehrasons Jewellers Pvt Ltd.         | 500000                                    | 6.97                             | -  | 500000                              | 6.97                             | -  | -  |
| 3   | Naraini Gems And Investments Limited | 379500                                    | 5.29                             | -  | 379500                              | 5.29                             | -  | -  |
| 4   | C.L. Mehra                           | 254900                                    | 3.55                             | -  | 254900                              | 3.55                             | -  | -  |
| 5   | Chand Mehra                          | 209293                                    | 2.91                             | -  | 209293                              | 2.91                             | -  | -  |
| 6   | Vinay Mehra                          | 200001                                    | 2.79                             | -  | 200001                              | 2.79                             | -  | -  |
| 7   | Mehra Jewel Palace (P) Ltd.          | 31000                                     | 0.43                             | -  | 31000                               | 0.43                             | -  | -  |
| 8   | Pawan Mehra                          | 101                                       | 0.00                             | -  | 101                                 | 0.00                             | -  | -  |
| 9   | Namita Mehra                         | 310101                                    | 4.32                             | -  | 310101                              | 4.32                             | -  | -  |
| 10  | Yashpal Mehra                        | 1   | 0.00                             | -  | 1                                   | 0.00                             | -  | -  |

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

There was no change in promoter's shareholding.

| SN | Particulars   | 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 company |
|    | At the beginning of the year  | -   | -                                | -                                       | -                            |
|    | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | -   | -                                | -                                       | -                            |
|    | At the end of the year  | -   | -                                | -                                       | -                            |

## Enchanté Jewellery Limited

D) Shareholding Pattern of top ten Shareholders:

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

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Shareholding at the end of year |                                  |
|----|-------------------------------------|---|----------------------------------|---------------------------------|----------------------------------|
|    |                                     | No. of shares                             | % of total shares of the company | No. of shares                   | % of total shares of the company |
| 1  | Puran Chand Sharma                  | 300000                                    | 4.1821                           | 300000                          | 4.1821                           |
| 2  | Pramode Metre                       | 162000                                    | 2.2583                           | 162000                          | 2.2583                           |
| 3  | Ratna DEVI Saraf                    | 150000                                    | 2.0910                           | 150000                          | 2.0910                           |
| 4  | Chadha Finlease Ltd.                | 98000                                     | 1.3661                           | 98000                           | 1.3661                           |
| 5  | Nalin Satyakam Kohli                | 47100                                     | 0.6567                           | 47100                           | 0.6567                           |
| 6  | Vandana Kohli                       | 28000                                     | 0.3903                           | 28000                           | 0.3903                           |
| 7  | Anil Aggarwal                       | 24401                                     | 0.3401                           | 24401                           | 0.3401                           |
| 8  | Suryasakti Advisory Private Limited | 17400                                     | 0.2426                           | 17400                           | 0.2426                           |
| 9  | Anupama Kohli                       | 16400                                     | 0.22                             | 16400                           | 0.22                             |
| 10 | Hunger Ford Consultant Pvt Ltd      | 15600                                     | 0.22                             | 15600                           | 0.22                             |

E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|----|--|---|----------------------------------|-------------------------------------|----------------------------------|
|    |  | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| 1  | Chand Mehra  | 209293                                    | 2.9176                           | 209293                              | 2.9176                           |
| 2  | Vinay Mehra  | 200001                                    | 2.7881                           | 200001                              | 2.7881                           |
| 3  | Charanjit Lal Mehra  | 254900                                    | 3.55                             | 254900                              | 3.55                             |
| 4  | Lata Rani Mehra  | 1   | 0.00                             | 1                                   | 0.00                             |

F) **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 | -                                | 7822837.85      | -        | 7822837.85         |
| i) Principal Amount                                 | -                                | -               | -        | -                  |
| ii) Interest due but not paid                       | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                   | -                                | -               | -        | -                  |
| Total (i+ii+iii)                                    | -                                | -               | -        | -                  |
| Change in Indebtedness during the financial year    | -                                | -               | -        | -                  |
| * Addition  | -                                | -               | -        | -                  |
| * Reduction   | -                                | 422837.85       | -        | 422837.85          |
| Net Change  | -                                | 422837.85       | -        | 422837.85          |
| Indebtedness at the end of the financial year       | -                                | -               | -        | -                  |
| i) Principal Amount                                 | -                                | -               | -        | -                  |
| ii) Interest due but not paid                       | -                                | -               | -        | -                  |
| iii) Interest accrued but not due                   | -                                | -               | -        | -                  |
| Total (i+ii+iii)                                    | -                                | 7400000.00      | -        | 7400000.00         |

## Enchanté Jewellery Limited

### XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

| SN. | Particulars of Remuneration   | Name of Executive Director |                 |                 | Total Amount |
|-----|---|----------------------------|-----------------|-----------------|--------------|
|     |   | Vinay Mehra(WTD)           | C.L. Mehra(WTD) | Chand Mehra(MD) |              |
| 1   | Gross salary  | 900000                     | 900000          | 900000          | 2700000      |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                          | -               | -               | -            |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                          | -               | -               | -            |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -                          | -               | -               | -            |
| 2   | Stock Option  | -                          | -               | -               | -            |
| 3   | Sweat Equity  | -                          | -               | -               | -            |
| 4   | Commission<br>- as % of profit<br>- others, specify...                              | -                          | -               | -               | -            |
| 5   | Others, please specify  | -                          | -               | -               | -            |
|     | Total (A)   | 900000                     | 900000          | 900000          | 2700000      |

#### B. Remuneration to other directors

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

## Enchanté Jewellery Limited

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SN. | Particulars of Remuneration   | Key Managerial Personnel |    |     | TOTAL |
|-----|---|--------------------------|----|-----|-------|
|     |   | CEO                      | CS | CFO |       |
| 1   | Gross salary  | -                        | -  | -   | -     |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                        | -  | -   | -     |
|     | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -  | -   | -     |
|     | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961             | -                        | -  | -   | -     |
| 2   | Stock Option  | -                        | -  | -   | -     |
| 3   | Sweat Equity  | -                        | -  | -   | -     |
| 4   | Commission<br>- as % of profit<br>- others, specify...                              | -                        | -  | -   | -     |
| 5   | Others, please specify  | -                        | -  | -   | -     |
|     | Total (A)   | -                        | -  | -   | -     |

### XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

## Enchanté Jewellery Limited

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### ANNEXURE II

#### Declaration under sub-section (6) of section 149;

To,

**The Board of Directors,**

Enchante Jewellery Limited

Plot No.3 & 4,Udyog Vihar, Phase-IV,

Gurgaon, Haryana

#### Sub: Declaration under sub-section (6) of section 149;

I, **Shanti Swarup Bhatia**, hereby certify that I am a Non-executive Director of **Enchante Jewellery Limited** and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives-
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Yours faithfully,

**Shanti Swarup Bhatia**

**Independent Director**

**DIN: 06708177**

**Date : 01/04/2014**

**Place: Gurgaon**



## Enchanté Jewellery Limited

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### ANNEXURE II

#### Declaration under sub-section (6) of section 149;

To,

**The Board of Directors,**

Enchante Jewellery Limited

Plot No.3 & 4,Udyog Vihar, Phase-IV,

Gurgaon, Haryana

#### Sub: Declaration under sub-section (6) of section 149;

I, **Shiv Prasad Wahi**, hereby certify that I am a Non-executive Director of **Enchante Jewellery Limited** and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives-
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Yours faithfully,

**Shiv Prasad Wahi**  
**Independent Director**  
**DIN: 06708192**

**Date : 01/04/2014**  
**Place: Gurgaon**

# Enchanté Jewellery Limited

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## ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MR-3

### Secretarial Audit Report

For The Financial Year Ended 31st March, 2015

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

To,

The Members,

#### **ENCHANTE JEWELLERY LIMITED**

CIN: L74899HR1995PLC032759

Add: PLOT NO.3 & 4, UDYOG VIHAR

Phase-IV, Gurgaon, Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ENCHANTE JEWELLERY LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2015, has reasonably complied with the statutory provisions listed hereunder and also that the Company has reasonable Board-processes and compliance-mechanism, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ENCHANTE JEWELLERY LIMITED ("The Company") for the period ended on 31st March, 2015 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not applicable as the Company has not received any foreign currency in lieu of any Export and also has not paid any amount in foreign currency during the financial year related to this Audit Report;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client -Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;
  - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -Not applicable as the Company has not delisted /propose to delist its equity shares from any stock exchange during the financial year under review;

## Enchanté Jewellery Limited

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- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 -Not applicable as the Company has not bought back I propose to buyback any of its securities during the financial year under review;
- g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 I Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective 28th October 2014) -Not Applicable as the Company has not issued any shares under the Scheme to any of its employees;
- h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -Not applicable as the Company has not issued any debt securities;

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

- i) Secretarial Standards of The Institute of Company Secretaries of India with respect to general and board meetings are yet to be specified under the Act by the Institute during the year under report.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.

During the period under review the Company has complied with most of the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

**2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The 28th Annual General Meeting held on 30th September, 2014;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- n) Declaration and payment of dividends;
- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) Investment of the Company's funds including investments and loans to others;

## Enchanté Jewellery Limited

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- r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
- s) Directors' report;
- t) Contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

### 3. We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the 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, however, no notices have been served to the Stock Exchange as desired and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

*We further report that:*

*The Company is a Sick Company and has applied under BIFR because of weak financial condition of the Company. During the financial year, the Company:*

- *Did not have full time Company Secretary in employment. However, at the time of signing of this report, the Company has appointed a Company Secretary/Compliance Officer in full time employment of the Company.*
- *No listing fees has been paid to the BSE for the Financial Year 2014-2015, although management has initiated the process of getting all dues clear with the exchange.*
- *Company is not declaring its quarterly results on time as required under listing agreement of BSE , however company's management is making efforts to revive financial position of the company , we can expect timely declaration of the results of the company in coming quarters .*
- *Managing Director has been appointed by the company but no approval of the same has been taken by the Central Government as required under the law, although company has initiated the process of intimating the Central Government regarding the appointment of Managing Director.*
- *Company is not complying with Clause 47 of BSE listing agreement.*
- *Company is not complying with Clause 49 of BSE listing agreement.*
- *Company is not complying with clause 35 of BSE listing agreement.*
- *Company has not intimated ROC with regard to approval of quarterly, half yearly and annual financial statements or financial results as the case may be and also with regard to Disclosure of Interest by the Directors.*
- *Company is not regular in submitting Reconciliation of share Capital Audit certificate with the Stock Exchange.*
- *Company is paying Managerial Remuneration to its Director(s), 3(three) in number. However, no prior consent has been taken from Central Government & Shareholder's of the Company.*

*This is to mention that there has been many non-compliance(s) under Various Statutory Act(s) during the Audit Period which are primarily because of weak financial condition of the company. Management of the Company is trying their best to revive the financial condition of the Company and to comply with all the applicable laws & provisions.*

## **Enchanté Jewellery Limited**

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**For AD & ASSOCIATES  
Company Secretaries**

**Ankush Aggarwal  
(Partner)  
ACS: 25049  
CP NO: 9222**

**Place: New Delhi  
Date: 5th September 2015**

To

The Members,

**Enchante Jewellery Limited**

**CIN: L74899HR1995PLC032759**

Plot No. 3 & 4,

Udyog Vihar, Phase-IV,

Gurgaon, Haryana

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### **Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

### **Disclaimer**

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For AD & ASSOCIATES  
Company Secretaries**

**Ankush Aggarwal  
(Partner)  
ACS: 25049  
CP NO: 9222**

**Place: New Delhi  
Date: 5th September 2015**

## **Enchanté Jewellery Limited**

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### **ANNEXURE IV**

#### **AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

##### **To the Members of Enchante Jewellery Limited**

We have reviewed the relevant records of Enchante Jewellery Limited (the company) for the year ended on 31st March, 2015 relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and according to information and explanations given to us, we state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance except the information and reports to be submitted to the Stock Exchange. The reasons are explained by the management to you in the Corporate Governance Report.

