

SWARNSARITA

world class jewellery

May 28, 2016

To,
Asst. General Manager,
Dept. of Corporate Services,
Bombay Stock Exchange Limited,
14th Floor, P.J. Towers, Dalal Street,
Fort, Mumbai: 400 001.

Respected Sir,

Scrip Code : 526365

Sub: OUTCOME OF THE BOARD MEETING HELD ON SATURDAY, MAY 28, 2016

With reference to the above captioned subject, we wish to intimate your esteemed exchange that as decided in the Meeting of the Board of Directors of the Company held Today, i.e. on Saturday, May 28, 2016 at 3.00 p.m., for which intimation was already given to you, the Board of Directors has:

- Approved and taken on record the standalone and consolidated Audited Financial Results of the Company for the quarter and year ended March 31, 2016 along with Auditors Report thereon.

OTHER MATTERS:

- Approved the appointment of Mr. Dhruvin B. Shah as an Additional Director of the company with effect from 28/05/2016.
- Approved the Reappointment of Mr. Mahendra Madanlal Chordia as the Managing Director of the Company for the term of Five years with effect from 01/04/2016 till 31/03/2021.
- Approved the appointment of M/s. Deep Shukla & Associates, Company Secretaries to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2016.

The above intimation is given to you for your record.

Thanking You,
Yours faithfully,

For Swarnsarita Gems Ltd


Prafulla Devaliya
Company Secretary



Encl: As Above.

SWARNSARITA GEMS LIMITED

CIN No.: L36911MH1992PLC068283 | Email: info@swarnsarita.com | Web: www.swarnsarita.com

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ANNEXURE X

FORM A

(for audit report with unmodified opinion)

1.	Name of the Company	M/s. Swarnsarita Gems Limited
2.	Annual Financial Statements for the year ended	31 st March, 2016
3.	Type of Audit Observation	Un Modified
4.	Frequency of observation	Not Applicable

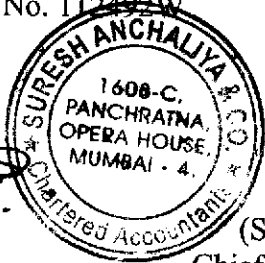
Refer our Audit Report dated 28th May, 2016

On the Annual Audited Financial Results of the Company (Standalone and Consolidated)

For Suresh Anchaliya & Co.

Chartered Accountants

(Firm's Registration No. 112492W)



Suresh Anchaliya
Partner

Membership No.: 044960

Mahendra M. Chordia

(Mahendra M. Chordia)

Managing Director

Sanket Dangl

(Sanket Dangl)
Chief Financial Officer

Ashok Surana

(Ashok Surana)
Audit Committee Chairman

Mumbai, May 28, 2016

final

SWARN SARITA GEMS LIMITED

REGD. OFFICE: 17/19, GROUND FLOOR, DEANJI STREET MUMBAI - 400 003.

CIN NO.: - L36911MH1992PLC068283

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

PART I

(Rs. In Lacs)

