



An ISO 9001:2008 company

ગુજરાત હીરા બુર્સ

ડેવલોપર - જેમ એન્ડ જ્વેલરી પાર્ક, ઈચ્છાપોર, સુરત

॥નિમંત્રણ॥

આદરણીય સભ્યશ્રી,

આપશ્રીને ગુજરાત હીરા બુર્સની
સોળમી વાર્ષિક સાધારણ સભામાં
હાજર રહેવા ભાવભીનું
આમંત્રણ છે.

તારીખ :

૩૦મી સપ્ટેમ્બર ૨૦૧૬, શુક્રવાર

સમય :

સવારે ૧૦.૦૦ કલાકે.

સ્થળ :

ઓડિટોરીયમ, “લેક્સ”,

ગુજરાત હિરા બુર્સ,

જેમ એન્ડ જ્વેલરી પાર્ક,

ઈચ્છાપોર બસ સ્ટેન્ડ નં.૨ ની સામે,

પાલ-હજીરા રોડ, ઈચ્છાપોર, સુરત.

16th ANNUAL REPORT

2015-16

◇ લિ. ◇

ચંદ્રકાંતભાઈ સંઘવી
પ્રમુખ

નાનુભાઈ વાનાણી
સેક્રેટરી



HARI KRISHNA EXPORTS PVT. LTD. (HK HUB)



K. P. SANGHVI & SONS



ADMG DIAMOND PVT. LTD. (PROPOSED)



TECHNOMIST PVT. LTD.



FORM OF PROXY

GUJARAT HIRA BOURSE , SURAT

I/We _____ of _____ in the district of _____ being a member/members of the above named company hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the company to be held on the 30th September, 2016, Friday and at any adjournment thereof.

Signed this _____ day of _____ 2016.

(Signature of Member)



Notice is hereby given that the 16th Annual General Meeting of the Company will be held at Auditorium, "Lexus", Gujarat Hira Bourse, Gem & Jewellery Park, Opp. Ichchhapore Bus Stand No.2, Pal-Hazira Road, Ichchhapore, Surat-394510 on 30th September, 2016 at 10.00 a.m. to transact following business and to consider and, if thought fit, with or without modification to pass the following proposed Resolution:

ORDINARY BUSINESS:

1. RESOLVED THAT the Audited Balance Sheet of the Company as on 31st March 2016 together with the Working Committee Report and Auditor's Report thereon be and is hereby approved and adopted.

SPECIAL BUSINESS :

1. RESOLVED THAT M/s. Natvarlal Vepari & Co., Chartered Accountants (Registration No. 123626W), be and are hereby appointed Statutory Auditors of the company for the financial year 2015-16 and to hold office until the conclusion of the next Annual General Meeting and they be remunerated by way of such fee as the Managing Committee May determine.
2. To appoint Directors in place of Directors who retire by rotation and being eligible offer themselves for re-appointment.
3. RESOLVED FURTHER THAT the Secretary of the Company be and are hereby severally authorized to sign in physical or digitally the various statutory forms and documents as and when required under various statutes with the authorities concerned and with Registrar of Companies.

For Gujarat Hira Bourse,

President

Date: 9/9/2016

Registered Office:

Gem & Jewellery Park,
2nd Floor, Administrative Building,
Nr. GIDC Water Tank, ONGC Hazira Road,
Ichchhapore, Surat.

- Note:
1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be deposited with the company not less than 48 hours before the meeting. Proxy form is attached with this report.
 2. Members are requested to carry Audit Report while attending the meeting.
 3. Members are requested to intimate any change in their addresses to the Company.

MANAGING COMMITTEE REPORT

Dear Members,

Managing Committee, Gujarat Hira Bourse is pleased to present the Audited Report of Financial Year 2015-16 before you.

The Gems & Jewellery Sector is performing a vital role in Earning Foreign Exchange for the Country. Gem & Jewellery Industry contributes around 6 - 7 % of the Country's GDP. Based on its potential for growth and value addition, the Government of India has declared the Gems and Jewellery sector as a focus area for export promotion. Relaxation of restrictions of gold import, improvement in availability of low cost gold metal loans and stabilisation of gold prices at lower levels is expected to drive volume growth for jewellery Sector.