We have to state that no investor grievance against the Company is pending for a period exceeding one month as per the records maintained and certified by the Registrars of the Company.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Raj K. Sri & Co.**  
**Chartered Accountants**  
**FRN: 014141N**

**Place: New Delhi**  
**Date: 11/08/2015**

**K. C. Goduka**  
**(Partner)**  
**M.No.: 088695**

# Enchanté Jewellery Limited

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## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Board takes pleasure in presenting your Company's 29th Annual Report for the year 2014-2015 along with the compliance report on corporate governance. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

The following Management Discussion and Analysis (MD &A) is intended to help the reader to understand the results of operation, financial condition of GOLDLINE:

The financial statements have been prepared in compliance with the requirements of the Companies Act 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and any other provisions as applicable, if any. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and notes to these statements included in the Annual Report. MD & A is provided as a supplement to and should be read in conjunction with, our financial statements and the accompanying Notes to Financial Statements.

### Strength

The Company was engaged in the manufacturing and selling of gold and diamond jewellery. The Company had established its brand and had built up considerable goodwill in the market for its branded Jewellery. The Company is a Sick Industrial Company and is in the process of working out its exit from BIFR. Its manufacturing infrastructure is intact and the Company hopes to restart manufacturing activities shortly. The Company is building rental income so as to provide it with a base with which to mobilize working capital and fund the Company's efforts to revive manufacturing. The Company's is creating a strong base from which to launch its revival.

### Economy and Business Outlook

The domestic gems and Jewellery business in India is a Rs.1.2 lakh Crore business on account of the role Jewellery plays in our culture, heritage, traditions etc. As the size of our economy grows and the purchasing power of the India people increases, the potential of the Jewellery business will continue to increase.

### Risk & Concern

The Company is mainly exposed to market risk. It does not have any borrowings from Banks / Financial Institutions and therefore does not have any interest or credit risk.

### Internal Control System & their Adequacy

The Company strongly believes that internal control systems are necessary for Good Corporate Governance and has in place an effective system of internal controls to ensure that all assets are properly safeguarded and protected and used optimally and financial transactions are reported accurately.

### Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the Industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigation etc.

## Enchanté Jewellery Limited

### Corporate Governance Report for the year ended on 31st March 2015

#### 1 Company Philosophy:

We continue to believe that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Mumbai Stock Exchange. The securities are not being traded at Stock Exchanges because of a legacy issue that exists from the time that the Company became a sick Company, was registered with the Hon'ble BIFR, and wherein because of the Company's sickness the Company was unable to pay the listing fees, and the Company's trading was suspended. The situation was on account of factors beyond the Company's control and the Company is working to resolve the matter with the BSE.

#### 2 Board of Directors:

| Category  | No. of directors |
|---|------------------|
| <b>Non-Executive &amp; Independent Directors including the Chairman</b> | 2                |
| <b>Other Non-Executive Directors</b>                                    | 1                |
| <b>Executive Director (CEO &amp; Managing Director)</b>                 | 3                |
| <b>Total</b>  | 6                |

The Chairman of the Board is not an Independent Director

As required under Section 149(3) of the Companies Act, 2013, & Clause 49 of Listing Agreement, Ms Lata Rani Mehra, a lady Director, has been appointed as an Independent Director on the Board.

Other Relevant details of Directors:

| Name of Director     | Date of Appointment | Category               | No. of Directorship(s) held in Indian public & private Limited Companies (Including Enchante Jewellery) | Committee(s) position (including Enchante Jewellery) |          |
|----------------------|---------------------|------------------------|---|--|----------|
|                      |                     |                        |   | Member   | Chairman |
| C.L. Mehra           | 30-04-2013          | Executive Director     | 3   | SRC,RMC  | -        |
| Chand Mehra          | 30-04-2013          | Executive Director     | 2   | RMC  | -        |
| Vinay Mehra          | 07-07-1995          | Executive Director     | 3   | SRC,AC   | RMC      |
| Shiv Prasad Wahi     | 10-04-2013          | Independent Director   | 1   | -  | AC,RC    |
| Shanti Swarup Bhatia | 10-04-2013          | Independent Director   | 1   | AC,RC  | SRC      |
| Lata Rani Mehra      | 31-03-2015          | Non Executive Director | 1   | RC   | -        |

SRC :Stakeholders' Relationship Committee earlier called Share Transfer and Investor Grievance committee

AC :Audit Committee

RC :Remuneration Committee

RMC :Risk Management Committee



## Enchanté Jewellery Limited

Board Meetings held during the year:

| Dates on which the Board Meetings were held | Total Strength of the Board | No. of Directors Present |
|---|-----------------------------|--------------------------|
| 5 <sup>th</sup> May 2014                    | 5                           | 5                        |
| 2 <sup>nd</sup> June 2014                   | 5                           | 5                        |
| 4 <sup>th</sup> September 2014              | 5                           | 5                        |
| 8 <sup>th</sup> September 2014              | 5                           | 5                        |
| 10 <sup>th</sup> December                   | 5                           | 4                        |
| 31 <sup>st</sup> March 2015                 | 6                           | 5                        |

| Name of Director     | Attendance at the Board Meetings held on |                |                |                |                |            | Attendance at the AGM held on 30 <sup>th</sup> Sep'14 |
|----------------------|--|----------------|----------------|----------------|----------------|------------|---|
|                      | 05/05/2014                               | 02/06/2014     | 04/09/2014     | 08/09/2014     | 10/12/2014     | 31/03/2015 |   |
| C.L. Mehra           | Present                                  | Present        | Present        | Present        | Present        | Present    | Present   |
| Chand Mehra          | Present                                  | Present        | Present        | Present        | Present        | Present    | Present   |
| Vinay Mehra          | Present                                  | Present        | Present        | Present        | Present        | Present    | Present   |
| Shiv Prasad Wahi     | Present                                  | Present        | Present        | Present        | Absent         | Absent     | Present   |
| Shanti Swarup Bhatia | Present                                  | Present        | Present        | Present        | Present        | Present    | Present   |
| Lata Rani Mehra      | Not applicable                           | Not applicable | Not applicable | Not applicable | Not applicable | Present    | Not applicable  |

### 3 COMMITTEES OF THE BOARD.

#### (a) Audit Committee (mandatory committee)

The Audit Committee continued working under Chairmanship of Shri Shiv Prasad Wahi with Shri Shanti Swarup Bhatia and Shri Vinay Mehra as co-members. During the year, the sub-committee met on five occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Name of Director     | Category    | Attendance at the Audit Committee held on |            |            |            |            |            |
|----------------------|-------------|---|------------|------------|------------|------------|------------|
|                      |             | 02/05/2014                                | 02/06/2014 | 20/08/2014 | 01/07/2014 | 01/12/2014 | 10/03/2015 |
| Vinay Mehra          | Executive   | Present                                   | Present    | Present    | Present    | Present    | Present    |
| Shiv Prasad Wahi     | Independent | Present                                   | Present    | Present    | Present    | Absent     | Absent     |
| Shanti Swarup Bhatia | Independent | Present                                   | Present    | Present    | Present    | Present    | Present    |

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions

## Enchanté Jewellery Limited

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performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

### (b) Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee".

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Remuneration Policy has been attached as annexure A.

The composition of the Nomination and Remuneration Committee as at March 31, 2015 and details of the Members participation at the Meeting of the Committee held on 31/03/2015 are as under:

| Name of the Member   | Category               | Attendance at the Nomination and Remuneration Committee on 31/03/2015 |
|----------------------|------------------------|---|
| Lata Rani Mehra      | Non Executive Director | Present   |
| Shiv Prasad Wahi     | Independent            | Present   |
| Shanti Swarup Bhatia | Independent            | Present   |

### (c) Risk Management Committee - Mandatory Committee....

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

## Enchanté Jewellery Limited

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The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The Risk Management policy has been attached as Annexure B

The composition of the Risk Management Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

| Name of the Member | Category  | Attendance at the Nomination and Remuneration Committee on 10/12/2014 |
|--------------------|-----------|---|
| C.L.Mehra          | Executive | Present   |
| Vinay Mehra        | Executive | Present   |
| Chand Mehra        | Executive | Present   |

### (d) Stakeholders' Relationship Committee (mandatory committee)

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The composition of the Stakeholders' Relationship Committee as at March 31, 2015 and details of the Members participation at the Meetings of the Committee are as under:

## Enchanté Jewellery Limited

| Name of the Member                 | Category      | Attendance on 05/09/2014 | Attendance on 09/03/2015 |
|------------------------------------|---------------|--------------------------|--------------------------|
| Shanti Swarup Bhatia<br>(Chairman) | Non Executive | Present                  | Present                  |
| Vinay Mehra                        | Executive     | Present                  | Present                  |
| C.L. Mehra                         | Executive     | Present                  | Present                  |

During the year, 6 complaints were received from shareholders, out of which 6 complaints have been attended/resolved. The balance complaints were under various stages of investigation. As on March 31, 2015, no investor grievance has remained unattended/ pending for more than thirty days. The Company had no share transfers pending as on March 31, 2015.

### Independent Directors' Meeting

During the year under review, the Independent Directors met on 10th December, 2014, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

### Compliance Committee - Non Mandatory Committee

### Capex Committee - Non Mandatory Committee

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. The Board Evaluation Policy is in Annexure C

### TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

1. Mr Chand Mehra, MD

|                                |                                |
|--------------------------------|--------------------------------|
| Period of Appointment          | 1April 2014 to 31st March 2015 |
| Salary                         | Rs 9,00,000 pa                 |
| Allowances                     | -                              |
| Perquisites                    | -                              |
| Retrial Benefits               | -                              |
| Performance Bonus              | -                              |
| Sign-on Amount                 | -                              |
| Deferred Bonus                 | -                              |
| Minimum Remuneration           | -                              |
| Notice Period & Severance Fees | -                              |
| Other                          | -                              |

## Enchanté Jewellery Limited

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- **Details of remuneration paid to the Directors are given in Form MGT - 9**

#### **4 Disclosures:**

(a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

- (b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years. The Company was unable to pay any listing fees since 2001-2002 on account of the Company becoming a sick industrial company and it's registration with the Hon'ble BIFR. The situation was a result of factors beyond the Company's control. Upon approval of the DRS (Draft Rehabilitation Scheme) the Company will move for re-listing. Therefore the listing clauses were also not complied. The Company is in the process of working with the BSE to resolve the matter.

