



VEERAM ORNAMENTS LIMITED

CIN: U74110GJ2011PLC064964

ANNUAL REPORT – 2016-2017



Registered Office: Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road,
Ahmedabad -382350, Gujarat.

Email: info@veeramornaments.com

Website: www.veeramornaments.com

BOARD OF DIRECTORS

Mahendra R Shah	- Managing Director
Rakshit M Shah	- Director
Pinal R Shah	- Director
Rajesh S. Shah	-Director

COMPLIANCE OFFICER

Mahendra R Shah

AUDITORS

DHAVAL PADIYA AND CO
CHARTERED ACCOUNTANTS
27, Samrpan Tenament,
F-101, Shayona Tilak Residency,
OPP. Devnandan Flat
New S. G Road, Gota
Ahmedabad-382481

BANKERS

Central Bank of India
Sardar Patel Nagar Road,
Navrangpura , Ahmedabad -380006
Tel No:+91 079 - 26461673
Fax No:+91 079 26466309
E-mail :bmahme0553@centralbank.co.in
Website: www.centralbankofindia.co.in
Contact Person: Anshuman Singh

REGISTERED OFFICE

Shop No. 2, Naroda Pride,
Nr. Padmavati Society,
Naroda-Nikol Road,
Ahmedabad -382350
Gujarat

REGISTRAR AND SHARE TRANSFER AGENT

KARVY COMPUTERSHARE PRIVATE LIMITED
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032

INDEX:

- ❖ Notice
- ❖ Director Report
- ❖ Balance Sheet
- ❖ Statement of Profit & Loss
- ❖ Notes
- ❖ Proxy Form
- ❖ Attendance Slip

NOTICE

Notice is hereby given that the 6th Annual General Meeting of the members of Veeram Ornaments Limited will be held on Saturday, 30th September, 2017 at the registered office of the Company at Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road, Ahmedabad -382350, Gujarat at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2017 and Statement of Profit & Loss for together with Cash Flow Statement and Notes forming part thereto ("Financial Statement") for the year ended on 31st March, 2017 and Report of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended on 31st March, 2017.
3. Re-appointment Mrs. Pinal R Shah, Non Executive Director of the company (DIN: 06799639), liable to retire by rotation in terms of section 152 (6) of the companies act, 2013 and, being eligible, herself for Re- appointment.
4. To Ratify the Appointment of M/s Dhaval Padiya and Co. Chartered accountants, Ahmedabad as statutory auditor of the company and fix their remuneration.

SPECIAL BUSINESS:

5. To Appoint Mr. Rakshit M Shah (DIN: 03461560) as a Director of the Company.

To consider and, if thought fit, to give your assent/dissent to pass the following resolution as an Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under to the said Act, Mr. Rakshit M Shah (DIN: 03461560) who was appointed as an Additional Director of the Company under the category of Promoter director w.e.f. 19.04.2017 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard."

6. To appoint Mr. Rajesh Shantilal Shah (DIN: 07774203) as an Independent Director of the Company.

To consider and, if thought fit, to give your assent/dissent to pass the following resolution as an Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under and Schedule IV to the said Act, Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. RAJESH SHANTILAL SHAH (DIN: 07774203)

who was appointed as an Additional Director of the Company under the category of Independent director w.e.f. 24.03.2017 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a period of five (5) consecutive years

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

DATE: 01/09/2017
PLACE: AHMEDABAD

By Order of the Board of Director
SD/-
Mahendra R. Shah
Managing Director

Registered Office:

Shop No. 2, Naroda Pride,
Nr. Padmavati Society,
Naroda-Nikol Road,
Ahmedabad -382350
Gujarat

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- (b) Proxies in order to be effective must be received by the company not less than 48 hours before the meeting
- (c) Members / proxies should bring their copy of Attendance Slip (duly completed) when attending the Meeting.
- (d) Members who hold shares in dematerialised form are requested to write their Client ID and DP ID Numbers and those who hold shares in Physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
- (e) Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
- (f) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing such a representative to attend and vote on their behalf at the meeting.
- (g) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (h) Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, KARVY COMPUTERSHARE PRIVATE LIMITED for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.

(i) The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a “Green Initiative in Corporate Governance” and allowed companies to share documents with its shareholders through an electronic mode. A Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO.5:

Mr. Rakshit M shah was appointed as an additional director under the category of Additional Director of the Company w.e.f 19.04.2017. Under section 161 of the Companies Act, 2013, Mr. Rakshit M shah holds his office up to the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company.

The Board is also of the opinion that based on the declarations submitted by Mr. Rakshit M shah, he not fall under any Disqualification for appointed as a director of the Companies Act, 2013. The period of office of Mr. Rakshit M Shah shall be liable to determination by retirement of Directors by rotation, in terms of the Companies Act, 2013 and the relevant rules made there under.

Brief profile of Mr. Rakshit M Shah in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mr. Rakshit M Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Board recommends passing of the resolution as set out in Item No. 5 of this Notice.

ITEM NO-6:

Mr. Rajesh Shantilal Shah was appointed as an Independent Director under the category of Independent Director of the Company w.e.f 24.03.2017. Under section 161 of the Companies Act, 2013, Mr. Rajesh Shantilal Shah holds his office up to the date of ensuing Annual General Meeting. Due notice under section 160 of the Act has been received to propose him as a candidate for the office of Director of the Company.

The Board is also of the opinion that based on the declarations submitted by Mr. Rajesh Shantilal Shah, he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Mr. Rajesh Shantilal Shah does not hold any equity share of the Company. The period of office of Mr. Rajesh Shantilal Shah shall not be liable to determination by retirement of Directors by rotation, in terms of Section 149 (13) of the Companies Act, 2013 and the relevant rules made there under.

Brief profile of Mr. Rajesh Shantilal Shah in terms of Regulation 36 (3) of the Listing Regulations is forming part of this notice. Mr. Dinesh Hiran is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Board recommends passing of the resolution as set out in Item No. 6 of this Notice. None of the Director of the Company except Mr. Rajesh Shantilal Shah is concerned or interested in this resolution.

BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT / REAPPOINTMENT AT ANNUAL GENERAL MEETING

Particular	Mr. Rakshit M Shah	Mr. Rajesh S Shah
Date of Birth	24.12.1978	08.10.1964
Date of Appointment	19.04.2017	24.03.2017
Qualification	He hold the Degree of Chartered Accountant	He holds the Bachelor degree of Commerce
Relationships between directors inter se	Mr. Rakshit M shah is a Spouse of Mrs. Pinal R Shah	Mr. Rajesh S Shah is not related to any of the director of the company
Directorship held in other companies*	ARDI INVESTMENT AND TRADING CO LTD	Nil
Membership/Chairmanships of Committee in other Public Companies	1	Nil
Shareholding of non-executive directors	886111	Nil