Sr. No.	PARTICULARS	Quarter Ended			Twelve Months Ended	Twelve Months Ended
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Income from operations					
	(a) Net Sales/Income from Operations (Net of excise duty)	10261.53	8180.48	7845.78	32099.14	23974.65
	(b) Other Operating Income	121.17	65.17	151.24	416.01	339.96
	Total income from operations (net)	10382.70	8245.65	7997.02	32515.15	24314.61
2	Expenses					
	a) Cost of materials consumed	8233.11	6425.59	7110.25	30373.47	24064.66
	b) Purchase of Stock in trade	0.00	0.00	0.00	0.00	0.00
	c) Changes in inventories of finished goods, work-in-progress and stock - in - trade	1836.36	1467.64	495.68	762.37	(783.03)
	d) Employee benefits expenses	79.10	75.29	34.81	274.21	77.73
	e) Depreciation and amortisation expenses	4.29	3.92	4.22	13.24	11.85
	f) Other expenses	120.65	9.82	57.97	329.40	161.87
	Total expenses	10273.51	7982.26	7702.93	31752.69	23533.08
3	Profit/(Loss) from operations before Other Income, finance costs and Exceptional Items (1-2)	109.19	263.39	294.09	762.46	781.53
4	Other Income	0.00	0.00	0.00	0.00	0.00
5	Profit/(Loss) from ordinary activities before finance costs and Exceptional Items (3+4)	109.19	263.39	294.09	762.46	781.53
6	Finance costs	18.72	184.44	77.80	371.12	328.53
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	90.47	78.95	216.29	391.34	453.00
8	Exceptional items	0.00	0.00	0.00	0.00	0.00
9	Profit/ Loss from Ordinary Activities before tax (7+8)	90.47	78.95	216.29	391.34	453.00
10	Tax expenses : Current year	40.40	23.68	71.87	136.44	142.88
	: Earlier tax	0.00	0.00	1.63	(19.28)	1.63
	: Deferred tax	3.47	0.00	(1.00)	3.47	(1.00)
11	Net Profit (+)/ Loss (-) from Ordinary Activities after tax but before minority interest (9-10)	46.60	55.27	143.79	270.71	309.49
12	Extraordinary Items (Net of Tax Expenses)	0.00	0.00	0.00	0.00	0.00
13	Net Profit (+)/ Loss (-) for the period (11-12)	46.60	55.27	143.79	270.71	309.49
14	Share of profit/(Loss) of associates	0.00	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00	0.00
16	Net profit/(Loss) after taxes, Minority Interest and share of profit/(Loss) of associates	46.60	55.27	143.79	270.71	309.49
17	Paid-up Equity Share Capital (Rs. 10/- each)	2083.76	2083.76	2083.76	2083.76	2083.76
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-
19	Earning Per Share (EPS)					
	a) Basic and diluted EPS before Extraordinary items for the period for the year to date and for the previous year(not to be annualized)	0.22	0.27	0.69	1.30	1.48
	b) Basic and diluted EPS after Extraordinary items for the period for the year to date and for the previous year(not to be annualized)	0.22	0.27	0.69	1.30	1.48

PART II SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

A	PARTICULARS OF SHAREHOLDING	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Public shareholding					
	- Number of Equity shares	12798039	13748039	13748039	12798039	13748039
	- Percentage of Shareholding	81.31%	85.85%	85.85%	81.31%	85.85%
2	Promoters and Promoter Group Shareholding					
a.	Pledged / Encumbered					
	- Number of Shares	6263040	6106761	5128761	6263040	5128761
	- Percentage of shares (as a percentage of the total shareholding to promoter and promoter group)	77.52%	85.89%	71.94%	77.52%	71.94%
	- Percentage of shares (as a percentage of the the total share capital of the company)	30.00%	28.26%	24.57%	30.00%	24.57%
b.	Non-encumbered					
	- Number of Equity shares	1815721	1020000	2000000	1815721	2000000
	- Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	22.48%	14.31%	28.08%	22.48%	28.08%
	- Percentage of shares (as a percentage of the the total share capital of the company)	8.89%	4.89%	9.58%	8.89%	9.58%

B PARTICULARS

QUARTER ENDEND (31st March, 2016)

Investor Complaints	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil



SWARNSARITA GEMS LIMITED

AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2016

(Rs. In lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
<u>EQUITY AND LIABILITIES</u>		
<u>Shareholder's Funds</u>		
Share Capital	2083.76	2083.76
Reserves and Surplus	6060.35	5789.64
Money Received Against Share Warrant	0.00	0.00
Deffered Tax Liabilities	0.21	0.00
<u>Minority Interest</u>	0.00	0.00
<u>Current Liabilities</u>		
Short-Term Borrowings	7487.11	4834.92
Trade Payables	953.59	541.38
Other Current Liabilities	42.64	104.85
Short-Term Provisions	136.45	142.89
TOTAL	16764.11	13497.44
<u>ASSETS</u>		
<u>Non-Current Assets</u>		
Fixed Assets		
(i) Tangible Assets	159.12	43.79
(ii) Intangible assets under development	0.36	0.36
Non - Current Investment	1507.27	990.49
Deffered Tax Assets	0.00	3.26
<u>Current Assets</u>		
Current Investments	75.05	75.05
Inventories	5624.24	5203.24
Trade Receivables	4737.33	3747.66
Cash and Cash Equivalents	3211.20	1395.85
Short - Term Loans and Advances	1420.96	2027.12
Other Current Assets	28.58	10.62
TOTAL	16764.11	13497.44

NOTES :

- The above audited Standalone financial results of the company for year ended 31st March, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on 28th May, 2016.
- Previous year figures have been regrouped, rearranged or reclassified wherever necessary to make them comparable.

