



Dated.....

INDEPENDENT AUDITORS REPORT

The Members,
Satva Jewellery and Design Limited.

1. Report on the Financial Statements

We have audited the accompanying Financial Statement of M/s Satva Jewellery and Design Limited ("The Company") which comprise of the Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended as on that date, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We conducted our audit in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India and also specified under sec 143(10) of the Act. Those standards require that we comply, plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
4. We have taken into account the provisions of the Act, 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.
5. 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 the internal control systems relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures, the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

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

7. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date.
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2015 ("the Orders") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
9. As required by Section 143(3) of the Act, we report that:-
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts 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, and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet, and Statement of Profit and Loss, 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 on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:



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- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

Place: Chandigarh

Dated: 28-05-2016



For Singhal Karun & Co.,
Chartered Accountants

(Anil K. Goyal)

Proprietor

M.Ship No.FCA-80255

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT TO THE MEMBERS OF SATVA JEWELLARY AND DESIGN LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2016

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
© As explained to us the company does not own any immoveable property.
2. The Company does not have any inventory during the year; therefore this para is not applicable.
3. The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
6. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
7. According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India. Further no undisputed amounts were outstanding at the yearend for a period of more than 6 months from they became payable.
8. According to the records of the company examined by us and as per the information and explanations given to us, the company has not availed of any loans from any financial institution or banks and has not issued debentures.
9. As the company has not raised any money by way of either Term Loan or by Public Issue, therefore, the question of application of such money does not arise.
10. We have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management
11. As information provided to us the company has not paid any managerial remuneration during the year.
12. In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
13. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
14. During the year, the company has not made any private placement of shares.
15. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chandigarh
Date: 28/05/2016

For Singhal Karun & Co.
Chartered Accountants

(Anil K. Goyal)
Proprietor

M.ship No.FCA-80255





Dated.....

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the financial statements of M/s M/s Satva Jewellery and Design Limited, Chandigarh as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the IFCoFR criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of 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 the Company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing ('Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining and understanding of IFCoFR, 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.
5. 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 IFCoFR according to the size and operations of the Company.

Meaning of Internal Financial Controls over Financial Reporting

6. A Company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in

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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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

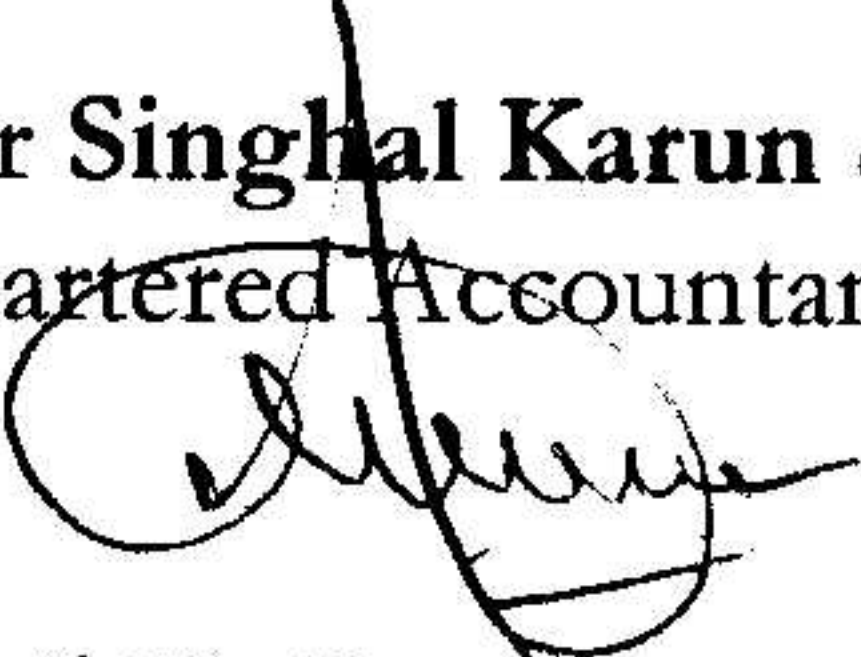
Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, and according to the size and operations of the Company the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the IFCoFR criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI.