*Pvt. Companies excluded

DATE: 01/09/2017

PLACE: AHMEDABAD

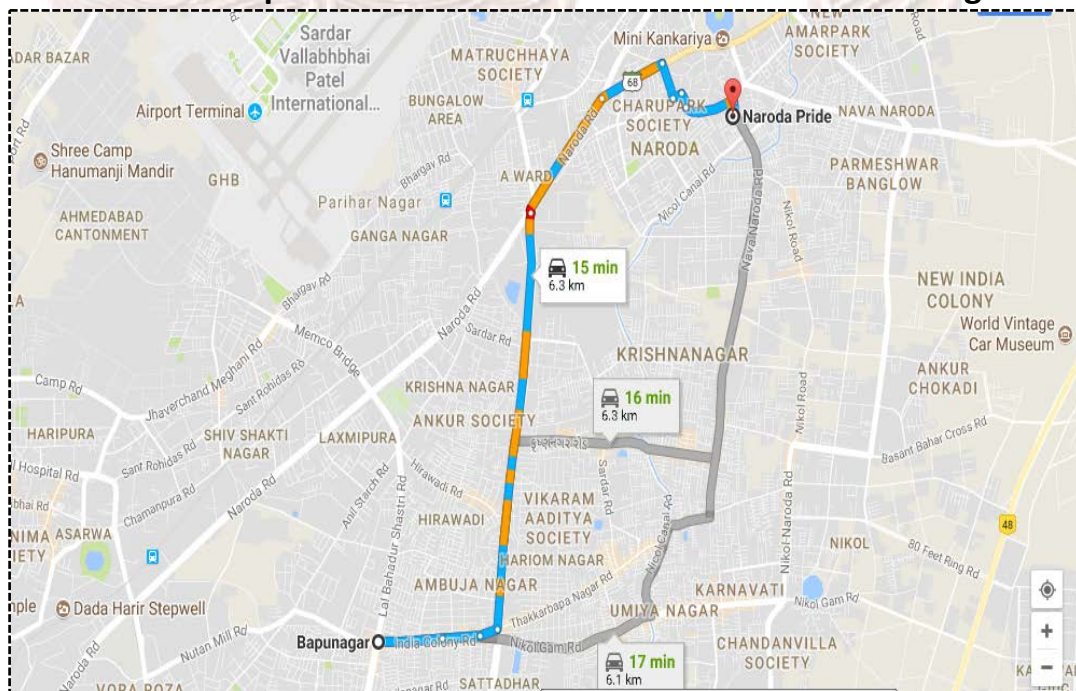
**By Order of the Board of Director
SD/-**

**Mahendra R. Shah
Managing Director**

Registered Office:

Shop No. 2, Naroda Pride,
Nr. Padmavati Society,
Naroda-Nikol Road,
Ahmedabad -382350
Gujarat

Route map to the Venue of the Annual General Meeting



DIRECTORS REPORT

To
The Members,
Veeram Ornaments Limited

Your Directors present the 6th Annual Report of your Company together with the Audited Financial Statement for the financial year ended, 31st March, 2017.

FINANCIAL HIGHLIGHTS		
Particulars	2016-17	2015-16
Income for the year was	7,42,43,026	1,37,23,568
<i>Profit before Financial Charges, Depreciation and Taxation Out of which, Provisions have been made for :-</i>	7,50,07,937	1,46,93,820
Financial Charges	8,121	3,90
Depreciation	56,884	57,603
Provision for Taxation :		
(i) Current Income Tax	10,00,000	2,00,000
(ii) Deferred Tax	-	
<i>Profit after Income Tax</i>	29,53,710	8,17,583

DIVIDEND

The Board of Directors has recommended a dividend of Rs. 0.25 (that is, 2.5%) per equity share of Rs. 10/- each for the financial year ended March 31, 2017.

RESERVES

The amounts as on ended of financial year, Reserves are Rs. (4,81,93,522).

SHARE CAPITAL

- **ISSUE OF SWEAT EQUITY SHARE:** The Company under the provision Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 has not issued any sweat equity share during the year under review.
- **BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.
- **BONUS SHARES:** Company has issued 27,46,680 Equity Shares Having Face value Of Rs. 10/- each as a Bonus Shares as on 20.07.2016 during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **RETIREMENT BY ROTATION**

In accordance with the provisions of the Companies Act, 2013 Mrs. Pinal R. Shah, Director of the company who is liable to retire by rotation, being eligible for reappointment, offers herself for reappointment.

- **DECLARATION OF INDEPENDENCE:**

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

- **The Board made following Appointments**

- (i) Appointment of **Mr. Manohar B Chunara** as an Independent Director in capacity of Director of the company with effect from May 28, 2016.
- (ii) Appointment of **Mr. Shankar Bhagat Parsad** as an Independent Director in capacity of Director of the company with effect from May 28, 2016.
- (iii) Appointment of **Mr. Rakshit M Shah** as an Additional Director in capacity of Director of the company with effect from April 19, 2017.
- (iv) Appointment of **Mr. Rajesh S Shah** as an Additional Director in capacity of independent Director of the company with effect from March 24, 2017.
- (v) Appointment of **Mr. Chirag C Valani** as a CFO of the company with effect from June 20, 2016.
- (vi) Appointment of **Ms. Noopur Jain** as a CS of the company with effect from June 15, 2016.

- **The Board made following Cessation**

- (i) Cessation of **Mr. Shankar Prasad Bhagat** who hold Designation of Independent Director of the company with effective from March 24, 2017
- (ii) Cessation of **Mr. Rakshit M Shah** who hold Designation of Independent Director of the company with effective from March 25, 2017.
- (iii) Cessation of **Mr. Manohar B Chunara** who hold Designation of Independent Director of the company with effective from April 12, 2017.
- (iv) Cessation of **Ms. Noopur Jain** who hold Designation of Company Secretary cum Compliance Officer of the company with effective from June 05, 2017.
- (v) Cessation of **Mr. Chirag C Valani** who hold Designation of Chief Financial Officer of the company with effective from August 16, 2017.

NUMBER OF BOARD MEETINGS

The Board of Directors duly met Fourteen (14) times on 04.05.2016, 28.05.2016, 09.06.2016, 20.06.2016, 15.06.2016, 09.07.2016, 16.07.2016, 20.07.2016, 28.07.2016, 29.07.2016, 01.08.2016, 02.01.2017, 24.03.2017, 25.03.2017 during the year under review

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 board annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit/loss of the company for that period;
- (c) The directors have 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 have prepared the annual accounts on a going concern basis; and
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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.

MANAGERIAL REMUNERATION

Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in this report.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Pursuant to sub-section (3) of section 129 of the Act, 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 is not applicable to the company. And Company does not have any subsidiary.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3) (n) of the Companies Act 2013 & SEBI (LODR) Regulation, 2015, the Company has constituted a Business Risk Management Committee. At present the Company has not identified any element of risk which may threaten the existence of the Company.

DEPOSITS

The details relating to deposits from the public during the year, covered under Chapter V of the Act:

Accepted during the year;	NIL
Remain unpaid or unclaimed as at the end of the year;	NIL
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	NIL
<ol style="list-style-type: none"> 1. at the beginning of the year; 2. maximum during the year; 3. at the end of the year; 	NIL

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as per section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is annexed herewith to this report.

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

The particulars as required under the provisions of Section 134(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year, such Controls were tested and no reportable material weakness was observed

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

During the year, the Company has not given any loan, guarantee or provided security in connection with the loan to any other body corporate or person or made any investments hence no particulars of the loans, guarantees or investments falling under the provisions of Section 186 of the Companies Act, 2013 are provided by the Board.

RELATED PARTY TRANSACTIONS

During the year no contracts or arrangements were made with related parties falling under the purview of Section 188 of the Companies Act, 2013

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. However as per the provisions of Section 136 of the said Act, the Annual Report Excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any, member interested in obtaining the information on employee's particulars, which is available for inspection by the members at the registered office of the Company during Business hours on working days of the Company up to the date of ensuing Annual General Meeting, may write to the Company at the registered office of the Company in advance.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

LISTING

The Equity Shares of the Company are listed on Bombay Stock Exchange on 05.01.2017. Further the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

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

No significant and material order has been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future. The company is doing reasonable growth and development.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The company has adequate internal control systems in place. With a view to monitor the Company's performance as well as to make sure that internal checks and controls are operating properly, the Company has appointed external firms of Chartered Accountant as Internal auditor. The audit committee ensures that the internal control systems are adequate and working effectively.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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

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.