Date : 28/05/2016

Place : Mumbai

For Swarnsarita Gems Limited

*Mahendra M. Chordia*Mahendra M. Chordia
(Managing Director)



Auditor's Report on Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To Board of Directors of Swarnsarita Gems Limited

We have audited the financial results of Swarnsarita Gems Limited for the year to date results for the period 1st April, 2015 to 31st March, 2016, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The year to date financial result has been prepared on the basis of the interim financial statements, which is the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

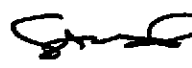
We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

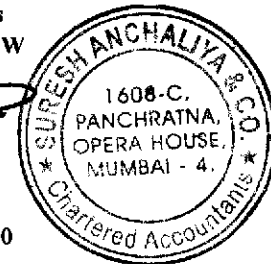
In our opinion and to the best of our information and according to the explanations given to us these financial results as well as the year to date results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) Give a true and fair view of the net profit and other financial information for the quarter ended 31st March, 2016 as well as the year to date results for the period from 1st April, 2015 to 31st March, 2016.

Place : Mumbai
Date : 28th May, 2016

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn.No : 112492W


Suresh Anchaliya
Partner.
Membership No. 044960





INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF SWARNSARITA GEMS LIMITED.
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SWARNSARITA GEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2016**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

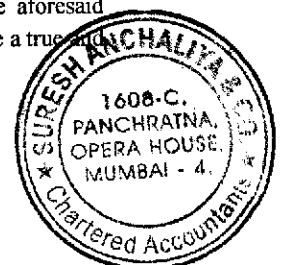
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

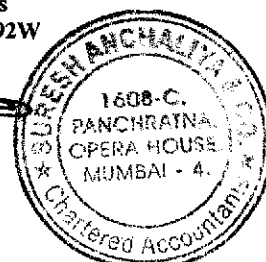
1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" a statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations on its financial position in its financial statements.
 - ii. The Company does not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Following are the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Date of declaration of dividend	Date of Transfer to the Bank Account	Due date of funds to be transferred to Investor Education and Protection	Actual date of transfer to Investor Education and Protection
07 th August 2008	29 th July 2008	06 th August, 2015	The amount is not transferred till the signing of this report
09 th September 2008	26 th September 2008	08 th September, 2015	

Date : 28th May, 2016
Place: Mumbai

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. : 112492W

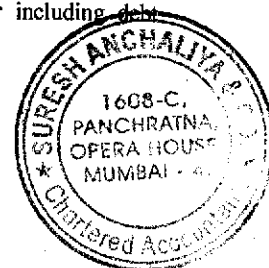
Suresh Anchaliya
Partner
M.No. : 044960



“Annexure A” to the Independent Auditors' Report

The annexure referred to Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2016, we report that:


- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year in a phased periodical manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company
- (ii) (a) The physical verification of the inventories has been verified by the management at regular intervals during the year and no material discrepancies were noticed.
- (iii) During the year the company has granted unsecured loan of Rs 3,73,75,700/- to its wholly owned subsidiary company "Swarnsarita Realty Private Limited" which is the only party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other term and conditions on which the loans had been granted to the body corporate listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
 - (b) The loan granted to the wholly owned subsidiary company "Swarnsarita Realty Private Limited" listed in the registered maintained under section 189 of the Act and the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
 - (c) As the loan granted to wholly owned subsidiary company "Swarnsarita Realty Private Limited" is repayable on demand and hence there is no overdue amount.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public.
- (vi) The central government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- (vii) (a) According to the information and explanations given by the management and based on our examination of the records of the company, amounts deducted/acrued in the books of account in respect of undisputed statutory dues including provident fund, Income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the company did not have any dues on account of employees state insurance and duty of excise.
According to information and explanations given to us, no undisputed amounts payable in respect of provident funds, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrear as at 31st March 2016 for a period of more than six months from the date they become payable.
- (b) According to information and explanations given to us, there are no material dues of taxes which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, government and banks.
- (ix) The company did not raise moneys by way of initial public offer or further public offer including debt instruments and term loans during the year. Accordingly, paragraph 3 (ix) is not applicable.