There was no instance of levy of any penalties during the last three years.

#### **Compliance with Accounting Standards**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

#### **Internal Controls**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances

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

The MD has issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed as Annexure D and forms part of the Annual Report.

#### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an Appendix to the Code. The Code has been posted on the Company's website [www.enchantejewellery.co.in](http://www.enchantejewellery.co.in)

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

E-Mail: [enchante@enchantejewellery.co.in](mailto:enchante@enchantejewellery.co.in)

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

## Enchanté Jewellery Limited

### 5 Means of Communication

|   |                             |
|---|-----------------------------|
| i. Annual report sent to each shareholders registered address | YES                         |
| ii. Any Website where results or official news are displayed  | www.enchantejewellery.co.in |

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

### 6 General Shareholder Information

#### Market Information

#### Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges and the Listing Fees has not been paid to the Exchange. Because of the Company's sickness the Company was unable to pay the listing fees, and the Company's trading was suspended.

| Name & Address of the Stock Exchanges                                   | Stock Code/Scrip Code | ISIN Number for NSDL/CDSL (Dematerialised share) |
|---|-----------------------|--|
| BSE Limited<br>PhirozeJeejeebhoy Towers, Dalal Street,<br>Mumbai 400001 | 531148                | ISIN INE772C01012                                |

#### SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

##### Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

##### Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

##### Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

#### v. Dividend

- a. Payment of dividend through National Electronic Clearing Service (NECS)

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in Demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

- b. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. There is no dividend which is unpaid by the Company.

#### vi. Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

## Enchanté Jewellery Limited

| S. No. | Nature of Queries/Compliant                          | Pending as on April 1,2014 | Received during the year | Redressed during the year | Pending as on March 31, 2015 |
|--------|--|----------------------------|--------------------------|---------------------------|------------------------------|
| 1      | Transfer/Transmission of Duplicate Share Certificate | -                          | 3                        | 3                         | -                            |
| 2      | Non-receipt of Dividend                              | -                          | 3                        | 3                         | -                            |
| 3      | Dematerialisation/Rematerialisation of Shares        | -                          | -                        | -                         | -                            |
| 4      | Complaints received from:                            | -                          | -                        | -                         | -                            |
|        | SEBI   |                            |                          |                           |                              |
|        | Stock Exchanges/NSDL/CDSL                            |                            |                          |                           |                              |
|        | ROC/MCA/Others                                       |                            |                          |                           |                              |
|        | Advocates  |                            |                          |                           |                              |
|        | Consumer Forum/Court Case                            |                            |                          |                           |                              |
| 5      | Others   |                            |                          |                           |                              |
|        | Grand Total  | -                          | 6                        | 6                         | -                            |

### Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2015, is given below:

| Particulars      | No. of Shares | Percentage |
|------------------|---------------|------------|
| Physical Segment | 6565069       | 91.52%     |
| Demat Segment    |               |            |
| NSDL             | 436199        | 06.08%     |
| CDSL             | 172032        | 02.40%     |
| Total            | 7173300       | 100.00%    |

Distribution of Shareholding as on March 31, 2015

| Category        | Number of Shareholders | (%) Percentage of Shareholders | Number of Shares | (%)Percentage of Shareholding |
|-----------------|------------------------|--------------------------------|------------------|-------------------------------|
| 1-500           | 7781                   | 91.01                          | 1255199          | 17.4982                       |
| 501-1000        | 485                    | 5.7                            | 405208           | 5.6488                        |
| 1001-2000       | 174                    | 2.0                            | 263100           | 3.6678                        |
| 2001-3000       | 39                     | 0.5                            | 99600            | 1.3885                        |
| 3001-4000       | 19                     | 0.2                            | 69200            | 0.9647                        |
| 4001-5000       | 9                      | 0.1                            | 41000            | .5716                         |
| 5001-10000      | 19                     | 0.2                            | 116800           | 1.6283                        |
| 10001 and above | 23                     | 0.3                            | 4923193          | 68.6322                       |
| TOTAL           | 8549                   | 100                            | 7173300          | 100.0000                      |

## Enchanté Jewellery Limited

Shareholding Pattern as on March 31, 2015

| Particulars  | No. of shares held | %      |
|--|--------------------|--------|
| Promoters  |                    |        |
| 1. Individuals including Directors                               | 9,74,398           | 13.58  |
| 2. Bodies Corporate  | 30,55,500          | 42.60  |
| Bank, Financial Institutions, Insurance Companies & Mutual Funds | -                  | -      |
| Bank   | -                  | -      |
| Financial Institutions   | -                  | -      |
| Insurance Companies  | -                  | -      |
| Mutual Funds/UTI   | -                  | -      |
| Central & State Governments                                      | -                  | -      |
| Foreign Institutional Investors                                  | -                  | -      |
| NRIs/Foreign Nationals   | 6,12,000           | 8.54   |
| Public and Others  | 25,31,402          | 35.28  |
| Total  | 71,73,300          | 100.00 |

### General Body Meetings

Particulars of last three Annual general meetings

| AGM  | Year ended 31st March, | Venue      | Date       | Time       | Special Resolutions Passed   |
|------|------------------------|------------|------------|------------|------------------------------|
| 26th | 2012                   | At the     | 29.09.2012 | 09.30 a.m. | No Special Resolution passed |
| 27th | 2013                   | Registered | 30.09.2013 | 09.30 a.m. | No Special Resolution passed |
| 28th | 2014                   | Office     | 30.09.2014 | 09.30 a.m. | No Special Resolution passed |

### Extraordinary General Meeting (EGM)

The Company did not hold an Extraordinary General Meeting.

During the year under review, no resolution has been passed through the exercise of postal ballot.

#### E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.



## Enchanté Jewellery Limited

### FINANCIAL CALENDAR 2015:

|  |   |
|--|---|
| AGM - Date, time and venue   | 30th September 2015,9:30 AM Plot No. 3&4 , Phase - IV , Udyog Vihar , Gurgaon (Haryana)   |
| Financial Year   | 1st April ,2014 to 31st March 2015  |
| Book Closure Date  | 23rd September 2015 to 30th September 2015  |
| Dividend Payment Date  | Dividend not recommended  |
| Listing of Eq. shares on stock exchanges.  | The Stock Exchange , Mumbai   |
| Stock Code   | 531148  |
| Market Price Data and other related informations   | Market Price Data is not available , as the shares are not being traded in the Stock Exchange   |
| Registrar & Transfer Agents  | M/s Link Intime India Pvt Ltd.A-31 2nd Floor , Phase - I , Naraina Industrial Area , Near PVR ,Naraina, New Delhi -110028   |
| Share Transfer System  | Share transfers, which are received in physical form are processed by the Registrar of Share Transfer Agent and approved by the Share Transfer Committee. The Company has also offered the facility of transfer cum demat as per SEBI guidelines. |
| Dematerialization of Shares  | The equity shares are held in dematerialization form by National Securities Depository Limited and Central Depository Services (India) Limited under ISIN INE772C01012.   |
| GDRs /ADRs /Warrants   | As on date the Company has not issued or any convertible instruments  |
| Plant Location.  | Plot No.3&4, Phase-IV, Udyog Vihar, Gurgaon (Haryana)   |
| Board Meeting for consideration of Accounts for the financial year ended March 31, 2015 and recommendation of dividend | 5th September 2015, No Dividend has been recommended.   |
| Address for Correspondence   | Plot No.3&4, Phase-IV, Udyog Vihar, Gurgaon (Haryana)   |

For and on behalf of the Board

Place : Gurgaon  
Date: 05.09.2015

Sd/-  
**Chand Mehra**  
Managing Director

# Enchanté Jewellery Limited

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## ANNEXURE “A” TO THE CORPORATE GOVERNANCE REPORT

### NOMINATION AND REMUNERATION POLICY

#### **Introduction:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

#### **Objective and purpose of the Policy:**

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component Industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them 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. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

#### **Constitution of the Nomination and Remuneration Committee:**

As per the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing agreement, The Board has changed the nomenclature of Remuneration Committee by renaming it as Nomination and Remuneration Committee on 31st July, 2014.

#### **Definitions**

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means Raunaq Automotive Components Limited.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) ,in relation to a company, means-
  - (i) the Chief Executive Officer or the Managing Director or the Manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;

## Enchanté Jewellery Limited

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- (iv) the Chief Financial Officer; and
- (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.
- Senior Management means who are members of its core management team excluding Board of Directors and all members of the management one level below the Executive Director, including the functional Heads. 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.

### Applicability

The Policy is applicable to;

- Directors (Executive and Non Executive).
- Key Managerial Personnel.
- Senior Management Personnel.

### General

- This Policy is divided in three parts:

**Part - A** covers the matters to be dealt with and recommended by the Committee to the Board,

**Part - B** covers the appointment and nomination and;

**Part - C** covers remuneration and perquisites etc.

### PART - A

#### **MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE**

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

### PART - B

#### **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

- **Appointment criteria and qualifications:**

1. 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.
2. 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 is sufficient / satisfactory for the concerned position.
3. 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.

## Enchanté Jewellery Limited

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- **Term /Tenure:**

- 1. 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 (5) years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- 2. 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.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 (five) years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his/her present term, for one more term of upto 5 (five) years only or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- 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.
- **Senior Management Appointment**

In order to carry out day-to-day recruitments/appointments of the Senior Management Personnel the power is delegated to the Chairman & Managing Director, who shall shortlist, finalize, appoint the suitable person and fix the remuneration subject to review, endorsement and approval of the Nomination & Remuneration Committee.
- **Evaluation**

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).

**Mechanism/Criteria for evaluating the performance of every Director (Including Independent Directors) and Board:**

The evaluation of performance of every Director (Including Independent Directors ) and Board shall be carried out annually based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings and other criteria as may deemed fit by the committee time to time.

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, 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.

- **Retirement:**

The Director, KMP and Senior Management Personnel 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 Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

# Enchanté Jewellery Limited

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## **PART - C**

### **POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

- **General:**
  1. The remuneration to be paid to the Chairman and Managing Director or Whole Time Director, if any shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
  2. The remuneration to the KMP (other than Managing Director or Whole Time Director) and Senior Management Personnel will be determined by the Committee (as may be recommended by the Chairman & Managing Director) and subject to the Board approval, if required.
  3. Increments to the existing remuneration structure may be recommended by the Committee to the Board which shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. .
  4. Where any insurance is taken by the Company on behalf of its Chairman and Managing Director, Joint Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- **Remuneration to Managing Director, KMP and Senior Management Personnel:**
  1. **Remuneration and Perquisites:**

The Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
  2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.
- **Remuneration to Non- Executive / Independent Director:**
- **Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof or fee/compensation etc. for any other purpose whatsoever as may be decided by the Board. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.
- **Other employees Remuneration**

The Managing Director and other senior executives (as relevant) will review the remuneration of all other employees not otherwise specified in this policy.

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## Enchanté Jewellery Limited

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### ANNEXURE "B" TO THE CORPORATE GOVERNANCE REPORT

#### Risk Management Policy under New Companies Act, 2013

**BACKGROUND AND CONTEXT APPLICABILITY:** Enterprise risk management was not mandatory according to the Companies Act 1956. However, as per the new law, there are specific requirements that a company needs to comply with. In addition, the board and audit committee have been vested with specific responsibilities in assessing the robustness of risk management policy, process and systems.