AUDITORS

- **STATUTORY AUDITOR**

M/s. Dhaval Padiya and Co., Chartered Accountants, the Statutory Auditors of the Company, were appointed at the Annual General Meeting held on 3rd August 2016 to hold office from the conclusion of Annual General Meeting (AGM) till the conclusion of 9th Annual General Meeting to be held in the year 2021(subject to ratification of their appointment at every AGM).Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors)Rules, 2014, the Company shall place the matter relating to such appointment for ratification by members at every annual general meeting and therefore it is proposed to ratify the appointment of M/s Dhaval Padiya and Co., Chartered Accountants, as the Statutory Auditors of the Company.

The consent of M/s. Dhaval Padiya and Co., Chartered Accountants along with certificate under Section 139 of the Act has been obtained to the effect that their appointment, if made, shall be in accordance with the prescribed conditions and that they are eligible to hold the office of Auditors of the Company.

- **SECRETARIAL AUDITORS**

In terms of Section 204 of the Act and Rules made there under, M/s. V & Y Associates, Practicing Company Secretaries have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed to this report. The report is self-explanatory.

With reference to the remarks and observation of the secretarial Auditor, the following explanations have been submitted by the board of directors of the company.

- Our Company took all reasonable steps to do such appointments, but as our Company is not doing well in its present line of business activity, it failed to attract right candidates for such post. The Board of our Company continues its efforts to search right candidate for the post of Company Secretary and CFO will appoint the Company Secretary and CFO as soon as possible.

- **COST AUDITORS**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is listed on SME platform of BSE and not having the paid up share capital exceeding Rs. 10 crore and Net worth is exceeding Rs. 25 cores.

INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prohibition of insider trading, as approved and adopted 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 designated employees while in possession of unpublished price sensitive information during the period of Trading Window Closure. The Board is responsible for implementation of the Code. All Board of Directors and designated employees have confirmed compliance with the Code.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

DATE: 01/09/2017

PLACE: AHMEDABAD

Managing Director

By Order of the Board of Director
SD/-
Mahendra R. Shah

Annexure -I to the Report of Board of Director

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2017

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U74110GJ2011PLC064964
ii.	Registration Date	15.04.2011
iii.	Name of the Company	VEERAM ORNAMENTS LIMITED
iv.	Category/Sub-Category of the Company	Company limited by Shares/ Indian Non-government company
v.	Address of the Registered office and Contact details	Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road, Ahmedabad - 382350, Gujarat
vi.	Whether listed company	listed
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032 Tel No: +91 40 - 6716 2222 Fax No: +91 402343 1551 E-mail : einward.ris@karvy.com Website: www.karisma.karvy.com SEBI Registration No: INR000000221

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture & Wholesale of Jewellery & Ornaments	321&466	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	NIL				

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

I. *Category-wise Shareholding*

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31 st March, 2016)				No. of Shares held at the end of the year (As on 31 st March, 2017)				% Chang during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
<i>1) Indian</i>									
a) Individual/ HUF	-	10,000	10,000	100%	18,17,956	-	18,17,956	42.18	-57.82
b) Central Govt	-	-	-	-	-	-	-	-	0
c) State Govt(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corp	-	-	-	-	-	-	-	-	0
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any Other	-	-	-	-	-	-	-	-	0
Sub-total(A)(1):-	-	10,000	10,000	100%	18,17,956	-	18,17,956	42.18	-57.82
<i>2) Foreign</i>									
g) NRIs- Individuals	-	-	-	-	-	-	-	-	0
h) Other- Individuals	-	-	-	-	-	-	-	-	0
i) Bodies Corp.	-	-	-	-	-	-	-	-	0
j) Banks / FI	-	-	-	-	-	-	-	-	0
k) Any Other....	-	-	-	-	-	-	-	-	0
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	0
TOTAL A	-	10,000	10,000	100%	18,17,956	-	18,17,956	42.18	-57.82
B. Public Shareholding									
<i>1. Institutions</i>									
a) Mutual Funds	-	-	-	0%	-	-	-	0%	0
b) Banks / FI	-	-	-	0%	-	-	-	0%	0
c) Central Govt	-	-	-	0%	-	-	-	0%	0
d) State Govt(s)	-	-	-	0%	-	-	-	0%	0
e) Venture Capital Funds	-	-	-	0%	-	-	-	0%	0
f) Insurance Companies	-	-	-	0%	-	-	-	0%	0
g) FIs	-	-	-	0%	-	-	-	0%	0
h) Foreign Venture Capital	-	-	-	0%	-	-	-	0%	0

Funds									
i) Others (specify)	-	-	-	0%	-	-	-	0%	0
Sub-total(B)(1)	-	-	-	0%	-	-	-	0%	0
2. Non Institutions					-	-	-	0%	0
a) Bodies Corp. (i) Indian	-	-	-	-	-	6,12,000	6,12,000	14.20	14.20
b) Individuals (i) Individual shareholders holding nominal share capital up to Rs. 2 lakh	-	-	-	-	4,53,000	10,000	4,63,000	10.74	10.74%
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	7,72,047	6,45,012	14,17,059	32.88	32.88%
Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	18,37,047	6,55,012	24,92,059	57.82	57.82
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	18,37,047	6,55,012	24,92,059	57.82	57.82
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10,000	10,000	100%	36,55,003	6,55,012	43,10,015	100	-

II. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 31 st March, 2016)			Shareholding at the end of the year (As on 31 st March, 2017)			
		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	% change in share holding during the year
1.	Rakshit Mahendra Shah	6,000	60%	-	7,24,111	16.80	-	-43.20

2.	Pinal R Shah	4,000	40%	-	9,22,845	21.41	-	-18.59
3.	Rakshit Mahendra Shah HUF	-	-	-	1,20,000	2.78	-	2.78
4.	Mahendra M. Shah	-	-	-	18000	0.42	-	0.42
5.	Mahendra M. Shah HUF	-	-	-	15000	0.35	-	0.35
6.	Vasantbala M. Shah	-	-	-	18000	0.42	-	0.42
	Total	10,000	100%	-	18,17,956	42.18	-	-57.82

III. Change in Promoters' Share holding (please specify, if there is no change)

S N	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Increase/ Decrease in share holding	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES		NO OF SHARES	NO OF SHARES
1	PINAL R SHAH					
	At the beginning of the year	1,98,445	57.80	-	1,98,445	57.80
	Transfer of Shares as on 12/05/2016			(5,556)	1,92,889	56.18
	Transfer of Shares as on 12/05/2016			(5,556)	1,87,333	54.56
	Transfer of Shares as on 12/05/2016			(5,556)	1,81,777	52.94
	Transfer of Shares as on 12/05/2016			(5,556)	1,76,221	51.33
	Transfer of Shares as on 12/05/2016			(5,556)	1,70,665	49.71
	Transfer of Shares as on 12/05/2016			(5,556)	1,65,109	48.09
	Transfer of Shares as on 12/05/2016			(5,556)	1,59,553	46.47
	Transfer of Shares as on 12/05/2016			(15,556)	1,43,997	41.94
	Transfer of Shares as on 12/05/2016			(15,556)	1,28,441	37.41
	Transfer of Shares as on 12/05/2016			(11,111)	1,17,330	34.17
	Transfer of Shares as on 12/05/2016			(5,556)	1,11,774	32.56
	Transfer of Shares as on 12/05/2016			(16,662)	95,112	27.70
	Transfer of Shares as on 12/05/2016			(15,556)	79,556	23.17
	Transfer of Shares as on 14/07/2016			58,328	1,37,884	40.16