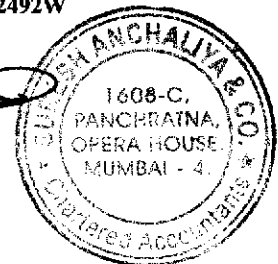


- (x) According to information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management and based on our examination of the records, the company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given by the management and based on our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the paragraph 3 (xv) of the Order is not applicable
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

Date :28th May, 2016
Place: Mumbai

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. :112492W


Suresh Anchaliya
Partner
M.No. : 044960



“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Swarnsarita Gems limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Swarnsarita Gems Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant on India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

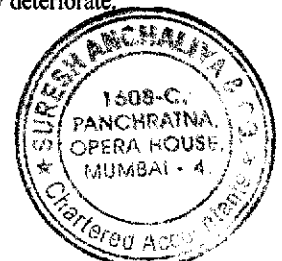
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting; including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

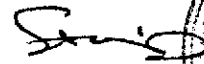


Opinion

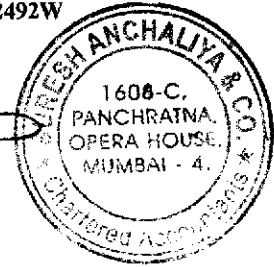
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant on India ('ICAI').

Date : 28th May, 2016
Place: Mumbai

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. :112492W



Suresh Anchaliya
Partner
M.No. : 044960





INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF SWARNSARITA GEMS LIMITED
Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SWARNSARITA GEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at **31st March, 2016**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

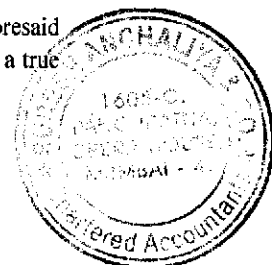
We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true



and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2016, and its profit and its cash flows for the year ended on that date.

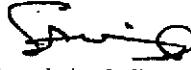
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") as amended, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, the matters specified in paragraphs 4 and 5 of the Order are **not applicable** to the company as regards to the consolidated financial statements.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations on its financial position in its financial statements.
 - ii. The Company does not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. Following is the instances of delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company:

Date of declaration of dividend	Date of Transfer to the Bank Account	Due date of funds to be transferred to Investor Education and Protection	Actual date of transfer to Investor Education and Protection
07 th August 2008	29 th July 2008	06 th August, 2015	The amount is not transferred till the signing of this report
09 th September 2008	26 th September 2008	08 th September, 2015	

Date : 28th May, 2016
Place: Mumbai

For Suresh Anchaliya & Co.
Chartered Accountants
Firm Regn. No. : 112492W


Suresh Anchaliya
Partner
M.No. : 044960



"Annexure B" to the Independent Auditor's Report of even date on the consolidated Financial Statements of Swarnsarita Gems limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Swarnsarita Gems Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant on India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

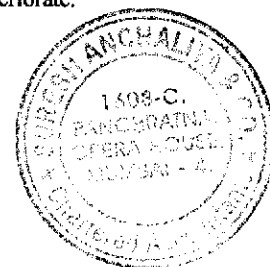
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on internal controls over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant on India ('ICAI').

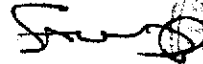
Date : 28th May, 2016

Place: Mumbai

For Suresh Anchaliya & Co.

Chartered Accountants

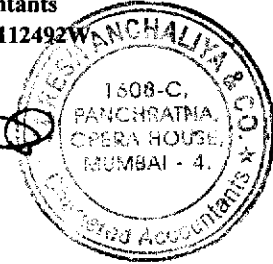
Firm Regn. No. : 112492W



Suresh Anchaliya

Partner

M.No. : 044960



SWARNSARITA GEMS LIMITED

REGD. OFFICE: 17/19, GROUND FLOOR, DHANJI STREET MUMBAI - 400 003.