For **Singhal Karun & Co**
Chartered Accountants


(Anil K. Goyal)
Proprietor
Membership No.: FCA-080255



Place: Chandigarh
Date: 28.05.2016

SATVA JEWELLERY AND DESIGN LIMITED**BALANCE SHEET AS AT MARCH 31, 2016**

(All amounts in Rupees, unless stated otherwise)

Particulars	Note	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	30,000,000	30,000,000
Reserves and surplus	3	(36,091,042)	(33,307,477)
Non-Current liabilities			
Current liabilities			
Other current liabilities	4	19,426,527	18,236,092
Total		13,335,486	14,928,617
ASSETS			
Fixed assets			
-Tangible assets	5	11,509,520	12,838,995
Non-current assets			
Long term loans and advances	6	103,570	103,570
Current assets			
Cash and cash equivalents	7	969,878	986,303
Other current assets	8	752,519	999,749
Total		13,335,486	14,928,617

Notes 1 to 13 form an integral part of these financial statements.

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AUDITORS' REPORT

As per our report of even date annexed

For SINGHAL KARUN & CO.
CHARTERED ACCOUNTANTS
(ANIL K. GOYAL)
PROPRIETOR
MEMBERSHIP NO. FCA80255

FOR AND ON BEHALF OF THE BOARD


(Y. SABOO)
DIRECTOR
(S.K. MASOWN)
DIRECTORPLACE : Chandigarh
DATE : 28.05.2016

SATVA JEWELLERY AND DESIGN LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2016

(All amounts in Rupees, unless stated otherwise)

Particulars	Note	For the year ended 31st March 2016	For the year ended 31st March 2015
REVENUE			
Other income	9	749,901	984,916
Total revenue		749,901	984,916
EXPENDITURE			
Finance costs	10	1,571,964	1,566,329
Depreciation and amortisation expense	11	1,329,475	2,784,891
Other expenses	12	632,027	252,688
Total expenses		3,533,466	4,603,908
V. Profit/(Loss) before exceptional and extraordinary items and tax		(2,783,565)	(3,618,992)
Exceptional items		-	-
Profit/(Loss) before tax		(2,783,565)	(3,618,992)
Tax expense:			
Current tax		-	-
Minimum Alternate Tax credit entitlement		-	-
Deferred tax		-	-
Profit/(Loss) after tax		(2,783,565)	(3,618,992)
Add : balance brought forward from previous year		(33,307,477)	(29,688,486)
Loss carried forward		(36,091,042)	(33,307,478)
Earning per equity share of face value of Rs. 10 each			
Basic		Negative	Negative
Diluted		Negative	Negative

Notes 1 to 13 form an integral part of these financial statements.

AUDITORS' REPORT

As per our report of even date annexed

For **SINGHAL KARUN & CO.**
CHARTERED ACCOUNTANTS



(ANIL K. GOYAL)
PROPRIETOR
MEMBERSHIP NO. FCA80255
PLACE : Chandigarh
DATE : 28.05.2016



FOR AND ON BEHALF OF THE BOARD


(Y. SABOO)
DIRECTOR


(S.K. MASOWN)
DIRECTOR

SATVA JEWELLERY AND DESIGN LIMITED
CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2016

	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	(2,783,565)	(3,618,991)
Adjustments for:		
Depreciation	1,329,475	2,784,891
Finance costs	1,571,964	1,566,329
Interest income	(149,901)	(138,216)
Liabilities no longer required written back	-	(26,010)
Amount Written off	368,075	182,296
Operating profit before working capital changes	<u>336,048</u>	<u>750,299</u>
Adjustments for:		
Other current assets	(120,845)	(13,418)
Trade payables	-	(29,871)
Other current liabilities	1,190,435	663,462
Cash generated from operating activities	<u>1,405,639</u>	<u>1,370,471</u>
Income tax refund/(paid)		
Net cash from operating activities	<u>1,405,639</u>	<u>1,370,471</u>
Cash flow from investing activities		
Interest received	<u>149,901</u>	<u>138,216</u>
Net cash from investing activities	<u>149,901</u>	<u>138,216</u>
Cash flow from financing activities		
Movement in restricted cash	(28,675)	-
Finance cost	(1,571,964)	(1,566,329)
Net cash from/(used in) financing activities	<u>(1,600,639)</u>	<u>(1,566,329)</u>
Net increase in cash and cash equivalent	<u>(45,099)</u>	<u>(57,642)</u>
Cash and cash equivalents (opening balance)	<u>86,400</u>	<u>144,042</u>
Cash and cash equivalents (closing balance)	<u>41,301</u>	<u>86,400</u>
Excluding the following:		
Pledge in fixed deposit account against margin money	<u>928,578</u>	<u>899,903</u>
Balance as per books of account	<u>969,879.54</u>	<u>986,303</u>
Notes 1 to 19 form an integral part of these financial statements.		