**KEY COMPLIANCE REQUIREMENTS:** Section 134 : The board of directors report must include a statement indicating development and implementation of a risk management policy for the company including identification of elements of risk, if any, which in the opinion of the board may threaten the existence of the company.

**RISK MANAGEMENT:** Risk management, by and large involves reviewing the operations of the organization followed by identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

The risk management process involves identifying the risks an organization is subject to, deciding how to manage it, implementing the management technique, measuring the ongoing effectiveness of management and taking appropriate correction action. The basic activities in any risk management system are.

- (I) Risk identification.
- (II) Risk assessment and finally
- (III) Risk control.

Each of the risks needs to be assessed by the enterprise for its impact on profit and cash flow. Likelihood of occurrence and scope for mitigation or reduction. Draft risk matrix is enclosed for Board's reference and further suggestions to prepare a risk management policy of the Company. Risk matrix for Board's reference and further suggestions to prepare a risk management policy of the Company.

1. Risk Management Committee will be of All Working Directors, One Member from Technical Experts, One Member from Finance and Company Secretary who will be convener of the meeting.
2. The Chairman of the Committee will be elected from the members.
3. The Risk Management Committee will meet at least Once in six months.
4. The Risk Management Policies are based on philosophy of achieving substantial growth while mitigating and managing risks involved.

# Enchanté Jewellery Limited

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## ANNEXURE "C" TO THE CORPORATE GOVERNANCE REPORT PERFORMANCE EVALUATION POLICY

### INTRODUCTION

The Company conducts its operations under the directions of Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013, the Articles of Association, Listing Agreement with stock exchanges and Code of Conduct and policies formulated by the Company for its internal execution. The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders. Accordingly, the present policy for performance evaluation is being put into place in accordance with the requirements of section 178 of the Companies Act, 2013 which provides for the a policy to be formulated and recommended to the Board, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

The Act, under clause VIII of Schedule IV, casts an obligation on part of the board of directors for evaluating the performance of independent directors. All the directors on the board of a company, except the independent director whose performance is being evaluated, will assess the performance of the independent director. Accordingly, a report of performance evaluation of each independent director of the company would be prepared, which would determine whether to extend or continue the term of appointment of the concerned independent director or not.

With an aim to maintain an energized, proactive and effective Board, the Board is committed to a continuing process of recommending and laying down the criteria to evaluate the performance of the entire Board of the Company.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure individual directors ("Directors") and the Board of Directors of the Company ("Board") as a whole work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and of its committees and individual directors. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

### EFFECTIVENESS OF THE BOARD

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. For this reason, based on the fore stated criteria of evaluation the remuneration of the Directors and Key Managerial Personnel shall be determined and reviewed from time to time.

### RESPONSIBILITY OF BOARD / INDEPENDENT DIRECTORS

It shall be the duty of the Board, who shall be supported by the Management to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

*The Board of Directors shall undertake the following activities on an annual basis:*

- I. Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.
- II. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

## Enchanté Jewellery Limited

Independent Directors are duty bound to evaluate the performance of non - independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non- independent directors, performance of chairperson of the Company and board as a whole, taking into account the views of executive directors and non-executive directors.

### EVALUATION FACTORS

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

#### Rating Scale

| Performance      | Rating |
|------------------|--------|
| Satisfactory     | 1      |
| Not Satisfactory | 0      |

The Company has chosen to adopt the following Board Performance Evaluation Process:

### INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: \_\_\_\_\_

| S. No. | Assessment Criteria   | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Attendance and participations in the meetings                                     |        |                  |
| 2.     | Raising of concerns to the Board  |        |                  |
| 3.     | Safeguard of confidential information   |        |                  |
| 4.     | Rendering independent, unbiased opinion and resolution of issues at meetings      |        |                  |
| 5.     | Initiative in terms of new ideas and planning for the Company                     |        |                  |
| 6.     | Safeguarding interest of whistle-blowers under vigil mechanism                    |        |                  |
| 7.     | Timely inputs on the minutes of the meetings of the Board and Committee's, if any |        |                  |

### NON - INDEPENDENT DIRECTORS / EXECUTIVE DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Chairperson/Non-Independent Director / Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:



## Enchanté Jewellery Limited

Name of Director being assessed: \_\_\_\_\_

| S. No. | Assessment Criteria   | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Leadership initiative   |        |                  |
| 2.     | Initiative in terms of new ideas and planning for the Company                   |        |                  |
| 3.     | Professional skills, problem solving, and decision-making                       |        |                  |
| 4.     | Compliance with policies of the Company, ethics, code of conduct, etc.          |        |                  |
| 5.     | Reporting of frauds, violation etc.   |        |                  |
| 6.     | Safeguarding of interest of whistle blowers under vigil mechanism               |        |                  |
| 7.     | Timely inputs on the minutes of the meetings of the Board and Committee, if any |        |                  |

### BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors, are set out below:

| S. No. | Assessment Criteria   | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | The Board of Directors of the company is effective in decision making.  |        |                  |
| 2.     | The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.                                |        |                  |
| 3.     | The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.  |        |                  |
| 4.     | The Board reviews the organization's performance in carrying out the stated mission on a regular basis.   |        |                  |
| 5.     | The Board of Directors is effective in providing necessary advice and suggestions to the company's management.  |        |                  |
| 6.     | Is the board as a whole up to date with latest developments in the regulatory environment and the market?   |        |                  |
| 7.     | The information provided to directors prior to Board meetings meets your expectations in terms of length and level of detail.   |        |                  |
| 8.     | Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.   |        |                  |
| 9.     | The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.  |        |                  |
| 10.    | The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.  |        |                  |
| 11.    | The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance. |        |                  |
| 12.    | The board considers the independent audit plan and provides recommendations.  |        |                  |

## Enchanté Jewellery Limited

### COMMITTEES OF BOARD

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee
4. Risk Management Committee;

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

| S. No | Audit Committee (for Audit Committee members only)  | Rating | Remarks/Comments |
|-------|---|--------|------------------|
| 1.    | Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues |        |                  |
| 2.    | Timely inputs on the minutes of the meetings  |        |                  |

| S. No. | Nomination and Remuneration Committee (For Nomination and Remuneration Committee members only)  | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues |        |                  |
| 2.     | Timely inputs on the minutes of the meetings  |        |                  |

| S. No. | Stakeholders Relationship Committee (For Stakeholders Relationship Committee members only)  | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues |        |                  |
| 2.     | Timely inputs on the minutes of the meetings  |        |                  |

| S. No. | Risk Management Committee   | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues |        |                  |
| 2.     | Timely inputs on the minutes of the meetings  |        |                  |

### KEY MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

For evaluating the performance of Key Managerial Personnel and other Senior Executives, the Board of Directors shall pay regards to the following aspects as set out below:

Name of person being assessed: \_\_\_\_\_

| S. No. | Assessment Criteria   | Rating | Remarks/Comments |
|--------|---|--------|------------------|
| 1.     | Abidance and behavior in accordance with ethical standards & code of conduct of Company |        |                  |
| 2.     | Interpersonal and communication skills  |        |                  |
| 3.     | Compliance with policies of the Company, ethics, code of conduct, etc.                  |        |                  |
| 4.     | Safeguarding interest of whistle-blowers under vigil mechanism                          |        |                  |
| 5.     | Team work attributes  |        |                  |
| 6.     | Safeguard of confidential information   |        |                  |

## **Enchanté Jewellery Limited**

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### **REVIEW**

The performance evaluation process will be reviewed annually by the "Nomination and Remuneration Committee".

Subject to the approval of Board of Directors, the Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

### **DISCLOSURE**

Company will disclose details of its Board Performance Evaluation processes in its Board's Report. The Board's report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and that of the committees of the Board and individual directors of the Company.

## **Enchanté Jewellery Limited**

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### **ANNEXURE "D" TO THE CORPORATE GOVERNANCE REPORT CERTIFICATE PURSUANT TO THE PROVISIONS OF CLAUSE 49 OF THE LISTING AGREEMENT**

I the undersigned, in my respective capacity as Managing Director of Enchante Jewellery Limited ("the Company") to the best of my knowledge and belief certify that:

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

By Order of the Board  
**For Enchante Jewellery Limited**

Place : Gurgaon  
Date: 05.09.2015

**Chand Mehra**  
Managing Director

### **DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

I, Chand Mehra Managing Director of Enchante Jewellery Limited, hereby declare that all the members of the Board of Directors and the Senior Management Executives have affirmed compliance with the Company's "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended on March 31, 2015.

By Order of the Board  
**For Enchante Jewellery Limited**

Place : Gurgaon  
Date: 05.09.2015

**Chand Mehra**  
Managing Director

# Enchanté Jewellery Limited

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## Independent Auditor's Report

To the Members of

**ENCHANTE JEWELLERY LIMITED**

**Report On the Financial Statement**

We have audited the accompanying standalone financial statements of ENCHANTE JEWELLERY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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 standalone financial statements based on our audit. 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

### **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 and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015; and
- b) In the case of the Statement of Profit and Loss, of the profit 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 have given in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:

## **Enchanté Jewellery Limited**

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- 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of Companies (Accounts) Rules, 2014; and
- e. on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013; and
- f. with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the company (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the company has disclosed the impact of pending litigations on its financial statement.
  - ii. the company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long -term contracts including derivative contacts.
  - iii. there has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection fund by the company.

**For Raj K. Sri & Co.**  
**Chartered Accountants**  
**FRN: 014141N**

**Place : New Delhi**  
**Date : 11-08-2015**

**K.C. Goduka**  
**(Partner)**  
**M. No.: 088695**

## **Enchanté Jewellery Limited**

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### **ANNEXURE TO THE AUDITORS' REPORT**

The Annexure referred to in our report to the members of ENCHANTE JEWELLERY LIMITED for the year ended 31st March, 2015.

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. In our opinion and according to the information and explanations given to us, no fixed asset has been disposed of during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.  
  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
  
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted unsecured loans to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. In our opinion and according to the information and explanations given to us company hasn't accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act
6. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have not been made and maintained.
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

## **Enchanté Jewellery Limited**

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- 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, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
- (c) In our opinion company has transferred the amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder within time.
8. The Company t have 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. In our opinion Terms Loans were applied for the purpose for which loans were obtained
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.