CIN NO.:- L36911MH1992PLC068283

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

PART I

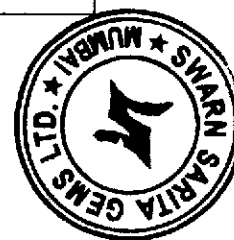
(Rs. In Lacs)

Sr. No.	PARTICULARS	Quarter Ended			Twelve Months Ended	Twelve Months Ended
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Income from operations					
	(a) Net Sales/Income from Operations (Net of excise duty)	10274.71	8193.65	7880.00	32151.83	24008.87
	(b) Other Operating Income	125.79	172.20	187.61	390.67	368.41
	Total income from operations (net)	10400.50	8365.85	8067.61	32542.50	24377.28
2	Expenses					
	a) Cost of materials consumed	9024.29	6425.59	7143.57	31164.65	24097.98
	b) Purchase of Stock in trade	0.00	0.00	0.00	0.00	0.00
	c) Changes in inventories of finished goods, work-in-progress and stock - in - trade	1045.18	1467.64	495.67	(28.81)	(783.04)
	d) Employee benefits expenses	87.10	76.64	36.86	293.41	79.78
	e) Depreciation and amortisation expenses	7.17	3.92	5.87	16.12	13.50
	f) Other expenses	120.69	14.47	65.65	334.60	169.88
	Total expenses	10284.43	7988.26	7747.62	31779.97	23578.10
3	Profit/(Loss) from operations before Other Income, finance costs and Exceptional Items (1-2)	116.07	377.59	319.99	762.53	799.18
4	Other Income	0.00	0.00	0.00	0.00	0.00
5	Profit/(Loss) from ordinary activities before finance costs and Exceptional items (3+4)	116.07	377.59	319.99	762.53	799.18
6	Finance costs	18.71	292.01	77.79	371.12	328.53
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	97.36	85.58	242.20	391.41	470.65
8	Exceptional items	0.00	0.00	0.00	0.00	0.00
9	Profit/ Loss from Ordinary Activities before tax (7+8)	97.36	85.58	242.20	391.41	470.65
10	Tax expenses : Current year	42.46	25.67	81.86	136.46	150.40
	: Earlier tax	(2.37)	0.00	1.63	(21.65)	1.63
	: Deferred tax	3.76	0.00	(1.00)	3.76	(1.00)
11	Net Profit (+)/ Loss (-) from Ordinary Activities after tax but before minority interest (9-10)	53.51	59.91	159.71	272.84	319.62
12	Extraordinary Items (Net of Tax Expenses)	0.00	0.00	0.00	0.00	0.00
13	Net Profit (+)/ Loss (-) for the period (11-12)	53.51	59.91	159.71	272.84	319.62
14	Share of profit/(Loss)of associates	0.00	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00	0.00
16	Net profit/(Loss)after taxes,Minority Interest and share of profit/(Loss)of associates	53.51	59.91	159.71	272.84	319.62
17	Paid-up Equity Share Capital (Rs.10/- each)	2083.76	2083.76	2083.76	2083.76	2083.76
18	Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year	-	-	-	-	-
19	Earning Per Share (EPS)					
	a) Basic and diluted EPS before Extraordinary items for the period for the year to date and for the previous year(not to be annualized)	0.26	0.29	0.77	1.31	1.53
	b) Basic and diluted EPS after Extraordinary items for the period for the year to date and for the previous year(not to be annualized)	0.26	0.29	0.77	1.31	1.53