AUDITORS' REPORT

As per our report of even date annexed

FOR SINGHAL KARUN & CO.
CHARTERED ACCOUNTANTS

(ANIL K. GOYAL)
 PROPRIETOR
 M/ship No. : FCA80255

PLACE : Chandigarh
 DATE : 28.05.2016



FOR AND ON BEHALF OF THE BOARD

(Y. SABOO)
 DIRECTOR

(S.K. MASOON)
 DIRECTOR

SATVA JEWELLERY AND DESIGN LIMITED

Notes forming part of the balance sheet as at 31.03.2016

1 Corporate information

- The company was incorporated in 2004 and had set up a facility to carry out business of Diamond and stone fixation on watch accessories and Jewellery items.
- The company has given its part of facility on lease to KDDL Ltd vide extended agreement dt 14.5.2015 for a period of three years, as such the operations in the plant are presently being carried out by the lessee. The agreement was effective upto 31.3.2017, and has since been renewed.

Address:

Regd office: SCO-88-89, sector-8C, Chandigarh-160008

CIN No.: U36911CH2004PLC027767

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statement :

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards notified under the companies (accounting standards) rules, 2006 (as amended) and the relevant provisions of the companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised.

2.3 Inventories :

As the facility is given on lease, the company do not have any inventory of raw materials, work in progress, components, stores & spares and finished goods.

2.4 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks.

2.5 Cash flow statement :

Cash Flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.6 Depreciation and amortisation

Depreciation on Fixed Assets has been provided on rates calculated on the basis of useful life of respective asset as given in Schedule-II of the Companies Act 2013.

2.7 Revenue recognition

Item of Income and expenditure are recognised on accrual basis

2.8 Other income

Lease rentals and the Interest income is accounted on accrual basis.

2.9 Tangible fixed assets

Fixed assets are shown at carrying value i.e. Cost of acquisition less depreciation calculated on the basis of useful life less salvage value.

2.10 Investments

Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. The company has not made investment in properties. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for tangible fixed assets. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.



2.11 Employee benefits

The provisions of employees provident fund act and payment of gratuity act are not applicable to the company. Therefore no long term or short term benefits which are not paid during the year, are being recognised.

2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred are charged to the statement of profit and loss over the tenure of the loan.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is not computed as the company do not have any dilutive potential equity shares at the date of balance sheet.

2.14 Taxes on income

- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

- Minimum alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax.

Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the company.

- In view of accumulated losses, there is no deferred tax liability. However there are deferred tax assets but due to uncertainties in generation of adequate profits in future the deferred tax assets are also not recognised in the statement of profit and loss.

2.15 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, except in case of revalued assets.

2.16 Provisions and contingencies

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

2.17 Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.18 Foreign Currency Transactions

Transactions arising in foreign currencies during the year are converted at the rates closely approximating those prevailing on the dates of transactions. Assets and Liabilities in foreign currency as at the date of Balance Sheet are restated at exchange rates prevailing as on that date. All exchange differences arising from conversion are adjusted with exchange gains/losses from import payments and the net with exchange gains/losses from import payments and the net balance is accounted for in the Profit and Loss Account.