**In terms of our attached report of even date  
For RAJ K SRI & CO.  
CHARTERED ACCOUNTANTS  
FRN : 014141N**

**Place: New Delhi  
Date: 11/08/2015**

**K.C.GODUKA  
(PARTNER)  
M. NO. : 088695**



## Enchanté Jewellery Limited

### BALANCE SHEET AS AT 31/03/2015

In Rs.

| Balance Sheet as at                       | Note | 31/03/2015                | 31/03/2014                |
|---|------|---------------------------|---------------------------|
| <b>EQUITY AND LIABILITIES</b>             |      |                           |                           |
| <b>Shareholders' funds</b>                |      |                           |                           |
| Share capital                             | 2.1  | 71733000.00               | 71733000.00               |
| Reserves and surplus                      | 2.2  | (80764265.19)             | (85542665.32)             |
| Money received against share warrants     |      | <u>(9031265.19)</u>       | <u>(13809665.32)</u>      |
| Share application money pending allotment | 2.3  | 25400000.00               | 25400000.00               |
| <b>Non-current liabilities</b>            |      |                           |                           |
| Long-term borrowings                      | 2.4  | 7400000.00                | 7822837.85                |
| Deferred tax liabilities (Net)            | 2.5  | 17725.00                  | —                         |
| Other Long term liabilities               | 2.6  | 1682448.38                | 3723236.98                |
| Long-term provisions                      | 2.7  | <u>29423.00</u>           | <u>29423.00</u>           |
|   |      | 9129596.38                | 11575497.83               |
| <b>Current liabilities</b>                |      |                           |                           |
| Short-term borrowings                     |      | —                         | —                         |
| Trade payables                            |      | —                         | —                         |
| Other current liabilities                 | 2.8  | 4345017.00                | 4330757.00                |
| Short-term provisions                     | 2.9  | <u>693667.00</u>          | <u>483842.00</u>          |
|   |      | 5038684.00                | 4814599.00                |
| <b>TOTAL</b>                              |      | <b><u>30537015.19</u></b> | <b><u>27980431.51</u></b> |
| <b>ASSETS</b>                             |      |                           |                           |
| <b>Non-current assets</b>                 |      |                           |                           |
| Fixed assets                              |      |                           |                           |
| Tangible assets                           | 3.0  | 8872034.00                | 9114604.00                |
| Intangible assets                         |      | —                         | —                         |
| Capital work-in-progress                  |      | —                         | —                         |
| Intangible assets under development       |      | <u>—</u>                  | <u>—</u>                  |
|   |      | 8872034.00                | 9114604.00                |
| Non-current investments                   |      | —                         | —                         |
| Deferred tax assets (net)                 | 3.1  | —                         | 100691.00                 |
| Long-term loans and advances              | 3.2  | 5710908.47                | 5846983.26                |
| Other non-current assets                  |      | <u>—</u>                  | <u>—</u>                  |
|   |      | 14582942.42               | 15062278.26               |
| <b>Current assets</b>                     |      |                           |                           |
| Current investments                       |      | —                         | —                         |
| Inventories                               | 3.3  | 13217232.00               | 11906427.00               |
| Trade receivables                         | 3.4  | 512664.00                 | 54612.00                  |
| Cash and cash equivalents                 | 3.5  | 2101436.72                | 857874.25                 |
| Short-term loans and advances             |      | —                         | —                         |
| Other current assets                      | 3.6  | <u>122740.00</u>          | <u>99240.00</u>           |
|   |      | 15954072.72               | 12918153.25               |
| <b>TOTAL</b>                              |      | <b><u>30537015.19</u></b> | <b><u>27980431.51</u></b> |

In terms of our attached report of even date

For RAJ K. SRI AND CO.

Chartered Accountants

FRN : 014141N

KAILASH CHAND GODUKA

(Partner)

M. NO. : 88695

VINAY MEHRA

Director

(DIN : 02132470)

CHAND MEHRA

Managing Director

(DIN : 02793601)

C. L. MEHRA

Director

(DIN : 02132465)

For ENCHANTE JEWELLERY LIMITED

Place: New Delhi

Date : 11.08.2015

## Enchanté Jewellery Limited

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31/03/2015 In Rs.

| Statement of Profit and Loss for the  | Note | 31/03/2015         | 31/03/2014        |
|---|------|--------------------|-------------------|
| Other income  | 3.7  | 11198958.00        | 1199580.00        |
| <b>Total Revenue</b>  |      | <b>11198958.00</b> | <b>1199580.00</b> |
| <b>Expenses</b>   |      |                    |                   |
| Purchases of Stock-in-Trade   | 3.8  | 1310805.00         | 0.00              |
| Changes in inventories of finished goods<br>work-in-progress and Stock-in-Trade | 3.9  | (1310805.00)       | 0.00              |
| Employee benefits expense   | 4.0  | 3454908.00         | 3433350.00        |
| Finance costs   | 4.1  | 46008.91           | 4191.54           |
| Depreciation and amortization expense   | 4.2  | 242570.00          | 989224.00         |
| Other expenses  | 4.3  | 2472814.96         | 3696872.72        |
| <b>Total expenses</b>   |      | <b>6216301.87</b>  | <b>8123638.26</b> |
| Profit before prior period item and tax   |      | 4982656.13         | 3075941.74        |
| Prior Period Items  | 4.4  | (85840.00)         | 0.00              |
| Profit before tax   |      | 4896816.13         | 3075941.74        |
| Tax expense:  | 4.5  | 0.00               | 0.00              |
| Current tax   |      | 0.00               | 0.00              |
| Deferred tax  |      | 118416.00          | (75584.00)        |
| Profit (Loss) for the period from continuing operations                         |      | 4778400.13         | 3151525.74        |
| Tax expense of discontinuing operations   |      | 0.00               | 0.00              |
| Profit/(loss) from Discontinuing operations (after tax)                         |      | 0.00               | 0.00              |
| Profit (Loss) for the period  |      | 4778400.13         | 3151525.74        |
| Earnings per equity share :   | 4.6  |                    |                   |
| Basic   |      | 0.67               | 0.44              |
| Diluted   |      | 0.67               | 0.44              |

In terms of our attached report of even date  
For RAJK. SRI AND CO.  
Chartered Accountants  
FRN : 014141N

For ENCHANTE JEWELLERY LIMITED

KAILASH CHAND GODUKA  
Partner  
M. NO. : 88695

VINAY MEHRA  
Director  
(DIN : 02132470)

CHAND MEHRA  
Managing Director  
(DIN : 02793601)

C.L. MEHRA  
Director  
(DIN : 02132465)

Place: New Delhi  
Date : 11.08.2015

# Enchanté Jewellery Limited

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## NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014

### Significant Accounting policies and Notes forming part of the Accounts for the year ended 31st March, 2014.

#### Significant Accounting Policies:

**A. Basis of Preparation of Financial statements**

Financial statements are prepared under accrual method as per historical cost convention in accordance with applicable the Accounting Principle Generally Accepted in India (Indian GAAP) and the provisions of Companies Act 2013.

**B. Presentation and disclosure of financial statements**

During the year ended 31.03.2014, the revised Schedule IV notified under the Companies Act, 2013, has become applicable to the company, for preparation of its financial statements. The adoption to the revised Schedule IV does not impact recognition and measurement principle followed for preparation of these financial statements. However, it has significant impact on preparation and disclosure made in the financial statement. The company has also reclassified the previous year figures in accordance with the requirement applicable in the current year.

**C. Use of estimates:**

The preparation of financial statement in conformity with the Generally Accepted accounting Principle requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statement. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**D. Fixed assets:**

Fixed assets are stated at historical cost less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring to its working condition for the intended use.

**E. Depreciation**

Depreciation is provided on Straight Line method at the rates specified in Schedule XIV of the Companies Act, 1956 on pro-rata basis from the date of acquisition /commissioning.

**F. Inventories**

Inventories are stated at lower of cost and net realizable value. The Cost for Raw Materials and work in progress is the purchase cost of raw material arrived at on first in first out basis. The cost of finished goods is arrived on weighted average basis of the material consumed, direct production expenses and depreciation

**G. Retirement Benefits**

The provision for gratuity payable under the Payment of Gratuity Act 1972, and the liability for amount payable to the employees in respect of accumulated earned leave, are being provided in the accounts on the assumption that such benefits are payable to all employees at the end of the accounting year.

**H. Accounting for Taxation**

Provision for current tax is made on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax on account of timing differences between the book and the tax profits / loss for the year is accounted for using the tax rates and laws that have been substantially enacted as on the balance sheet date. Deferred tax assets arising from the timing differences are recognized to the extent there is virtual certainty that these would be realized in future.

## Enchanté Jewellery Limited

- I. The Company had imported Jewellery manufacturing machinery in the year 1995-96 under the EPCG scheme of the Government of India. DGFT has issued export obligation discharge certificate.
- J. The company has not provided the liability of Bonus as the same shall be accounted for on payment basis.
- K. Employees state Insurance Corporation Faridabad had raised two demands aggregating to Rs 446293/- on account of contribution, interest and penalty. The company feeling aggrieved with these order, had filed a case in the Hon'ble Civil Courts Gurgaon against them. The Hon'ble Civil Courts Gurgaon have remanded the matter back to the ESIC.
- L. As per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act 1956, the company, being a sick industrial company as defined in clause (O) of sub section (1) of section 3 of Sick Industrial Companies (Special Provisions) Act 1985, is entitled to deposit employer contribution equivalent to 10% in place of normal contribution of 12%. Thus the company has provided liability on this account @10% w.e.f. 1.3.2005. The Company has deposited the Employee contribution as per the availability of funds. The PF Department insists that it will accept the Employers contribution @ 12 % only. The matter is pending at the PF Department's end.
- M. The company has appointed a Company Secretary as required under section 203A of the Companies Act, 2013 on 29<sup>th</sup> June 2015.
- N. Figures have been rounded off to the nearest rupees.
- O. Previous year figures have been regrouped/rearranged wherever necessary.

### 2.1 Share Capital

|  | In Rs.             |        |            |                     |
|--|--------------------|--------|------------|---------------------|
| Particular   | 31/03/2015         |        |            | 31/03/2014          |
| <b>Authorized</b>  |                    |        |            |                     |
| 1200000 (12000000) Equity Shares Equity of Rs. 10/- Par Value              | 12000000.00        |        |            | 120000000.00        |
|  | <b>12000000.00</b> |        |            | <b>120000000.00</b> |
| <b>Issued</b>  |                    |        |            |                     |
| 7173300(7173300) Equity Shares Equity of Rs. 10/- Par Value                | 71733000.00        |        |            | 71733000.00         |
|  | <b>71733000.00</b> |        |            | <b>71733000.00</b>  |
| <b>Subscribed</b>  |                    |        |            |                     |
| 7173300(7173300) Equity Shares Equity of Rs. 10/- Par Value                | 71733000.00        |        |            | 71733000.00         |
|  | <b>71733000.00</b> |        |            | <b>71733000.00</b>  |
| <b>Paid up</b>   |                    |        |            |                     |
| 7173300 (7173300) Equity Shares Equity of Rs. 10/- Par Value Fully Paid up | 71733000.00        |        |            | 71733000.00         |
|  | <b>71733000.00</b> |        |            | <b>71733000.00</b>  |
| <b>Holding More Than 5%</b>  |                    |        |            |                     |
| Particular   | 31/03/2015         | % Held | 31/03/2014 | % Held              |
| Barkha Exports Ltd.  | 2145000            | 29.90  | 2145000    | 29.90               |
| Naraini Gems & Investments Ltd.  | 381300             | 5.32   | 381300     | 5.32                |
| Mehra Sons Jewellers Pvt. Ltd  | 5,00,000           | 6.97   | 5,00,000   | 6.97                |