Central Government has declared to establish Special Notified Zone (SNZ) in New Foreign Trade Policy 2015-20 for the development of Gem & Jewellery Industry. We are pleased to inform you that this Special Notified Zone is going to be established within our GHB Gem & Jewellery Park area. The Procedures to obtain necessary permissions for the same including establishment of Custom House have already been started.

To make Surat as a hub of Jewellery together with Diamonds, we are planning to establish an absolute Ultra Modern and Gorgeous Jewellery Trading Mall in approx. 40,000 Sq. Yard land of GHB Gem & Jewellery Park area towards the ONGC Road Side Gate No. 1. One of the world's renowned Architects Shri Gurjitsing Matharoo is appointed for the designing and interior work of the said Jewellery Mall. Construction work will be started immediate after finalizing the design of the Mall.

All relevant infrastructure facilities are available in Gem & Jewellery Park. At present, Six units are operational in the Park. M/s. Ankit Gems and M/s. Arjav Diamonds have almost completed Construction works of their Units and are going to start operation in the Units shortly.

All unit holders are fully satisfied with latest infrastructure facilities, beautiful landscaping, peace full environment of the park and the services provide by GHB. We strongly emphasize to get the maximum numbers of units operational in the park. We hereby welcome you all to start your Units on the plots allotted to you in the Park.

Thank You

Chandrakant R. Sanghvi
President

Nanubhai B. Vanani
Secretary

Date: 9/9/2016
Place: Surat



મેનેજિંગ કમિટીનો અહેવાલ

સુજ સભ્યશ્રીઓ,

મેનેજિંગ કમિટી, ગુજરાત હીરા બુર્સ આપની સમક્ષ અંતિત વર્ષ ૨૦૧૫-૧૬ નો ઓડિટ થયેલ અહેવાલ રજૂ કરતા હર્ષ અનુભવે છે.

જેમ એન્ડ જવેલરી સેક્ટર દેશને વિદેશી હુડિયામણની કમાણી કરી આપવામાં મહત્વની ભુમિકા ભજવી રહેલ છે. ભારતનાં જીડીપીમાં જેમ એન્ડ જવેલરી ઉદ્યોગનો હિસ્સો ૬-૭ % જેટલો છે. જેમ એન્ડ જવેલરી ઉદ્યોગમાં વેલ્યુ એડીશનની મોટી તક રહેલી હોઈ, ભારત સરકાર ધ્વારા જેમ એન્ડ જવેલરી સેક્ટરને નિકાસ વધારવા માટેનાં ફોકસ એરિયા તરીકે જાહેર કરવામાં આવેલ છે. સોનું આયાત કરવાની અંકુશમર્યાદામાં રાહત, ઓછા ખર્ચે સોનાની લોનની ઉપલબ્ધતા, સોનાની કિંમતની સ્થિરતા વિ. પરીબળોને ધ્યાને લેતાં જવેલરી ઉદ્યોગનો વિકાસ આગામી વર્ષોમાં વેગ પકડશે.

કેન્દ્ર સરકારે જેમ એન્ડ જવેલરી ઉદ્યોગનાં વિકાસ માટે નવી ફોરેન ટ્રેડ પોલિસી ૨૦૧૫-૨૦ માં સ્પેશિયલ નોટીફાઈડ ઝોનની સ્થાપના કરવાની જાહેરાત કરેલ છે. અમોને જણાવતાં આનંદ થાય છે કે આ સ્પેશિયલ નોટીફાઈડ ઝોન સુરત ખાતે ગુજરાત હીરા બુર્સ નિર્મિત જેમ એન્ડ જવેલરી પાર્કમાં જ સ્થાપવાનું નક્કી કરવામાં આવેલ છે અને તેને લગતી જરૂરી કસ્ટમ હાઉસ સ્થાપવા માટેની અને અન્ય મંજૂરી મેળવવા માટેની કાર્યવાહી શરૂ કરવામાં આવેલ છે.