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SATVA JEWELLERY AND DESIGN LIMITED

Notes to the financial statements for the period ending as on 31st March, 2016

(All amounts in Rupees, unless stated otherwise)

	As at 31st March 2016		As at 31st March 2015	
2. Share capital	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of Rs. 10 each	3,000,000	30,000,000	3,000,000	30,000,000
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each	3,000,000	30,000,000	3,000,000	30,000,000
Total	3,000,000	30,000,000	3,000,000	30,000,000

a. The Company has only one class of equity shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of equity share capital

Equity share capital of Rs. 10 each fully paid up

Balance at the beginning of the year	3,000,000	30,000,000	3,000,000	30,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	3,000,000	30,000,000	3,000,000	30,000,000

c. Shareholders holding more than 5% of shares

Name		Number	Amount	Number	Amount
KDDL Limited	50%	15,000,000	150,000,000	15,000,000	150,000,000
PV Holding SA	50%	15,000,000	150,000,000	15,000,000	150,000,000
		30,000,000	300,000,000	30,000,000	300,000,000

	As at 31st March 2016	As at 31st March 2015
3. Reserves and surplus		
Surplus in the statement of profit and loss		
Balance at the beginning of the year	(33,307,477)	(29,732,899)
Add: Transferred from statement of profit and loss	(2,783,565)	(3,618,991)
Add: Transferred as per schedule II		44,413
Balance at the end of the year	(36,091,042)	(33,307,477)

	As at 31st March 2016	As at 31st March 2015
4. Other current liabilities		
Current maturities of long term debts		
Secured loan from Indian collaborator ##	10,000,000	10,000,000
-Unsecured Loan from foreign collaborator #	4,803,859	4,612,869
-Unsecured Loan from Indian collaborator	394,200	394,200
Other liabilities	50,581	49,454
Creditor for expenses	4,177,887	3,179,569
Total	19,426,527	18,236,092

(ECB loan includes Rs. 18,53,500 (previous year Rs. 16,62,110) as exchange rate fluctuation. ECB Loan from foreign collaboration has been revalued as per prevailing exchange rate as on 31st March, 2016. The Loss on exchange fluctuation has been accounted for in P&L Account.

Loan from related party is secured by hypothecation of all the Plant & Machinery owned by the Company as on date or to be acquired in future and all stocks of Raw Material, Work in Progress, Semi finished goods, Finished goods and Book Debts, present and future of the Company.



SATVA JEWELLERY AND DESIGN LIMITED**Notes to the financial statements for the period ending as on 31st March, 2016**

(All amounts in Rupees, unless stated otherwise)

	As at 31st March 2016	As at 31st March 2015
6. Long term loans and advances		
<u>Security Deposit</u>		
a) Secured, considered good :	103,570	103,570
Total	<u>103,570</u>	<u>103,570</u>
	As at 31st March 2016	As at 31st March 2015
7. Cash and bank balances		
Cash and cash equivalents		
- Cash in hand	11,552	11,552
- Balance in Current Account with Bank	29,748	74,848
- Fixed deposit with banks in deposit account held as margin money	928,578	899,903
Total	<u>969,878</u>	<u>986,303</u>
	As at 31st March 2016	As at 31st March 2015
8. Other current assets		
TDS recoverable	54,739	371,966
Advances recoverable in cash or in kind	-	35,042
Interest accrued on deposits	697,780	592,741
Total	<u>752,519</u>	<u>999,749</u>