	Bonus issue as on 20/07/2016			11,03,072	12,40,956	40.16
	Transfer of Shares as on 22/07/2016			(10,000)	12,30,956	39.84
	Transfer of Shares as on 22/07/2016			(2,50,000)	9,80,956	31.75
	Transfer of Shares as on 22/07/2016			(1,20,000)	8,60,956	27.86
	Transfer of Shares as on 25/07/2016			(10,000)	8,50,956	27.54
	Allotment of Shares as on 01/08/2016			71,889	9,22,845	29.08
	At the End of the year				9,22,845	29.08
2	RAKSHIT M SHAH					
	At the Beginning Of the Year	6000	1.75	-	6000	1.75
	Transfer of Shares as on 14/07/2016			50,000	56,000	16.31
	Bonus issue as on 20/07/2016			4,48,000	5,04,000	16.31
	Transfer of Shares as on 22/07/2016			2,50,000	7,54,000	24.40
	Transfer of Shares as on 22/07/2016			(5,000)	7,49,000	24.24
	Transfer of Shares as on 22/07/2016			(18,000)	7,31,000	23.66
	Transfer of Shares as on 22/07/2016			(18,000)	7,13,000	23.07
	Allotment of Shares as on 01/08/2016			11,111	7,24,111	22.82
	At the End of the Year				7,24,111	22.82
3	RAKSHIT M SHAH HUF					
	At the Beginning of the Year	-	-		-	-
	Transfer of shares as on 22/07/2016			1,20,000	1,20,000	3.88
	At the End of the Year			1,20,000	1,20,000	3.88
4	MAHENDRA M SHAH					
	At the Beginning of the Year			-	-	-
	Transfer of shares as on 22/07/2016			15,000	15,000	0.49
	At the End of the Year			15,000	15,000	0.49
5	MAHENDRA M SHAH HUF					
	At the beginning of the Year			-	-	-

	Transfer of shares as on 22/07/2016			18,000	18,000	0.58
	At the End of the Year			18,000	18,000	0.58
6	VASANTBALA M SHAH					
	At the beginning of the Year			-	-	-
	Transfer of shares as on 22/07/2016			18,000	18,000	0.58
	At the End of the Year			18,000	18,000	0.58

iv. Shareholding pattern of Top Ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	HITENBHAI SHAH				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	16,662	4.85%	16,662	4.85%
	Transfer of Shares as on 12/05/2016	8,338	2.43%	25,000	2.43%
	Bonus issue as on 20/07/2016	2,00,000	6.47%	2,25,000	7.28%
	At the End of the year (As on 31 st March, 2017)	2,25,000	5.22%	2,25,000	5.22%
2	ALACRITY SECURITIES LIMITED				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of shares as on 06/01/2017	1,86,000	4.32%	1,86,000	4.32%
	Transfer of shares as on 13/01/2017	18,000	0.42%	2,04,000	4.74%
	Transfer of shares as on 24/03/2017	30,000	0.70%	2,34,000	5.43%
	Transfer of shares as on 31/03/2017	(30,000)	(0.70%)	2,04,000	4.74%
	At the End of the year (As on 31 st March, 2017)	2,04,000	4.74%	2,04,000	4.74%
3	BEE LINE BROKING LIMITED				

	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of shares as on 06/01/2017	57,000	1.32%	57,000	1.32%
	Transfer of shares as on 13/01/2017	1,11,000	2.58%	1,68,000	3.90%
	Transfer of shares as on 20/01/2017	18,000	0.42%	1,86,000	4.32%
	Transfer of shares as on 27/01/2017	9,000	0.21%	1,95,000	4.53%
	Transfer of shares as on 10/02/2017	3,000	0.07%	1,98,000	4.59%
	Transfer of shares as on 03/03/2017	6,000	0.14%	2,04,000	4.73%
	Transfer of shares as on 10/03/2017	(147000)	(3.41%)	57,000	1.32%
	Transfer of shares as on 24/03/2017	1,74,000	4.04%	2,31,000	1.32%
	Transfer of shares as on 31/03/2017	9,000	0.21%	2,40,000	5.57%
	At the End of the year (As on 31 st March, 2017)	2,40,000	5.57%	2,40,000	5.57%
4	KIRITBHAI PATEL				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	15,556	4.53%	15,556	4.53%
	Bonus issue as on 20/07/2016	1,24,448	4.03%	1,40,004	4.53%
	At the End of the year (As on 31 st March, 2017)	1,40,004	3.25%	1,40,004	3.25%
5	PINABEN J SHAH				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	15,556	4.53%	15,556	4.53%
	Bonus issue as on 20/07/2016	1,24,448	4.03%	1,40,004	4.53%
	At the End of the year (As on 31 st March, 2017)	1,40,004	3.25%	1,40,004	3.25%
6	JIGISHBHAI SHAH HUF				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	15,556	4.53%	15,556	4.53%

	Bonus issue as on 20/07/2016	1,24,448	4.03%	1,40,004	4.53%
	At the End of the year (As on 31 st March, 2017)	1,40,004	3.25%	1,40,004	3.25%
7	AKSHAY SEVANTILAL MEHTA				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	11,111	3.24%	11,111	3.24%
	Bonus issue as on 20/07/2016	88,888	2.88%	99,000	3.20%
	Transfer of Shares as on 06/01/2017	3,000	0.07%	1,02,999	2.39%
	Transfer of Shares as on 13/01/2017	(3,000)	(0.07%)	99,999	3.24%
	At the End of the year (As on 31 st March, 2017)	99,999	2.32%	99,999	2.32%
8	ASE CAPITAL MARKETS LTD.				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of shares as on 13/01/2017	9,000	0.21%	9,000	0.21%
	Transfer of shares as on 20/01/2017	(3000)	0.14%	6,000	0.07%
	Transfer of shares as on 27/01/2017	(6,000)	(0.07%)	0	0%
	Transfer of shares as on 24/02/2017	3,000	0.07%	3,000	0.07%
	Transfer of shares as on 03/03/2017	(3,000)	(0.07%)	0	0%
	Transfer of shares as on 10/03/2017	84,000	1.95%	84,000	1.95%
	Transfer of shares as on 17/03/2017	60,000	1.39%	1,44,000	3.34%
	Transfer of shares as on 24/03/2017	(60,000)	(1.39%)	84,000	1.95%
	Transfer of shares as on 31/03/2017	15,000	0.35%	99,000	2.30%
	At the End of the year (As on 31 st March, 2017)	99,000	2.30%	99,000	2.30%
9	YAGNESH S GANDHI				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	5,556	1.62%	5,556	1.62%
	Bonus issue as on 20/07/2016	44,448	1.44%	50,004	1.62%

	At the End of the year (As on 31 st March, 2017)	50,004	1.16%	50,004	1.16%
10	MEHUL S GANDHI				
	At the beginning of the year (As on 31 st March, 2016)	-	-	-	-
	Transfer of Shares as on 12/05/2016	5,556	1.62%	5,556	1.62%
	Bonus issue as on 20/07/2016	44,448	1.44%	50,004	1.62%
	At the End of the year (As on 31 st March, 2017)	50,004	1.16%	50,004	1.16%

V .Shareholding of Directors and Key Managerial Personnel:

S N	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Increase/ Decrease in share holding	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES	NO OF SHARES	NO OF SHARES	% OF TOTAL SHARES
1	MAHENDRA R SHAH					
	At the beginning of the year (As on 31 st March, 2016)	Nil				
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil				
	At the End of the year (As on 31 st March, 2017)	Nil				
2	PINAL R SHAH					
	At the beginning of the year (As on 31 st March, 2016)	1,98,445	57.80	-	1,98,445	57.80
	Transfer of Shares as on 12/05/2016			(5,556)	1,92,889	56.18
	Transfer of Shares as on 12/05/2016			(5,556)	1,87,333	54.56
	Transfer of Shares as on 12/05/2016			(5,556)	1,81,777	52.94
	Transfer of Shares as on 12/05/2016			(5,556)	1,76,221	51.33
	Transfer of Shares as on 12/05/2016			(5,556)	1,70,665	49.71

	Transfer of Shares as on 12/05/2016			(5,556)	1,65,109	48.09
	Transfer of Shares as on 12/05/2016			(5,556)	1,59,553	46.47
	Transfer of Shares as on 12/05/2016			(15,556)	1,43,997	41.94
	Transfer of Shares as on 12/05/2016			(15,556)	1,28,441	37.41
	Transfer of Shares as on 12/05/2016			(11,111)	1,17,330	34.17
	Transfer of Shares as on 12/05/2016			(5,556)	1,11,774	32.56
	Transfer of Shares as on 12/05/2016			(16,662)	95,112	27.70
	Transfer of Shares as on 12/05/2016			(15,556)	79,556	23.17
	Transfer of Shares as on 14/07/2016			58,328	1,37,884	40.16
	Bonus issue as on 20/07/2016			11,03,072	12,40,956	40.16
	Transfer of Shares as on 22/07/2016			(10,000)	12,30,956	39.84
	Transfer of Shares as on 22/07/2016			(2,50,000)	9,80,956	31.75
	Transfer of Shares as on 22/07/2016			(1,20,000)	8,60,956	27.86
	Transfer of Shares as on 25/07/2016			(10,000)	8,50,956	27.54
	Allotment of Shares as on 01/08/2016			71,889	9,22,845	29.08
	At the End of the year (As on 31 st March, 2017)				9,22,845	29.08
3	RAKSHIT M SHAH					
	At the beginning of the year (As on 31 st March, 2016)	6000	1.75	-	6000	1.75
	Transfer of Shares as on 14/07/2016			50,000	56,000	16.31
	Bonus issue as on 20/07/2016			4,48,000	5,04,000	16.31
	Transfer of Shares as on 22/07/2016			2,50,000	7,54,000	24.40
	Transfer of Shares as on 22/07/2016			(5,000)	7,49,000	24.24
	Transfer of Shares as on 22/07/2016			(18,000)	7,31,000	23.66
	Transfer of Shares as on 22/07/2016			(18,000)	7,13,000	23.07
	Allotment of Shares as on 01/08/2016			11,111	7,24,111	22.82
	At the End of the year (As on 31 st March, 2017)				7,24,111	22.82

INDEBTEDNESS:

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

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

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

Sl. No.	Particulars of Remuneration	Mahendra R Shah				Total Amount
1.	Gross salary	50,000				50,000
	(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	-	-	-	-	-

	As % of profit Others, specify...					
5.	Others ,please specify	-	-	-	-	-
6.	Total(A)					

B. Remuneration to other directors: N.A

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)					
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify					
	Total(2)					
	Total(B)=(1+2)					
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act					

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	TOTAL
1.	Gross salary	-	-	-
	(a)Salary as per provisions contained in section17(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 as % of Profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	TOTAL	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any(give details)
A.Company					
Penalty					
Punishment					
Compounding					
B.Directors					
Penalty					
Punishment					
Compounding					
C.OtherOfficersInDefault					
Penalty					
Punishment					
Compounding					

Annexure -II to the Report of Board of Director

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The gems and jewellery industry is crucial to the Indian economy given its role in large-scale employment generation, foreign exchange earnings through exports, and value addition. The industry has gained global popularity because of its talented craftsmen, its superior practices in cutting and polishing fine diamonds and precious stones and its cost- efficiencies.

The two major segments of the sector in India are gold jewellery and diamonds. The country is the largest consumer of gold, accounting for more than 20% of the total world gold consumption. Gold jewellery forms around 80% of the Indian jewellery market, with the balance comprising fabricated studded jewellery that includes diamond and gemstone studded jewellery. A predominant portion of the gold jewellery manufactured in India is consumed in the domestic market.

The industry contributes more than 14% towards the total export in India and provides employment to 1.3 million people directly and indirectly. The global market for gems and jewellery is over USD100 billion with major contribution coming from India, Italy, China, Thailand and USA.

The demand in India can be segmented into consumption and investment. Unlike most other countries, investment demand for gold is important in India and accounts for about 45 percent of total market demand. Around 57 percent of the investment demand comes from bars and coins, while the rest comes from jewellery. The high investment demand is driven by a lack of alternative financial institutions for a large section of society, a perceived capacity to hedge against inflation, ability to invest smaller value in gold, high returns in gold over the past 12 years and ease of investing unaccounted money in gold. Also, while the volume-demand for gold as jewellery has remained more or less constant over 2005 to 2013, the volume demand for gold bars and coins have grown at a CAGR of around 13 percent in the same period.

From a supply side, the value chain consists of imports, mining, refining, trading, manufacturing, and retailing. This includes a mix of players catering to both consumption and investment demand. The Indian gems and jewellery industry is fragmented, with local players constituting about 80 percent of the overall market. The variances in consumer preferences in designs, quality, and material across different regions have historically presented a challenge for national and organized players to create design-led differentiation. The share of organized players in the industry is growing, specifically that of regional players. However, there is a risk of reversal in this trend due to increasing regulatory restrictions on gold imports and the price differential between the official and unofficial supply of gold in the market. The supply side is also characterized by several local and independent stores in rural areas that play the role of financing entity, providing customers an investment option and lending money against gold.

BUSINESS OVERVIEW

We are integrated Wholesaler, Trader & Retailer of branded Jewellery & Ornaments. We are also into trading business of silver and distributor of readymade gold & silver Jewellery & Ornaments. Our portfolio of products includes gold and silver jewellery with or without studded precious and semi-precious stones. Our Jewelleries and ornaments are designed keeping in mind the demand for the Traditional, Modern & Indo-Western jewellery & ornaments in India. With regional diversity of tastes and preferences, we have diverse portfolio of Ornaments and Jewellery to suit the taste and preferences of one & all. Our gold & silver traditional jewellery & ornaments are either made with kundan, gem stones, American diamonds etc or just plain gold or silver.

We source our raw materials from Rajkot & local markets in Ahmedabad. Raw Silver and Raw gold is generally purchased from the bullion market which is then designed and molded into gold and silver traditional & modern jewellery. Other raw material like kundan, gems stones, American diamonds etc is purchased from our suppliers.

Most of our jewelries are designed in a traditional manner as the demand for traditional jewellery is very high in the local markets of Ahmedabad and nearby localities. The design & pattern for our jewellery & ornaments is provided by us to the job workers who manufacture our products accordingly. We sell only quality certified jewellery & ornaments to our clients.

Our Jewellery & Ornaments

Jewellery
Chain
Ring
Earring
Mangalsutra
Anklet
Zuda
Ear-chain
Necklace
Toe Ring
Bangle
Bracelet
Pendant

Our Competitive Strengths:

➤ *Well established systems and procedures*

We have well established systems and procedures for staffing and the implementation of current and long term objectives.