## Enchanté Jewellery Limited

### Reconciliation

| Particular                         | 31/03/2015      |                | 31/03/2014      |                |
|------------------------------------|-----------------|----------------|-----------------|----------------|
|                                    | Number of Share | Amount         | Number of Share | Amount         |
| Number of share at the beginning   | 7173300         | 7173300        | 7173300         | 7173300        |
| Add : Issue                        | 0               | 0              | 0               | 0              |
| Less: Bought Back                  | 0               | 0              | 0               | 0              |
| Others                             | 0               | 0              | 0               | 0              |
| <b>Number of shares at the end</b> | <b>7173300</b>  | <b>7173300</b> | <b>7173300</b>  | <b>7173300</b> |

### 2.2 Reserve and Surplus

In Rs.

| Particular                               | 31/03/2015           | 31/03/2014           |
|--|----------------------|----------------------|
| Profit and Loss Opening                  | (85542665.32)        | (88694191.06)        |
| Amount Transferred From Statement of P&L | 4778400.13           | 3151525.74           |
|  | <b>(80764265.19)</b> | <b>(85542665.32)</b> |

### 2.3 Share Application Money Pending Allotment

In Rs.

| Particular                             | 31/03/2015         | 31/03/2014         |
|--|--------------------|--------------------|
| Equity Share Capital Pending Allotment | 25400000.00        | 25400000.00        |
|  | <b>25400000.00</b> | <b>25400000.00</b> |

### 2.4 Long Term Borrowings

In Rs.

| Particular                                    | 31/03/2015        | 31/03/2014        |
|---|-------------------|-------------------|
| <b>Others</b>                                 |                   |                   |
| <b>Secured</b>                                |                   |                   |
| SARASWATI MEDIA LTD.(UNSECURED LOAN)          | 7400000.00        | 7400000.00        |
| <b>Unsecured</b>                              |                   |                   |
| VIDHATA PROPERTIES PVT. LTD.(UN-SECURED LOAN) | 0.00              | 422837.85         |
|   | <b>7400000.00</b> | <b>7822837.85</b> |

### 2.5 Deferred Taxes

In Rs.

| Particular                      | 31/03/2015      | 31/03/2014       |
|---------------------------------|-----------------|------------------|
| <b>Deferred Tax Assets</b>      |                 |                  |
| Fixed Assets                    | 0.00            | 100691.00        |
|                                 | <b>0.00</b>     | <b>100691.00</b> |
| <b>Deferred Tax Liabilities</b> |                 |                  |
| Depreciation                    | 17725.00        | 0.00             |
|                                 | <b>17725.00</b> | <b>0.00</b>      |

## Enchanté Jewellery Limited

### 2.6 Other Long Term Liabilities

| Particular                                   | In Rs.            |                   |
|--|-------------------|-------------------|
|  | 31/03/2015        | 31/03/2014        |
| <b>Trade Payables</b>                        |                   |                   |
| <b>Others</b>                                |                   |                   |
| AGGARWAL & SINGH - C.A.                      | 269409.00         | 269409.00         |
| BSNL GURGAON                                 | 710.00            | 0.00              |
| ENCHANTE INTERNATIONAL LIMITED               | 0.00              | 65023.60          |
| GEETA KUMARI                                 | 57952.00          | 0.00              |
| MAHINDER SINGH                               | 6377.00           | 6377.00           |
| MEHRA JEWEL PALACE PVT. LTD.                 | 866133.38         | 2976133.38        |
| NEW CORPORATE SECURITY & FACILITY MANAGEMENT | 17335.00          | 0.00              |
| RAJ K. SRI & CO.                             | 96900.00          | 7865.00           |
| RAJEEV MEHRA                                 | 9202.00           | 92021.00          |
| RAKESH (CONT.)                               | 1000.00           | 0.00              |
| RAKESH SOOD                                  | 78409.00          | 78409.00          |
| RATHI NET SECURITY                           | 0.00              | 90360.00          |
| SARASWATI MEDIA LTD.                         | 33611.00          | 42711.00          |
| SATISH KUMAR GUPTA                           | 62100.00          | 0.00              |
| SUNIL KUMAR                                  | 0.00              | 94928.00          |
| SURYA GENERATORS                             | 19600.00          | 0.00              |
| UPPAL & ASSOCIATES                           | 163710.00         | 0.00              |
|  | <b>1682448.38</b> | <b>3723236.98</b> |

### 2.7 Long Term Provisions

| Particular                   | In Rs.          |                 |
|------------------------------|-----------------|-----------------|
|                              | 31/03/2015      | 31/03/2014      |
| <b>Statutory Liabilities</b> |                 |                 |
| PROVISION FOR GRATUITY       | 29423.00        | 29423.00        |
|                              | <b>29423.00</b> | <b>29423.00</b> |

### 2.8 Other Current Liabilities

| Particular                                  | In Rs.            |                   |
|---|-------------------|-------------------|
|   | 31/03/2015        | 31/03/2014        |
| <b>Current maturities of long-term debt</b> |                   |                   |
| <b>Other payables</b>                       |                   |                   |
| <b>Other Current Liabilities</b>            |                   |                   |
| INDER SINGH(SALARY)                         | 16500.00          | 0.00              |
| KANHIYA LAL                                 | 11800.00          | 0.00              |
| MAHENDER                                    | 7230.00           | 0.00              |
| PAWAN                                       | 2000.00           | 0.00              |
| RAJU  | 500.00            | 0.00              |
| SONFI PASWAN                                | 12000.00          | 0.00              |
| VICKY                                       | 7230.00           | 0.00              |
| INDER SINGH                                 | 2348.00           | 45348.00          |
| SBI(SEcurity DEPOSIT)                       | 2944049.00        | 2944049.00        |
| VALLEY TELEGENGE PVT LTD                    | 1341360.00        | 1341360.00        |
|   | <b>4345017.00</b> | <b>4330757.00</b> |

## Enchanté Jewellery Limited

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### 2.9 Short Term Provisions

| Particular                           | In Rs.                  |                         |
|--------------------------------------|-------------------------|-------------------------|
|                                      | 31/03/2015              | 31/03/2014              |
| <b>Statuary Liabilities</b>          |                         |                         |
| SERVICE TAX INPUT (REVERSE CHARGE)   | (44550.00)              | 0.00                    |
| SERVICE TAX PAYABLE (REVERSE CHARGE) | 65836.00                | 0.00                    |
| SERVICE TAX PAYABLE                  | 327207.00               | 56282.00                |
| TDS PAYABLE                          | <u>345174.00</u>        | <u>427560.00</u>        |
|                                      | <b><u>693667.00</u></b> | <b><u>483842.00</u></b> |

### 3.0 Tangible Assets

( Amount in Rs.)

| Particulars                   | Gross Block         |             |             |                     | Depreciation        |                  |             |             |                     | Impairment  |               |             |             | Net Block         |                    |
|-------------------------------|---------------------|-------------|-------------|---------------------|---------------------|------------------|-------------|-------------|---------------------|-------------|---------------|-------------|-------------|-------------------|--------------------|
|                               | Opening             | Addition    | Deduction   | Closing             | Opening             | During Period    | Deduction   | Other Adj.  | Closing             | Opening     | During Period | Reversal    | Closing     | Closing           | Opening            |
| <b>Land</b>                   |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| Free Hold Land                |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| LAND                          | 2421177.00          |             |             | 2421177.00          |                     |                  |             |             |                     |             |               |             |             | 2421177.00        | 2421177.00         |
| <b>Total</b>                  | <b>2421177.00</b>   |             |             | <b>2421177.00</b>   |                     |                  |             |             |                     |             |               |             |             | <b>2421177.00</b> | <b>2421177.00</b>  |
| <b>Building</b>               |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| <b>Office Building</b>        |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| BUILDINGS                     | 13949728.00         |             |             | 13949728.00         | 8363711.00          | 186573.00        |             |             | 8550284.00          |             |               |             |             | 539444.00         | 5586017.00         |
| <b>Total</b>                  | <b>13949728.00</b>  |             |             | <b>13949728.00</b>  | <b>8363711.00</b>   | <b>186573.00</b> |             |             | <b>8550284.00</b>   |             |               |             |             | <b>539444.00</b>  | <b>5586017.00</b>  |
| <b>Plant and Machinery</b>    |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| ELECTRIC FITTINGS             | 4603819.00          |             |             | 4603819.00          | 4048126.00          | 26395.00         |             |             | 4074521.00          |             |               |             |             | 529298.00         | 555693.00          |
| OFFICE EQUIPMENT              | 715860.25           |             |             | 715860.25           | 627725.32           | 4186.00          |             |             | 631911.32           |             |               |             |             | 83948.93          | 88134.93           |
| OFFICE EQUIPMENT              | 37299.75            |             |             | 37299.75            | 6203.68             | 4873.00          |             |             | 11076.68            |             |               |             |             | 26223.07          | 31096.07           |
| <b>Total</b>                  | <b>5356979.00</b>   |             |             | <b>5356979.00</b>   | <b>4682055.00</b>   | <b>35454.00</b>  |             |             | <b>4717509.00</b>   |             |               |             |             | <b>639470.00</b>  | <b>674924.00</b>   |
| <b>Furniture and Fixtures</b> |                     |             |             |                     |                     |                  |             |             |                     |             |               |             |             |                   |                    |
| FURNITURE AND FITTINGS        | 3272359.00          |             |             | 3272359.00          | 2839873.00          | 20543.00         |             |             | 2860416.00          |             |               |             |             | 411943.00         | 432486.00          |
| <b>Total</b>                  | <b>3272359.00</b>   |             |             | <b>3272359.00</b>   | <b>2839873.00</b>   | <b>20543.00</b>  |             |             | <b>2860416.00</b>   |             |               |             |             | <b>411943.00</b>  | <b>432486.00</b>   |
| <b>Grand Total</b>            | <b>25000243.00</b>  | <b>0.00</b> | <b>0.00</b> | <b>25000243.00</b>  | <b>15885639.00</b>  | <b>242570.00</b> | <b>0.00</b> | <b>0.00</b> | <b>16128209.00</b>  | <b>0.00</b> | <b>0.00</b>   | <b>0.00</b> | <b>0.00</b> | <b>8872034.00</b> | <b>9114604.00</b>  |
| <b>Previous</b>               | <b>135376266.00</b> | <b>0.00</b> | <b>0.00</b> | <b>135376266.00</b> | <b>125272438.00</b> | <b>989224.00</b> | <b>0.00</b> | <b>0.00</b> | <b>126261662.90</b> | <b>0.00</b> | <b>0.00</b>   | <b>0.00</b> | <b>0.00</b> | <b>9114604.00</b> | <b>10103828.00</b> |



## Enchanté Jewellery Limited

### 3.2 Long-term loans and advances

|                                     | In Rs.            |                   |
|-------------------------------------|-------------------|-------------------|
| Particular                          | 31/03/2015        | 31/03/2014        |
| <b>Loans and advances to others</b> |                   |                   |
| <b>Unsecured considered good</b>    |                   |                   |
| BARKHA EXPORT LTD                   | 8000.00           | 0.00              |
| ARADHANA MEHRA                      | 0.00              | 150000.00         |
| NAMITA MEHRA                        | 0.00              | 300000.00         |
| SECURITY DEPOSITS                   | 581927.00         | 581927.00         |
| VINAY MEHRA                         | 0.00              | 737535.00         |
| CARE                                | 4800.00           | 4800.00           |
| LINK INTIME INDIA PVT LTD           | 1325.21           | 0.00              |
| MEHRASONS JEWELLERS(P) LTD.         | 628487.26         | 674287.26         |
| OM PRAKASH JINDEL                   | 10000.00          | 0.00              |
| SUNIL SETHI                         | 0.00              | 6000.00           |
| ASHRIKA PROPERTIES (P) LTD          | 78640.00          | 0.00              |
| <b>Secured, considered good</b>     |                   |                   |
| ADVANCE INCOME TAX                  | 3278380.00        | 3278380.00        |
| TDS RECOVERABLE (14-15)             | 1005295.00        | 0.00              |
| HVAT RECOVERABLE 0708               | 18015.00          | 18015.00          |
| HVAT RECOVERABLE 0809               | 96039.00          | 96039.00          |
|                                     | <u>5710908.47</u> | <u>5846983.26</u> |