PART II SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED 31ST MARCH,2016

A	PARTICULARS OF SHAREHOLDING	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1	Public shareholding					
	- Number of Equity shares	12798039	13748039	13748039	12798039	13748039
	- Percentage of Shareholding	61.31%	65.65%	65.85%	61.31%	65.85%
2	Promoters and Promoter Group Shareholding					
	a. Pledged / Encumbered					
	- Number of Shares	6283040	6108761	5128761	6283040	5128761
	- Percentage of shares (as a percentage of the total shareholding fo promoter and promoter group)	77.52%	85.69%	71.94%	77.52%	71.94%
	- Percentage of shares (as a percentage of the the total share capital of the company)	30.00%	29.28%	24.57%	30.00%	24.57%
	b. Non-encumbered					
	- Number of Equity shares	1815721	1020000	2000000	1815721	2000000
	- Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	22.48%	14.31%	28.08%	22.48%	28.08%
	- Percentage of shares (as a percentage of the the total share capital of the company)	8.69%	4.89%	9.58%	8.69%	9.58%

B	PARTICULARS	QUARTER ENDED (31st March, 2016)				
	Investor Complaints					
	Pending at the beginning of the quarter		Nil			
	Received during the quarter		Nil			
	Disposed of during the quarter		Nil			
	Remaining unresolved at the end of the quarter		Nil			



SWARNSARITA GEMS LIMITED

AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31st MARCH, 2016

(Rs. In lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
EQUITY AND LIABILITIES		
Shareholder's Funds		
Share Capital	2083.76	2083.76
Reserves and Surplus	6068.36	5795.52
Money Received Against Share Warrant	0.00	0.00
Deferred Tax Liabilities	0.50	0
Minority Interest	0.00	0.00
Current Liabilities		
Short-Term Borrowings	7487.12	4834.92
Trade Payables	953.59	541.38
Other Current Liabilities	134.79	125.50
Short-Term Provisions	136.46	149.41
TOTAL	16864.57	13530.49
ASSETS		
Non-Current Assets		
Fixed Assets		
(i) Tangible Assets	172.01	43.80
(ii) Intangible assets under development	0.36	0.36
Non - Current Investment	507.27	(9.50)
Deferred Tax Assets	0.00	3.26
Current Assets		
Current Investments	75.05	75.05
Inventories	6706.66	5494.48
Trade Receivables	4748.26	3747.65
Cash and Cash Equivalents	3212.11	1396.01
Short - Term Loans and Advances	1412.63	2765.49
Other Current Assets	30.22	13.89
TOTAL	16864.57	13530.49

Consolidated Segment Information

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
1.SEGMENT REVENUE					
Jewellery	10382.70	8245.74	7997.02	32515.15	24314.61
Reality	16.33	48.89	88.78	133.44	175.08
Total	10399.03	8294.63	8085.80	32648.59	24489.69
Less : Inter Segment Revenue	-1.46	6.37	51.31	106.1	112.41
Net Sales /Income from Operations	10400.49	8288.26	8034.49	32542.49	24377.28
2.SEGMENT RESULT					
Jewellery	90.47	78.95	216.29	391.34	453.00
Reality	6.89	6.63	25.91	0.06	17.65
Total	97.36	85.58	242.20	391.40	470.65
Unallocable Expenses	0.00	0.00	0.00	0.00	0.00
Operating Income	97.36	85.58	242.20	391.40	470.65
Other Income	0.00	0.00	0.00	0.00	0.00
Profit Before Tax	97.36	85.58	242.20	391.40	470.65
SEGMENT CAPITAL EMPLOYED					
Jewellery	8144.11	8650.21	7873.40	8144.11	7873.40
Reality	1008.00	999.06	1005.87	1008.00	1005.87
	9152.11	9649.27	8879.27	9152.11	8879.27
Unallocable Assets (net)	0.00	0	0.00	0.00	0.00
Total Capital Employed	9152.11	9649.27	8879.27	9152.11	8879.27

Notes:

- The above audited Standalone financial results of the company for year ended 31st March, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their Meeting held on 28th May, 2016.
- The company has wholly owned subsidiary M/s Swarnsarita Reality Pvt Ltd.
- Previous year figures have been regrouped, rearranged or reclassified wherever necessary to make them comparable.
- The management of company has identify two reportable segment as defined in Accounting Standard - 17 i.e. 1. Jewellery Segment
2. Reality Segment.

Date : 28/05/2016
Place : Mumbai

For Swarnsarita Gems Limited

Mahendra M. Chordia
(Managing Director)