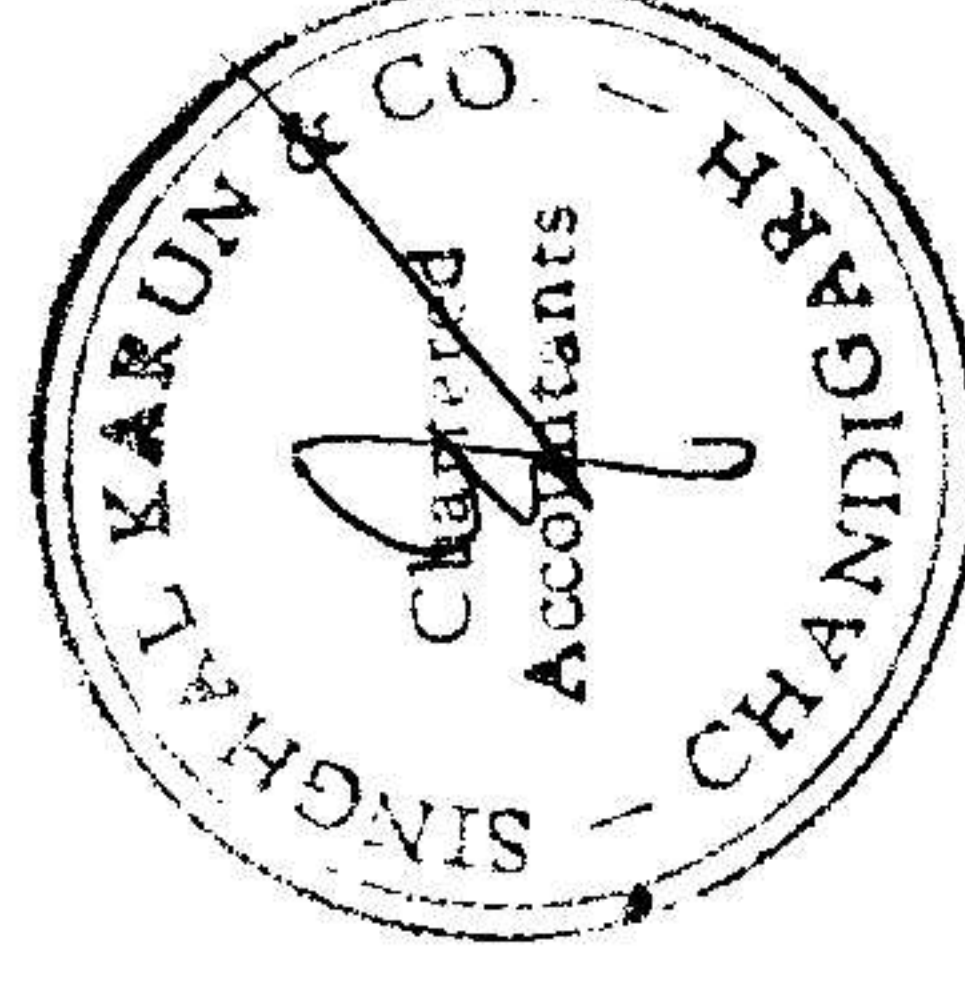


ATVA JEWELLERY AND DESIGN LIMITED

Notes to the financial statements for the period ending as on 31st March, 2016

Fixed Assets

		Gross Block					Depreciaton			Net Block	
	Particulars	Value as on 1.4.2015	Additions during the year	Deduction during the year	Value as on 31.03.2016	Value as on 1.4.2015	Charge for the period	Adjustments	Value as on 31.03.2016	WDV as on 31.03.2016	WDV as on 31.03.2015
1	Plant and Equipment	30,652,098		-	30,652,098	17,813,103	1,329,475		19,142,578	11,509,520	12,838,995
2	Furnitures & Fixtures	1,368,401		-	1,368,401	1,368,401			1,368,401	-	-
3	Office Equipment	807,837		-	807,837	807,837			807,837	-	-
4	Vehicles	768,453		-	768,453	768,453			768,453	-	-
	TOTAL	33,596,789	-	-	33,596,789	20,757,794	1,329,475	-	22,087,270	11,509,520	12,838,995
	Previous year (Totals only)	33,596,789	-	-	33,596,789	17,972,903	2,784,891	-	20,757,794	12,838,995	15,623,886