### 3.3 Inventories

|                | In Rs.             |                    |
|----------------|--------------------|--------------------|
| Particular     | 31/03/2015         | 31/03/2015         |
| Raw Material   | 10648642.00        | 10648642.00        |
| FINISHED GOODS | 2568590.00         | 1257785.00         |
|                | <u>13217232.00</u> | <u>11906427.00</u> |

### 3.4 Trade receivables

|                                  | In Rs.           |                 |
|----------------------------------|------------------|-----------------|
| Particular                       | 31/03/2015       | 31/03/2014      |
| <b>Trade Receivable</b>          |                  |                 |
| <b>Unsecured considered good</b> |                  |                 |
| <b>Within Six Months</b>         |                  |                 |
| VALLEY TELEGENCE PVT LTD         | 512664.00        | 52440.00        |
| S.B.I (RENT A/C)                 | 0.00             | 2172.00         |
|                                  | <u>512664.00</u> | <u>54612.00</u> |

## Enchanté Jewellery Limited

| <b>3.5 Cash and cash equivalents</b> |                   |                   | In Rs. |
|--------------------------------------|-------------------|-------------------|--------|
| <b>Particular</b>                    | <b>31/03/2015</b> | <b>31/03/2014</b> |        |
| Cash in Hand                         | 335734.20         | 452484.20         |        |
| <b>Balances With Banks</b>           |                   |                   |        |
| <b>Balance Scheduled Banks</b>       |                   |                   |        |
| <b>Current Account</b>               |                   |                   |        |
| AXIS BANK (8827)                     | 901.87            | 0.00              |        |
| CORPORATION BANK GK-II               | 143.00            | 255.00            |        |
| CORPORATION BANK-GRG.                | 26665.07          | 26665.07          |        |
| SBI GURGAON                          | (37193.05)        | 17498.59          |        |
| INTEREST ACCURED BUT NOT RECEIVED    | 217710.00         | 194539.00         |        |
| MARGIN MONEY                         | 160000.00         | 160000.00         |        |
| CHEQUE IN HAND                       | 1397475.00        | 0.00              |        |
| PUNJAB NATIONAL BANK                 | 0.00              | 1677.05           |        |
| SBI - FACTORY - 55798                | 0.00              | 4754.26           |        |
|                                      | <b>2101436.72</b> | <b>857874.25</b>  |        |

| <b>3.6 Other current assets</b> |                   |                   | In Rs. |
|---------------------------------|-------------------|-------------------|--------|
| <b>Particular</b>               | <b>31/03/2015</b> | <b>31/03/2014</b> |        |
| JAGUAR ESTATE (P) LTD.          | 95000.00          | 95000.00          |        |
| NARAINI GEMS & INVESTMENT LTD.  | 27740.00          | 3240.00           |        |
| MEHRASONS GOLD & DIAMOND LTD.   | 0.00              | 1000.00           |        |
|                                 | <b>122740.00</b>  | <b>99240.00</b>   |        |

| <b>3.7 Other income</b>      |                    |                    | In Rs. |
|------------------------------|--------------------|--------------------|--------|
| <b>Particular</b>            | <b>31/03/2015</b>  | <b>31/03/2014</b>  |        |
| <b>Interest</b>              |                    |                    |        |
| INTEREST EARNED              | 25746.00           | 24196.00           |        |
| <b>Miscellaneous</b>         |                    |                    |        |
| MAINTAINANCE CHARGES RECEIPT | 2055780.00         | 2057940.00         |        |
| RENT RECEIVED                | 9117432.00         | 9117444.00         |        |
|                              | <b>11198958.00</b> | <b>11199580.00</b> |        |

| <b>3.8 Purchases of Stock-in-Trade</b> |                   |                   | In Rs. |
|--|-------------------|-------------------|--------|
| <b>Particular</b>                      | <b>31/03/2015</b> | <b>31/03/2014</b> |        |
| <b>Finished Goods</b>                  |                   |                   |        |
| PURCHASE                               | 1310805.00        | 0.00              |        |
|  | <b>1310805.00</b> | <b>0.00</b>       |        |

## Enchanté Jewellery Limited

### 3.9 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

In Rs.

| Particular               | 31/03/2015                 | 31/03/2014                |
|--------------------------|----------------------------|---------------------------|
| <b>Opening</b>           |                            |                           |
| Stock in Trade           | 10648642.00                | 10648642.00               |
| Finished Goods           | <u>1257785.00</u>          | <u>1257785.00</u>         |
|                          | <b><u>11906427.00</u></b>  | <b><u>11906427.00</u></b> |
| <b>Closing</b>           |                            |                           |
| Stock in Trade           | 10648642.00                | 10648642.00               |
| Finished Goods           | <u>2568590.00</u>          | <u>1257785.00</u>         |
|                          | <b><u>13217232.00</u></b>  | <b><u>11906427.00</u></b> |
| <b>Increase/Decrease</b> |                            |                           |
| Stock in Trade           | 0.00                       | 0.00                      |
| Finished Goods           | <u>(1310805.00)</u>        | <u>0.00</u>               |
|                          | <b><u>(1310805.00)</u></b> | <b><u>0.00</u></b>        |

#### Details of Changes in Inventory

| Particular            | 31/03/2015                 | 31/03/2014         |
|-----------------------|----------------------------|--------------------|
| <b>Stock in Trade</b> |                            |                    |
| Raw material          | 0.00                       | 0.00               |
| <b>Finished Goods</b> |                            |                    |
| INVENTORY A/C         | <u>(1310805.00)</u>        | <u>0.00</u>        |
|                       | <b><u>(1310805.00)</u></b> | <b><u>0.00</u></b> |

### 4.0 Employee benefits expense

In Rs.

| Particular                       | 31/03/2015        | 31/03/2014        |
|----------------------------------|-------------------|-------------------|
| <b>Salary, Wages &amp; Bonus</b> |                   |                   |
| DIRECTOR REMENURATION            | 2700000.00        | 2700000.00        |
| SALARY                           | 754120.00         | 733350.00         |
| <b>Staff Welfare Expenses</b>    |                   |                   |
| STAFF WELFARE                    | 788.00            | 0.00              |
|                                  | <u>3454908.00</u> | <u>3433350.00</u> |

### 4.1 Finance costs

In Rs.

| Particular               | 31/03/2015             | 31/03/2014            |
|--------------------------|------------------------|-----------------------|
| <b>Interest Expenses</b> |                        |                       |
| <b>Bank Charges</b>      |                        |                       |
| BANK CHARGES             | <u>46008.91</u>        | <u>4191.54</u>        |
|                          | <b><u>46008.91</u></b> | <b><u>4191.54</u></b> |

## Enchanté Jewellery Limited

| 4.2 Depreciation and amortization expense  |                   | In Rs.            |
|--|-------------------|-------------------|
| Particular                                 | 31/03/2015        | 31/03/2014        |
| <b>Depreciation &amp; Amortization</b>     |                   |                   |
| <b>Depreciation Tangible Assets</b>        |                   |                   |
| BUILDINGS                                  | 186573.00         | 465921.00         |
| COMPUTERS                                  | 0.00              | 113410.00         |
| ELECTRIC FITTINGS                          | 26395.00          | 218681.00         |
| FURNITURE AND FITTINGS                     | 20543.00          | 155437.00         |
| OFFICE EQUIPMENT                           | 9059.00           | 35775.00          |
|  | <b>242570.00</b>  | <b>989224.00</b>  |
| 4.3 Other expenses                         |                   | In Rs.            |
| Particular                                 | 31/03/2015        | 31/03/2014        |
| <b>Administrative and General Expenses</b> |                   |                   |
| <b>Telephone Postage</b>                   |                   |                   |
| TELEPHONE CHARGES                          | 4845.00           | 34919.23          |
| <b>Printing Stationery</b>                 |                   |                   |
| PRINTING & STATIONERY                      | 76116.00          | 24781.00          |
| <b>Rent Rates And taxes</b>                |                   |                   |
| RENT(GENRATOR)                             | 240000.00         | 240000.00         |
| <b>Auditors Remuneration</b>               |                   |                   |
| AUDIT FEES A/C                             | 96900.00          | 47191.00          |
| <b>Repairs Maintenance Expenses</b>        |                   |                   |
| REPAIRS & MAINTENANCE EXP                  | 580111.00         | 751070.00         |
| <b>Electricity Expenses</b>                |                   |                   |
| electricity& water expenses                | 0.00              | 227250.00         |
| <b>Legal and Professional Charges</b>      |                   |                   |
| LEGAL & PROFESSIONAL CHARGES               | 468254.00         | 948826.50         |
| LEGAL FEES                                 | 169281.05         | 15000.00          |
| <b>Safety and Security Expenses</b>        |                   |                   |
| SECURITY EXPENSES                          | 255516.00         | 257410.00         |
| <b>Other Expenses</b>                      |                   |                   |
| MISC. DEBIT BALANCE W/OFF                  | 10191.31          | 171.99            |
| PROPEYRY TAX                               | 13156.00          | 40664.00          |
| ANNUAL CHARGES                             | 166486.00         | 0.00              |
| APPEAL FEES.                               | 25000.00          | 0.00              |
| CONVEYANCE EXP                             | 25538.00          | 407065.00         |
| COURIER CHARGES                            | 107952.00         | 0.00              |
| E -VOTING CHARGES                          | 9605.00           | 0.00              |
| LABOUR CHARGES                             | 83880.00          | 0.00              |
| OFFICE EXP                                 | 950.00            | 0.00              |
| PENALTY TO ROC                             | 64000.00          | 0.00              |
| ROC FILLING FEES.                          | 46800.00          | 0.00              |
| SERVICE TAX EXP.                           | 21286.00          | 0.00              |
| LATE PAYMENT CHARGES                       | 6947.60           | 0.00              |
| A.G.M. EXPENSES                            | 0.00              | 99535.00          |
| COMPOUNDING FEES                           | 0.00              | 602989.00         |
|  | <b>2472814.96</b> | <b>3696872.72</b> |

## Enchanté Jewellery Limited

### 4.4 Prior Period items

|                              | In Rs.            |               |
|------------------------------|-------------------|---------------|
| Particular                   | 31/03/2015        | 31/03/2014    |
| <b>Prior Period Expenses</b> |                   |               |
| INCOME TAX (PRIOR PERIOD)    | (85840.00)        | (0.00)        |
|                              | <u>(85840.00)</u> | <u>(0.00)</u> |