➤ *Experience of our Promoter*

Our Promoter Mrs. Pinalben Rakshitbhai Shah come with jewellery business background and is well versed in designing and distribution of jewellery & ornaments. She possess more than 5 years of experience in the functioning and management of Jewellery covering all aspects.

➤ *Experienced management team and a motivated & efficient work force*

Our Company is managed by a team of experienced and professional personnel with experience in different aspects of jewellery and ornaments industry. They have an in-depth knowledge of the polishing and designing of jewellery, distribution, marketing and finance. We believe that our qualified and experienced management will contribute to the growth of our business operations.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the Company is the right destination where with the growth of the organization, value addition of individual employees is assured. The total number of employees as on 31st March, 2017 is 7.

INTERNAL CONTROL:

The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest.

Annexure - IV to the Report of Board of Director

Secretarial Audit Report for the financial year ended on 31st March, 2017

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

To,
The Members,
Veeram Ornaments Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Veeram Ornaments Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Veeram Ornaments Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2017 According to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

And in general, the Company has systems, process and procedure for the compliance of Other Laws Applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject to the following:

- a) Filing of certain forms with the Ministry of Corporate Affairs required under the Companies Act, 2013 was not done in time. However for late filing of forms the Company has paid additional fees.
- b) As per Section 203 of companies Act, 2013 read with rule 8 of the companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the company has not appointed Company Secretary and Chief Financial Officer during the audit period.

I further report that:

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

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

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines.

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

- I. Redemption/buy-back of securities.

II. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.

III. Merger/ amalgamation/ reconstruction etc.

IV. Foreign technical collaborations.

Place: Ahmedabad

Date: 01/09/2017

**For, V & Y Associates
Company Secretary**

Sd/-

Vickey K. Patel

Mem. No 45565

COP NO. 18603

Note: This report is to be read with our letter of even date which is annexed as Annexure – 1 and forms an integral part of this report.

Annexure – 1

To,
The Members,
VEERAM ORNAMENTS LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 01/09/2017

**For, V & Y Associates
Company Secretary**

Sd/-

Vickey K. Patel

Mem. No 45565

COP NO. 18603

VEERAM ORNAMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Notes	2017	2016
		₹	₹
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	4,31,00,150	34,33,350
(b) Reserves and Surplus	2	4,94,90,373	2,75,43,484
(c) Money received against share warrants			-
<u>(2) Share Application money pending allotment</u>			
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings			-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities	3	80,00,000	-
(d) Long Term Provisions		-	-
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings		-	-
(b) Trade Payables	4	40,80,900	-
(c) Other Current Liabilities	5	10,57,714	2,07,500
(d) Short-Term Provisions		-	-
Total Equity & Liabilities		10,57,29,137	3,11,84,334
II. ASSETS		₹	₹
<u>(1) Non-Current Assets</u>			
<u>(a) Fixed Assets</u>			
(i) Gross Block		4,25,714	4,25,714
(ii) Depreciation		2,05,707	1,48,823
(iii) Net Block		2,20,007	2,76,891
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		50,561	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
<u>(2) Current Assets</u>			
(a) Current investments	6	18,61,228	-
(b) Inventories		6,53,59,510	2,15,18,024
(c) Trade receivables	7	71,95,993	70,56,932
(d) Cash and cash equivalents	8	1,88,07,201	17,11,060
(e) Short-term loans and advances	9	1,01,82,496	4,87,224
(f) Other current assets	10	20,52,141	1,34,203
Total Assets		10,57,29,137	3,11,84,334

NOTES TO ACCOUNTS

19

Schedules referred to above and notes attached there to form an integral part of Balance Sheet
This is the Balance Sheet referred to in our Report of even date.

FOR , M/S DHAVAL PADIYA & CO.
CHARTERED ACCOUNTANTS

FOR, VEERAM ORNAMENTS LIMITED

SD/-
(CA. DHAVAL PADIYA)
(Proprietor)
M No. : 146291
FRN No.: 140653W

SD/- SD/-
(DIRECTOR) (DIRECTOR)
PLACE: AHMEDABAD
DATE: 30/05/2017

VEERAM ORNAMENTS LIMITED
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2017

Sr. No	Particulars	Notes	2017	2016
			₹	₹
I	Revenue from operations	11	7,42,43,026	1,37,23,568
II	Other Income	12	11,83,733	9,70,252
III	III. Total Revenue (I +II)		7,54,26,759	1,46,93,820
IV	Expenses:			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade	13	11,37,59,292	3,45,91,564
	Changes in inventories of finished goods, work-in-progress and Stock-in-	14	(4,38,41,395)	(2,15,18,024)
	Employee Benefit Expense	15	6,56,146	2,93,606
	Financial Costs	16	8,121	390
	Depreciation and Amortization Expense	17	56,884	57,603
	Other Administrative Expenses	18	8,34,001	2,51,098
	Total Expenses (IV)		7,14,73,049	1,36,76,237
V	Profit before exceptional and extraordinary items and tax	(III - IV)	39,53,710	10,17,583
VI	Exceptional Items		-	
VII	Profit before extraordinary items and tax (V - VI)		39,53,710	10,17,583
VIII	Extraordinary Items		-	
IX	Profit before tax (VII - VIII)		39,53,710	10,17,583
X	Tax expense:			
	(1) Current tax		10,00,000	2,00,000
	(2) Deferred tax		-	-
XI	Profit(Loss) from the period from continuing operations	(IX-X)	29,53,710	8,17,583
XII	Profit/(Loss) from discontinuing operations		-	
XIII	Tax expense of discounting operations		-	
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		29,53,710	8,17,583
XV	Profit/(Loss) for the period (XI + XIV)		29,53,710	8,17,583
	Add:- Transfer from reserve		-	
	Less: Proposed Dividend			
	Less: Tax on Dividend			
	Balance Carried Forward to Balance Sheet		29,53,710	8,17,583
XVI	Earning per equity share:			
	(1) Basic		0.69	2.38
	(2) Diluted EPS		0.69	1.32