SATVA JEWELLERY AND DESIGN LIMITED

Notes to the financial statements for the period ending as on 31st March, 2016

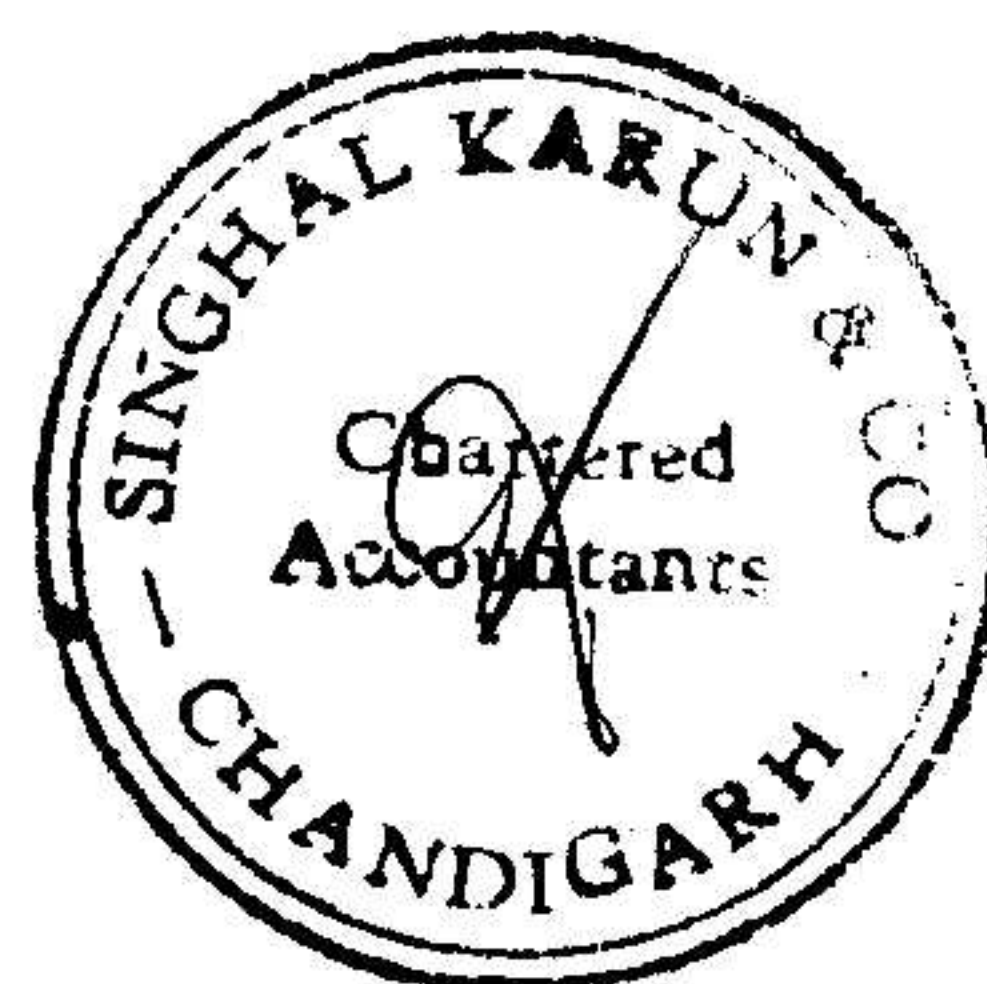
(All amounts in Rupees, unless stated otherwise)

	As at 31st March 2016	As at 31st March 2015
9 Other income		
Interest income	149,901	138,216
Exchange Rate Fluctuations	-	218,680
Lease Rent	600,000	600,000
Misc Income	-	28,020
Total	<u>749,901</u>	<u>984,916</u>

	As at 31st March 2016	As at 31st March 2015
10 Finance cost		
Interest expense	<u>1,571,964</u>	<u>1,566,329</u>
Total	<u>1,571,964</u>	<u>1,566,329</u>

	As at 31st March 2016	As at 31st March 2015
11 Depreciation		
Depreciation	<u>1,329,475</u>	<u>2,784,891</u>
Total	<u>1,329,475</u>	<u>2,784,891</u>

	As at 31st March 2016	As at 31st March 2015
12 Other Expenses		
Insurance	-	2,034
*Rates and taxes	1,224	21,800
Legal and professional	51,688	25,500
- Audit fee	20,000	20,000
Miscellaneous expenses	-	350
Exchange rate fluctuation	190,990	-
Bank charges	50	708
Amounts written off	<u>368,075</u>	<u>182,296</u>
	<u>632,027</u>	<u>252,688</u>



SATVA JEWELLERY AND DESIGN LIMITED
GROUPING TO THE BALANCE SHEET
As on March 31, 2016

(Amount in Rs)