સુરતને હીરા ઉપરાંત જવેલરી ઉદ્યોગમાં પણ અગ્રેસર બનાવવાનાં હેતુસર જેમ એન્ડ જવેલરી પાર્કનાં ઓએનજીસી રોડ બાજુનાં પ્રવેશદ્વાર પાસેની આશરે ૪૦,૦૦૦ ચો.વાર જગ્યામાં જવેલરીનો અત્યંત આધુનિક અને ભવ્ય ટ્રેડિંગ મોલ બનાવવાનું આયોજન પ્રગતિમાં છે. આ મોલની ડીઝાઈન તૈયાર કરવા માટે વિશ્વ વિખ્યાત આર્કિટેક્ટશ્રી ગુરૂજીતસિંહ મથારૂને કામગીરી સોંપવામાં આવેલ છે. ડીઝાઈન ફાઈનલ થતાં ટૂંક સમયમાં સાઈટ ઉપર કામ શરૂ કરવામાં આવનાર છે.

જેમ એન્ડ જવેલરી પાર્કમાં ઈન્ફ્રાસ્ટ્રક્ચરની તમામ સુવિધાઓ ઉપલબ્ધ છે. હાલમાં પાર્કમાં ૬ યુનિટો કાર્યરત છે. મે. અંકિત જેમ્સ અને મે. આર્જવ ડાયમંડ નાં યુનિટનું મોટાભાગનું બાંધકામ પુર્ણ થયેલ છે. અને ટૂંક સમયમાં તેમનાં યુનિટો પણ કાર્યરત છે.

કંપનીની સેવાઓ અને પાર્કની અત્યંત આધુનિક કક્ષાના ઈન્ફ્રાસ્ટ્રક્ચર, સુંદર લેન્ડસ્કેપીંગ અને શાંત વાતાવરણને કારણે અહીં યુનિટ શરૂ કરનાર સભ્યો સંપુર્ણ સંતુષ્ટ છે. આથી વધુને વધુ યુનિટો પાર્કમાં કાર્યશીલ થાય તે દિશામાં આપણે નક્કર પગલાં લઈ રહ્યા છે. આપશ્રીને પણ આપને જાળવવામાં આવેલ પ્લોટ ઉપર યુનિટ શરૂ કરવા આવકારૂ છું.

આભાર મત

મેનેજિંગ કમીટી તેના તમામ સભ્યો, ડેવલપમેન્ટ કમિશનરશ્રી, પ્લાનીંગ તથા અન્ય કમીટીઓ, ઓટીડર્સ, કાનુની/તકનીકી સલાહકારો, બેન્કર્સ, કંપનીનાં કર્મચારીગણ તથા અન્ય તમામ એજન્સીઓ/વ્યક્તિઓનો તેમણે આપેલ સાથ-સહકાર અને માર્ગદર્શન બદલ અંતઃ કરણ પૂર્વક આભાર માને છે.

આ પ્રસંગે મેનેજિંગ કમીટી ભારત સરકાર તેમજ રાજ્ય સરકારની સંસ્થાઓ અને તેમનાં અધિકારીશ્રીઓના જેમ એન્ડ જ્વેલરી પાર્કના વિકાસ માટે તેમણે આપેલ સાથ-સહકાર અને સહયોગ બદલ કૃતજ્ઞતા અનુભવે છે.

ભવિષ્યમાં પણ આ પ્રકારનાં ઉમદા સહકાર અને માર્ગદર્શન મળી રહે તેવી અપેક્ષા સહ...

ચંદ્રકાંતભાઈ સંઘવી
પ્રમુખ

નાનુભાઈ બી. વાનાણી
સેક્રેટરી

તા: ૯/૯/૨૦૧૬
સ્થળ: સુરત.



AUDITORS REPORT

To the Members,

GUJARAT HIRA BOURSE

Report on the Financial Statements

We have audited the accompanying financial statements of Gujarat Hira Bourse, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the 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 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 preparation of the Act for safeguarding 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 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 control 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 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 financial statements.

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Profit and Loss Account, of the Loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. According to the information and explanations given to us and based on audit procedures carried out by us, we are of the opinion that the statement on the matters required to be made as per Companies (Auditors' Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable to the Company.
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. The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - c. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - d. In our opinion, the aforesaid 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A", and
 - 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 which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

Forming an Opinion and Reporting on Financial Statements
For Natvarlal Vepari & Co.
 Chartered Accountants
 FRN: 123626W

Place : Surat
 Date : 9/9/2016

R. N. VEPARI
 (Partner)
 Membership No.: 006728



**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF GUJARAT HIRA BOURSE**

**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 Gujarat Hira Bourse ("the Company") as of March 31, 2016 in conjunction with our audit of the 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 financial controls based on "the internal control 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 Accountants of India". 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 judgment, 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 "the internal control 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 Accountants of India".