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

FOR , M/S DHAVAL PADIYA & CO.
CHARTERED ACCOUNTANTS

FOR, VEERAM ORNAMENTS LIMITED

SD/-
(CA. DHAVAL PADIYA)
(Proprietor)
M No. : 146291
FRN No.: 140653W

SD/- SD/-
(DIRECTOR) (DIRECTOR)
PLACE: AHMEDABAD
DATE: 30/05/2017

VEERAM ORNAMENTS LIMITED
STATEMENT OF CASH FLOW

PARTICULARS		FIGURES AS AT THE END OF 31TH MARCH, 2017	FIGURES AS AT THE END OF 31st MARCH, 2016
A	<u>Cash Flow from Operating Activities :</u>		
	Net Profit/(Loss) before tax	39,53,710	10,20,050
	Adjustments for:		
	Finance Cost	8,121	390
	Depreciation	56,884	55,136
	Interest Income	(11,83,720)	(1,32,224)
	Operating Profit before working capital changes	28,34,995	9,43,352
	Increase / (Decrease) in short term borrowings	-	-
	Increase / (Decrease) in Trade Payables	40,80,900	
	Increase / (Decrease) in Other Current Liabilities	8,50,214	(4,07,193)
	(Increase) / Decrease in Inventories	(4,38,41,486)	(2,15,18,024)
	(Increase) / Decrease in Trade Receivable	(1,39,061)	(70,56,932)
	Increase / (Decrease) in Short term provision	-	
	(Increase) / Decrease in Short Term Loans & Advances & other current assets	(1,26,13,210)	(15,85,676)
	Operating Profit after working capital changes	(4,88,27,648)	(2,96,24,473)
	Less: Income Tax Paid	-	9,390
	Net Cash from/ (used in) Operating Activities	(A) (4,88,27,648)	(2,96,33,863)
B	<u>Cash Flow from Investing Activities :</u>		
	(Purchase)/ Sale of Fixed Assets	-	(63,714)
	(Purchase)/ Sale of Current Investments	(18,61,228)	-
	(Increase) / Decrease in Long Term Loans & Advances	-	(10,000)
	Interest Income	11,83,720	1,32,224
	Net Cash from/ (used in) Investing Activities	(B) (6,77,508)	58,510
C	<u>Cash Flow from Financing Activities :</u>		
	Increase / (Decrease) in Long Term Borrowings	80,00,000	3,38,743
	Proceeds from application money pending allotment	-	(4,48,000)
	Proceeds from Issue of shares	3,96,66,800	3,00,00,150
	Proceeds from Securities Premium	1,97,68,200	-
	Adjustments of earlier years in Retained earning	(8,25,582)	-
	Finance Cost paid	(8,121)	(390)
	Net Cash from/ (used in) Financing Activities	(C) 6,66,01,297	2,98,90,503
	Net Increase/ (Decrease) in Cash & Cash Equivalents	(A+B+C) 1,70,96,141	3,15,150
	Cash & Cash Equivalents as at the beginning of the year	17,11,060	13,95,910
	Cash & Cash Equivalents as at the end of the year	1,88,07,201	17,11,060
FOR ,DHAVAL PADIYA& CO. CHARTERED ACCOUNTANTS		FOR, VEERAM ORNAMENTS LIMITED	
(CA DHAVAL PADIYA) M No. : 146291 FRN No.: 140653W		(DIRECTOR) PLACE: AHMEDABAD DATE: 30-05-2017	

VEERAM ORNAMENTS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2017

Note : 1 Share Capital

Sr. No	Particulars	₹	₹
		2017	2016
1	<u>AUTHORIZED CAPITAL</u>		
	110000 Equity Shares of Rs. 10/- each.	11,00,000	11,00,000
	390000 Equity Shares of Rs. 10/- each.	39,00,000	39,00,000
	2500000 Equity Shares of Rs. 10/- each	2,50,00,000	-
	1140000 Equity Shares of Rs.10/- each	1,14,00,000	-
	110000 Equity Shares of Rs. 10/- each.	11,00,000	-
	81000 Equity Shares of Rs.10/- each	8,10,000	-
		4,33,10,000	50,00,000
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
	<i>To the Subscribers of the Memorandum</i>		
	10000 Equity Shares of Rs. 10/- each, Fully	1,00,000	1,00,000
	333335 Equity Shares of Rs. 10/- each, Fully	33,33,350	33,33,350
	2746680 Equity Shares of Rs. 10/- each fully	2,74,66,800	-
	83000 Equity Shares of Rs. 10/- each fully	8,30,000	-
	1137000 Equity Shares of Rs.10/- each fully	1,13,70,000	-
	Total in ₹	4,31,00,150	34,33,350

Note : 2 Reserve & Surplus

Sr. No	Particulars	₹	₹
		2017	2016
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	4,64,35,000	2,66,66,800
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Shares Option Outstanding Account	-	-
7	Other Reserve (Special Reserve)	-	-
8	Surplus (Profit & Loss Account)	30,55,373	8,76,684
	Balance brought forward from previous year	8,76,684	68,491
	Less: Adjustment for earlier year Deferred Tax	- 52,889	-
	Less: Bonus Shares Issued	8,00,000	-
	Less: Earlier year provision for tax	24,040	-
	Less: Adjustment for earlier year	3,870	-
	Less: Tax on Regular Assessment Paid	-	9,390
	Less: Transfer to Profit and Loss A/c	-	-
	Add: Profit for the period	29,53,710	8,17,583
	Total in ₹	4,94,90,373	2,75,43,484

Note : 3 Long Term Liabilities

Sr. No	Particulars	₹	₹
		2017	2016
	Total in ₹	80,00,000	-

VEERAM ORNAMENTS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2017

Note : 4 Trade Payable

		₹	₹
Sr. No	Particulars	2017	2016
	Total in ₹	40,80,900	-

Note : 5 Current Liabilities

		₹	₹
Sr. No	Particulars	2017	2016
	Total in ₹	10,57,714	2,07,500

Note : 6 Investments

		₹	₹
Sr. No	Particulars	2017	2016
	Total in ₹	18,61,228	-

Note : 7 Trade Receivable

		₹	₹
Sr. No	Particulars	2017	2016
	Total in ₹	71,95,993	70,56,932

Note : 8 Cash & Cash Equivalent

		₹	₹
Sr. No	Particulars	2017	2016
1	<u>Cash-in-Hand</u>		
	Cash Balance	27,378	26,334
	Sub Total (A)	27,378	26,334
2	<u>Bank Balance</u>		
	Central Bank - 8860	- 29,08,248	3,04,726
	Fixed Deposit CBI	2,16,88,071	13,80,000
	Sub Total (B)	1,87,79,823	16,84,726
	Total [A + B] ₹	1,88,07,201	17,11,060

Note : 9 Short Term Loans & advances

		₹	₹
Sr. No	Particulars	2017	2016
	Total [A + B] ₹	1,01,82,496	4,87,224

Note : 10 Other Current Assets

		₹	₹
Sr. No	Particulars	2017	2016
	Total [A + B] ₹	20,52,141	1,34,203

VEERAM ORNAMENTS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2017

Note : 11 Revenue From Operation

		₹	₹
Sr. No	Particulars	2017	2016
1	Sales	7,42,43,026	1,37,23,568
	Total in ₹	7,42,43,026	1,37,23,568

Note : 12 Other Income

		₹	₹
Sr. No	Particulars	2017	2016
1	Interest On FD	6,75,791	1,32,224
2	Other Interest	5,07,929	46,760
3	Other Income	13	7,91,268
	Total in ₹	11,83,733	9,70,252

Note : 13 Purchase of Stock in Trade

		₹	₹
Sr. No	Particulars	2017	2016
1	Purchases	11,37,59,292	3,45,91,564
	Total in ₹	11,37,59,292	3,45,91,564

Note : 14 Changes in Inventories

		₹	₹
Sr. No	Particulars	2017	2016
1	Opening Stock	2,15,18,115	-
2	Closing Stock	6,53,59,510	- 2,15,18,024
	Total in ₹	- 4,38,41,395	- 2,15,18,024

Note : 15 Employment Benefit Expenses

		₹	₹
Sr. No	Particulars	2017	2016
1	Directors Remuneration	50,000	1,20,000
2	Salary Expense	6,06,146	1,73,606
	Total in ₹	6,56,146	2,93,606

Note : 16 Financial Cost

		₹	₹
Sr. No	Particulars	2017	2016
1	Bank Charges	8,121	390
	Total in ₹	8,121	390

Note : 17 Depreciation & Amortised Cost

		₹	₹
Sr. No	Particulars	2017	2016
1	Depreciation	56,884	57,603
	Total in ₹	56,884	57,603

Note : 18 Other Administrative Expenses

		₹	₹
Sr. No	Particulars	2017	2016
1	Accounting Fees	25,000	-
2	Audit Fee	7,500	7,500
2	Rent Expense	1,44,000	66,000
3	Labour Expenses	54,400	70,800
4	Legal and Professional Fees	16,500	-
5	Shop expense	5,43,352	53,155
6	Conveyance Expense	32,324	53,643
7	Insurance Expenses	10,925	-