### 4.5 Tax expense

|                            | In Rs.           |                   |
|----------------------------|------------------|-------------------|
| Particular                 | 31/03/2015       | 31/03/2014        |
| <b>Deferred tax</b>        |                  |                   |
| PROVISION FOR DEFERRED TAX | 118416.00        | (75584.00)        |
|                            | <u>118416.00</u> | <u>(75584.00)</u> |

### 4.6 Earnings per equity share

|                                      | In Rs.     |            |
|--------------------------------------|------------|------------|
| Particular                           | 31/03/2015 | 31/03/2014 |
| <b>Earnings Per Equity Share</b>     |            |            |
| <b>Basic</b>                         |            |            |
| Basic EPS Before Extra Ordinary Item | 0.67       | 0.44       |
| <b>Diluted</b>                       |            |            |
| Basic EPS Before Extra Ordinary Item | 0.67       | 0.44       |

In terms of our attached report of even date  
For RAJ K. SRI AND CO.  
Chartered Accountants  
FRN : 014141N

For ENCHANTE JEWELLERY LIMITED

KAILASH CHAND GODUKA  
Partner  
M. NO. : 88695

VINAY MEHRA  
Director  
(DIN : 02132470)

CHAND MEHRA  
Managing Director  
(DIN : 02793601)

C. L. MEHRA  
Director  
(DIN : 02132465)

Place: New Delhi  
Date : 11.08.2015

## Enchanté Jewellery Limited

### CASH FLOW STATEMENT

| Particulars  | Current year<br>Amount in Lakhs | Previous year<br>Amount in Lakhs |
|--|---------------------------------|----------------------------------|
| <b>Cash Flows from Operating Activates</b>                                     |                                 |                                  |
| Net Profit Before Tax and Extra Ordinary Items                                 | 4982656.13                      | 3075941.74                       |
| <b>Adjustment For</b>  |                                 |                                  |
| Depreciation   | 242570.00                       | 989224.00                        |
| Foreign Exchange   |                                 |                                  |
| Gain or loss of Sale of Fixed assets   |                                 |                                  |
| Gain or loss of Investment   |                                 |                                  |
| Finance Cost   | 46008.91                        | 4191.54                          |
| Dividend Income  |                                 |                                  |
| Other adjustment of non cash Item  |                                 |                                  |
| Other adjustment to reconcile Profit   |                                 |                                  |
| <b>Total Adjustment to Profit/Loss (A)</b>                                     | <b>288578.91</b>                | <b>993415.54</b>                 |
| <b>Adjustment For working Capital Change</b>                                   |                                 |                                  |
| Adjustment for Increase/Decrease in Inventories                                | - 1310805.00                    | 0.00                             |
| Adjustment for Increase/Decrease in Trade Receivables                          | - 458052.00                     | 798527.26                        |
| Adjustment for Increase/Decrease in Other Current Assets                       | - 23500.00                      | 0.00                             |
| Adjustment for Increase/Decrease in Trade Payable                              | 0.00                            | 0.00                             |
| Adjustment for Increase/Decrease in other current Liabilities                  | 14260.00                        | - 385000.00                      |
| Adjustment for Provisions  | 209825.00                       | 151916.00                        |
| <b>Total Adjustment For Working Capital (B)</b>                                | <b>- 1568272.00</b>             | <b>565443.26</b>                 |
| <b>Total Adjustment to reconcile profit (A+B)</b>                              | <b>- 1279693.09</b>             | <b>1558858.80</b>                |
| <b>Net Cash flow from (Used in ) operation</b>                                 | <b>3702963.04</b>               | <b>4634800.54</b>                |
| Dividend Received  |                                 |                                  |
| Interest received  | - 25746.00                      | - 24196.00                       |
| Interest Paid  |                                 |                                  |
| Income Tax Paid/ Refund  |                                 |                                  |
| <b>Net Cash flow from (Used in ) operation before<br/>Extra Ordinary Items</b> | <b>3677217.04</b>               | <b>4610604.54</b>                |
| Proceeds from Extra Ordinary Items   |                                 |                                  |
| Payment for Extra Ordinary Item  | - 85840.00                      |                                  |
| <b>Net Cash flow From operating Activities</b>                                 | <b>3591377.04</b>               | <b>4610604.54</b>                |
| <b>Cash Flows from Investing Activities</b>                                    |                                 |                                  |
| Proceeds From fixed Assets   |                                 |                                  |
| Proceeds from Investment or Equity Instruments                                 |                                 |                                  |
| Purchase of Fixed Assets   | 0.00                            | 0.00                             |
| Purchase Of Investments or Equity Instruments                                  |                                 |                                  |
| Interest received  | 25746.00                        | 24196.00                         |
| Dividend Received  |                                 |                                  |
| Cash Receipt from Sale of Interest in Joint Venture                            |                                 |                                  |
| Cash Payment to acquire Interest in Joint Venture                              |                                 |                                  |
| Cash flow from loosing Control of subsidiaries                                 |                                 |                                  |
| Cash Payment for acquiring Control of subsidiaries                             |                                 |                                  |
| Proceeds from Govt. Grant  |                                 |                                  |
| Other Inflow/Outflow Of Cash   |                                 |                                  |

## Enchanté Jewellery Limited

|  |                     |                     |
|--|---------------------|---------------------|
| <b>Net Cash flow from (Used in ) in Investing Activities before Extra Ordinary Items</b>           | <b>25746.00</b>     | <b>24196.00</b>     |
| Proceeds from Extra Ordinary Items   |                     |                     |
| Payment for Extra Ordinary Item  |                     |                     |
| <b>Net Cash flow from (Used in ) in Investing Activities</b>                                       | <b>25746.00</b>     | <b>24196.00</b>     |
| <b>Cash Flows from Financial Activities</b>  |                     |                     |
| Proceeds From Issuing Shares   |                     |                     |
| Proceeds from Issuing Debenture /Bonds/Notes   |                     |                     |
| Redemption of Preference Share   |                     |                     |
| Redemption of Debenture  |                     |                     |
| Proceeds from other Equity Instruments   |                     |                     |
| Proceeds From Borrowing  | 136074.79           | 2058540.24          |
| Repayment Of Borrowing   | - 2463626.45        | - 6503649.00        |
| Dividend Paid  | 0.00                | 0.00                |
| Interest Paid  | - 46008.91          | - 4192.85           |
| Income Tax Paid/Refund   |                     |                     |
| <b>Net Cash flow from (Used in ) in Financial Activities before Extra Ordinary Items</b>           | <b>- 2373560.57</b> | <b>- 4449301.61</b> |
| Proceeds from Extra Ordinary Items   |                     |                     |
| Payment for Extra Ordinary Item  |                     |                     |
| <b>Net Cash flow from (Used in ) in Financial Activities</b>                                       | <b>- 2373560.57</b> | <b>- 4449301.61</b> |
| <b>Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes</b> | <b>1243562.47</b>   | <b>185498.93</b>    |
| Effect of exchange rate change on cash and cash equivalents  |                     |                     |
| <b>Net increase (decrease) in cash and cash equivalents</b>  | <b>1243562.47</b>   | <b>185498.93</b>    |
| Cash and cash equivalents at beginning of period   | 857874.25           | 672375.32           |
| <b>Cash and cash equivalents at end of period</b>  | <b>2101436.72</b>   | <b>857874.25</b>    |

## Enchanté Jewellery Limited

### Enchanté Jewellery Limited

Regd. Office: Plot No. 3 & 4, UdyogVihar, Phase- IV, Gurgaon, Haryana-122005  
CINL74899HR1995PLC032759, E mail - ID: [chandmehra001@gmail.com](mailto:chandmehra001@gmail.com)

website: [www.enchantejewellery.co.in](http://www.enchantejewellery.co.in)

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

#### ATTENDANCE SLIP

|  |  |
|--|--|
| Registered Folio No./DP ID No. / Client ID No. |  |
| Name and address of the Member(s)              |  |
| Joint Holder 1                                 |  |
| Joint Holder 2                                 |  |
| Number of Shares held:                         |  |

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 29th Annual General Meeting of the Company at Plot No.3&4, Phase-IV, Udyog Vihar, Guagaon (Haryana). on Wednesday, 30th September, 2015 at 9:30 am

\_\_\_\_\_  
Name of the member / proxy

\_\_\_\_\_  
Signature of member / proxy

**Note:**

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the AGM.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL

-----

| Electronic Voting Sequence No. (EVSN) | User ID | Sequence Number |
|---------------------------------------|---------|-----------------|
|                                       |         |                 |

Note: Please read the instructions printed in the Notice of 29th Annual General Meeting dated 30th September, 2015. The Voting period starts from 27th September, 2015 at 10.00 am and ends on 29th September, 2015 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter.



# Enchanté Jewellery Limited

## Form No. MGT-11

### Proxy form

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

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No /Client ID :

DP ID :

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

Name : .....

E-mail Id:.....

Address: .....

Signature , or failing him

Name : .....

E-mail Id: .....

Address: .....

Signature , or failing him

Name : .....

E-mail Id: .....

Address: .....

Signature , or failing him

as my/ our proxy to attend and vote( on a poll) for me/us and on my/our behalf at the \_\_\_\_\_ Annual General Meeting / Extra-Ordinary General Meeting of the company, to be held on the \_\_\_\_ day of \_\_\_\_ at \_\_\_\_\_ a.m. / p.m. at \_\_\_\_\_ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Resolution No.

| Sl. No. | Resolution(S)  | Vote |         |
|---------|--|------|---------|
|         |  | For  | Against |
| 1.      | Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2015                |      |         |
| 2.      | Reappointment of Mr. C.L. Mehra as Director  |      |         |
| 3.      | To ratify re-appointment of M/s Raj Sri and Co., Chartered Accountants , Chartered Accountants as Statutory Auditors & fixing their remuneration |      |         |

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 20\_\_

Affix  
Revenue  
Stamp

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder  
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

**BOOK - POST**

*If undelivered, please return to :*

**Enchanté Jewellery Limited**

Plot No. 3 & 4, Udyog Vihar,  
Phase-IV, Gurgaon, Haryana

**29<sup>th</sup>**  
**ANNUAL REPORT**  
**2014-2015**

**enchanté**

**Enchanté Jewellery Limited**

## **Enchanté Jewellery Limited**

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### **BOARD OF DIRECTORS**

|                          |                      |
|--------------------------|----------------------|
| Mr. Chand Mehra          | Managing Director    |
| Mr. Charanjit Lal Mehra  | Director             |
| Mr. Vinay Mehra          | Director             |
| Mr. Shivprasad Wahi      | Independent Director |
| Mr. Shanti Swarup Bhatia | Independent Director |
| Mrs. Lata Rani Mehra     | Director             |

### **REGISTERED OFFICE & WORKS**

Plot No. 3 & 4,  
Udyog Vihar, Phase-IV,  
Gurgaon, Haryana

### **CIN**

L74899HR1995PLC032759

### **STATUTORY AUDITOR**

Raj K Sri & Company  
Chartered Accounted, FRN-014141N  
202A, Arunachal, Barakhamba Road  
New Delhi-110001

### **REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
A-31, 2rd Floor, Phase-I,  
Naraina Industrial Area,  
New Delhi-110 028