PARTICULARS	As at 31st March 2016	As at 31st March 2015
SECURITY DEPOSIT		
- with Govt. Deptt		
UHBVN - Panchkula (Haryana)	94,550	94,550
- Security Deposit - Rent	9,020	9,020
	<u>103,570</u>	<u>103,570</u>
CASH & BANK BALANCES		
Cash in Hand	11,552	11,552
In Current Account	29,748	74,848
Margin Money With Bank	138,528	109,853
Fixed Deposit Account - Banks	790,050	790,050
	<u>969,878</u>	<u>986,303</u>
ADVANCE RECOVERABLE		
Service Tax Recoverable / ST	-	30,748
Cess	-	645
Staff Imprest	-	3,649
	<u>-</u>	<u>35,042</u>
Tds Recoverable-11-12	-	16,839
Tds Recoverable-2008-09	-	251,494
TDS Recoverable (2010-11)	-	50,082
TDS Recoverable (2013-14)	26,552	26,552
TDS Recoverable (2014-15)	28,187	26,999
	<u>54,739</u>	<u>344,967</u>
CREDITORS FOR EXPENSES		
Expenses Payable	428,670	374,984
KCEN	3,749,217	2,804,585
	<u>4,177,887</u>	<u>3,179,569</u>
OTHER LIABILITIES		
Income Tax Deducted at Source (payable)	50,581	49,454
	<u>50,581</u>	<u>49,454</u>
Other Income		
Lease Rent from KDDL	600,000	600,000
Misc Income	-	26,010
Liabilities no longer required written back	-	2,010
	<u>600,000</u>	<u>628,020</u>



LEGAL & PROFESSIONAL EXPENSES

Legal & Professional Charges

51,688	25,500
51,688	25,500

MISCELLANEOUS EXPENSES

Miscellaneous Exp

*Bank Charges**Insurance*

-	350
-	708
	2,034
-	3,092

RATES & TAXES

Rates & Taxes (excl sale tax paid)

1,224	21,800
1,224	21,800

Finance Cost

Interest paid on ICD-KDDL

Interest paid on ECB

1,507,496	1,507,496
64,468	58,833
1,571,964	1,566,329



SATVA JEWELLERY AND DESIGN LIMITED

Notes forming part of the balance sheet as at 31.03.2016

Note 15 Additional information to the financial statements

15.1 Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2016	As at 31 March 2015
Counter Guarantee to Bank for Custom duty saved against EPCG Licences, pending redemption	21,71,804	21,71,804
Margin Money kept by Bank	9,28,578	8,99,903
The company has submitted the EPCG license with DGFT for redemption. Redemption certificate is yet to be received		

15.2

- a No provision for income tax has been made, as there is no assessable income in view of carry forward losses.
- b In the opinion of the Board, the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount considered reasonable.
- c Debit and credit balances in the accounts of the parties are subject to confirmation and reconciliation.
- d There is no deterred tax liability in view of carry forward losses, there is deferred tax asset. But due to uncertainties the deferred tax asset is not recognised.
- e The Company has not paid the installments of ECB Loan due since quarter ended March, 2011. The liability of interest on balance ECB has been provided up to date. The loan has been taken by the company from its Foreign Collaborator.
- f During the F/Y 2014-15 the company has adjusted its TDS liability of Rs 113061 with the excess TDS deposited (Twice deposited) in FY 2012-13. The company has submitted the documents for approval of adjustment of Tax excess deposited in 2012-13 by depositing less amount in F/Y 2014-15. The department has not yet approved the said adjustment. The provision for liability, if any, arises shall be accounted for on payment basis.
- f Previous year figures have been regrouped or rearranged, wherever considered necessary.

15.3 Related Party Disclosure

1) Associate Company

Name of the party:

KDDL Ltd

PV Holding SA

2) Summary of Transaction entered into with related party:

KDDL Ltd

Particulars of transaction	2015-16	2014-15
Lease rent received	6,00,000	6,00,000
Interest Charges paid	15,07,496	15,07,496
Expenses reimbursed	1,75,884	57,732
Amount Payable as on 31.3.16 (including loan amount)	1,41,43,416	1,31,98,785

PV Holding SA

Particulars of transaction	2015-16	2014-15
Interest Charges paid	64,468	58,833
Amount Payable as on 31.3.16 (including loan amount)	48,03,859	46,12,869

Auditors' report

As per our report of even date attached.

FOR SINGHAL KARUN & CO.

CHARTERED ACCOUNTANTS

(ANIL K. GOYAL)
PROPRIETOR
M/ship No. : FCA80255

PLACE : CHANDIGARH
DATE : 28.05.2016



(Y. SABOO)
(DIRECTOR)

(S.K. MASOWN)
(DIRECTOR)