VEERAM ORNAMENTS LIMITED

Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2017

Schedule :5 Fixed Asset

Sr. No	Particulars	Gross Block				Depreciaton				*Transfer to/ from Retained Earnings	Net Block	
		As on 01/04/2015	Addition during the year	Deduction during the year	As on 31/03/2016	As on 01/04/2015	Addition during the year	Deduction during the year	As on 31/03/2016		WDV as on 31.03.2016	WDV as on 31.03.2015
1	Computer	1,23,714		-	1,23,714	56,054	29,064	-	85,118	-	38,596	67,660
2	Music System	3,02,000	-	-	3,02,000	92,769	27,820	-	1,20,589	-	1,81,411	2,09,231
	TOTAL	4,25,714	-	-	4,25,714	1,48,823	56,884	-	2,05,707	-	2,20,007	2,76,891

VEERAM ORNAMENTS PRIVATE LIMITED

Significant Accounting Policies and Notes forming parts of Accounts

Note : 19

NOTES ON ACCOUNTS

1. Previous year's figures are regrouped/rearranged wherever necessary.
2. Provision for Taxation for the current year has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
3. The balances of Loans and Advances are subject to their confirmation and reconciliation if any.
4. All the Opening Balances are taken as per previous year audit report.
5. Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counter claims aggregating to Rs. is Nil.
6. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
7. Information pursuant to paragraph 2, 3, 4, 5 of Part II of the schedule III is given as under so far as it applies to the company.

a) Payment to Statutory Auditors

	<u>Current Year</u>	<u>Previous Year</u>
1. Audit Fees	Rs.7500/-	Rs.7500/-

8. SBN (Specified Bank Notes):

During the year, the company had Specified Bank Notes (SBNs) or other Denomination notes as defined in the MCA Notification, G.S.R. 308(E), dated March 31, 2017. The Details of SBNs held And Transacted during the Period from November 8, 2016 to December 30, 2016, the denomination –wise SBNs and other notes as per the notification are as follows:

(Amount in Rupees)

Particular	SBN	Other Denomination Notes	Total
Cash in hand on 08.11.2016	6000000	294003	6294003
(+) Permitted Receipts	0	100000	100000
(-) Permitted payment	0	46012	46012
(-) Amount Deposited in Bank	6000000	0	6000000
Closing Cash on 30.12.2016	0	347991	347991

For the purposes of the clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the government of India, in the ministry of finance, department of Economic Affairs Number S.O. 3407(E), dated November 08, 2017.

10. There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

**FOR, DHAVAL PADIYA & CO.
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

**(CA. DHAVAL PADIYA)
(PROPRIETOR)
M. NO.: 146291
FRN NO:-140653W**

(Director) (Director)

**Place: Ahmedabad
Date: 30/05/2017**

**Place: Ahmedabad
Date: 30/05/2017**

Significant Accounting Policies

A. Basis of preparation of Financial Statements

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with applicable accounting standards referred to in section 133 read with rule 7 of the Companies (Accounts) rules, 2014.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

B. Revenue Recognition

Sales are recorded when risk are transferred to customer.

C. Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation, including financial cost till such assets are ready for its intended use.

D. Depreciation

Depreciation is charged on written down value method as per useful life of assets prescribed under schedule II of the Companies Act, 2013.

E. Impairment of Assets

Impairment of assets if any is ordinarily assessed by comparing recoverable value of individual assets with its carrying cost.

F. Inventories

Closing Stock is taken as certified by the Management. Inventories are valued at cost or net realizable value whichever is lower.

G. Investments

Long Term Investments are stated at cost. Provision for diminution is when the same is of permanent nature.

H. Retirement Benefits

- i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.
- ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment

I. Prior Period Items

Significant items of Income or Expenditure, which relates to the prior accounting periods, are accounted in the Profit and Loss Account under the head “prior year Adjustments” other than those occasioned by the events occurring during or after the close of the year and which are treated as relatable to the current year.

J. Borrowing Cost

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

K. Taxes on Income

Taxes on income of the current period are determined on the basis of taxable income and credits computed in accordance with the provisions of the Income tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable and virtual certainty as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L. Provision, Contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but the same is disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

M. Applicability of AS-18

In accordance with the requirements of Accounting Standard-18 (AS-18) “Related Party Transaction” issued by the Institute of Chartered Accountants of India, the following persons are considered as Related Party as defined in AS-18:

Sr. No	Name	2016-17	Relationship	Nature of transaction
1.	Pinal R. Shah	25000	Director	Remuneration
2.	Rakshit M. Shah	25000	Director	Remuneration

N. Foreign Currency Transaction

There are no such foreign currency transactions during the year.

O. C/F Value of Import Raw Materials: NIL

P. Expenditure in Foreign Currency: NIL

Q. Earning per Share: The Earning Per Share (AS-20) has been computed as under:

(a) Profit after tax	Rs.16,56,859/-
(b) No. of Equity Share	4310015
(c) Nominal value of share	Rs. 10 per share
(d) EPS	Rs. 0.69/ -

**FOR, DHAVAL PADIYA & CO.
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

**DHAVAL PADIYA
PROPRIETOR
M NO. 146291
FRN NO. 140653W**

(DIRECTOR)

(DIRECTOR)

**PLACE: AHMEDABAD
DATE: 30/05/2017**

**PLACE: AHMEDABAD
DATE: 30/05/2017**

VEERAM ORNAMENTS LIMITED

Registered Office: Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road,
Ahmedabad -382350, Gujarat.

Email: info@veeramornaments.com Website: www.veeramornaments.com

CIN: U74110GJ2011PLC064964

Annual General Meeting – Saturday, 30th September, 2017

ATTENDANCE SLIP

Folio No. /Client Id:	
Name of Shareholder:	
Address of Shareholder:	

I, hereby record my presence at the Annual General Meeting of the Company to be held on Saturday, 30th September, 2017 at Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road, Ahmedabad -382350, Gujarat.

Signature of the Member

Notes:

- A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- B. Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.

Member/Proxy should bring his/her copy of the Notice of Extraordinary General Meeting for reference at the meeting.

Form MGT-11
Proxy Form

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

Annual General Meeting – Saturday, 30th September, 2017

Name of the Shareholder(s): _____

Registered Address: _____

E-mail ID: _____ Folio No ./Client Id : _____ DP ID : _____

I/We, being member(S) of Veeram Ornaments Limited, holding _____ share of the company , hereby appoint

A: Name _____

Address: _____

E-mail ID: _____ Signature : _____

Or failing him/her

B: Name _____

Address: _____

E-mail ID: _____ Signature : _____

Or failing him/her

C: Name _____

Address: _____

E-mail ID: _____ Signature : _____

Or failing him/her

➤ As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the Annual General Meeting of the Company to be held on – Saturday, 30th September, 2017 at 11.00 AM at Shop No. 2, Naroda Pride, Nr. Padmavati Society, Naroda-Nikol Road, Ahmedabad -382350, Gujarat. and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.	BUSINESS	VOTING	
		FOR	AGAINST
1	Approval of Accounts - Ordinary Resolution		
2	Declaration Of Dividend - Ordinary Resolution		
3	Re Appointment of Director - Ordinary Resolution		
4	Appointment of Auditor - Ordinary Resolution		
5	Appointment Of Mr. Rakshit M Shah as a Director - Special Resolution		
6	Appointment Of Mr. Rajesh S Shah as a Independent Director - Special Resolution		

Revenue stamp

Signed this ____ day of _____ 2017



Signature of Shareholder

Signature of Proxy holder(s)

Signature of Proxy holder(s)

Signature of Proxy holder(s)