Forming an Opinion and Reporting on Financial Statements
For Natvarlal Vepari & Co.
Chartered Accountants
FRN: 123626W

Place : Surat
Date : 9/9/2016

R. N. VEPARI
(Partner)
Membership No.: 006728



BALANCE SHEET AT 31st MARCH, 2016

Particulars	Note No	As at 31st March 2016 (Rs)	As at 31st March 2015 (Rs)
Funds and Liabilities			
(1) Funds			
(a) Member's Fees	1	1,962,000	1,944,000
(b) Reserves and Surplus	2	(302,045,990)	(141,554,438)
Total		(300,083,990)	(139,610,438)
(2) Current Liabilities			
(a) Trade Payables	3	9,056,939	20,440,727
(b) Other Current Liabilities	4	1,759,216,112	1,791,186,793
Total		1,768,273,051	1,811,627,520
Grand Total		1,468,189,061	1,672,017,082
II. Assets			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	5	771,725,699	906,502,097
(ii) Capital Work In Progress	6	508,327,144	521,715,378
Total		1,280,052,843	1,428,217,474
(2) Current Assets			
(a) Current Investments	7	-	100,000
(b) Cash and Bank Balance	8	145,487,513	195,637,442
(c) Short term Loan and Advances	9	32,290,512	31,626,044
(d) Current Asset	10	10,358,192	16,436,121
Total		188,136,217	243,799,607
Grand Total		1,468,189,061	1,672,017,082

Significant Accounting Policies
Notes on Financial Statement

1 to 19

As per our report of even date
For, **Natvarlal Vepari &
Chartered Accountants**
FRN : 123626W

FOR GUJARAT HIRA BOURSE

Partner
R. N. Vepari
Membership No.006728
Surat.
Date : 9/9/2015

President
C.R. Sanghvi

Vice President
G.L. Dholakiya

Secretary
N.B. Vanani

**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	Note No	As at 31st March 2016 (Rs)	As at 31st March 2015 (Rs)
Other Income	11	48,792,062	31,858,239
Total Revenue		48,792,062	31,858,239
Expenses :			
Employee Benefit Expense	12	7,058,697	6,435,536
Depreciation	13	165,580,404	121,404,324
Amortization	14	5,595,285	5,312,958
Financial Costs	15	1,189	2,180,578
Other Expenses	16	17,997,980	22,968,307
Total Expenses		196,233,555	158,301,703
Surplus/(Deficit) Before Exceptional and Extraordinary Items and Tax		(147,441,493)	(126,443,464)
Attributed "Towards Project"		13,050,059	14,881,029
Surplus/(Deficit)		(160,491,552)	(141,324,493)
Tax expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Surplus/(Deficit) for the period		(160,491,552)	(141,324,493)

Significant Accounting Policies
Notes on Financial Statement

1 to 19

As per our report of even date
**For, Natvarlal Vepari &
Chartered Accountants**
FRN : 123626W

FOR GUJARAT HIRA BOURSE

Partner
R. N. Vepari
Membership No.006728
Surat.
Date : 9/9/2016

President
C.R. Sanghvi

Vice President
G.L. Dholakiya

Secretary
N.B. Vanani



SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation of financial statements:

These financial statements have been prepared to comply with Accounting Principles Generally accepted in India (Indian GAAP), the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 2013.

The financial statements are prepared under the historical cost convention on an accrual basis in accordance with Generally Accepted Accounting Principles.

(b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized

(c) Fixed Assets:

I. Tangible Assets

Fixed Assets (except land) are carried at cost of acquisition (net of CENVAT) less accumulated depreciation and impairment cost, if any. Cost comprises of purchase price and all other cost attributable to bring the asset to its working condition.

Projects under which assets are not ready for their intended use are shown as Capital Work-in-Progress.

II. Intangible Assets

Intangible Assets is identifiable separately from other assets, and when future economic benefits from underling resources are expected to flow to the company. Intangible assets are recognized at cost only on reasonably certainty and after completion of all activities related to the asset.

(d) Depreciation:

(i) Depreciation on the fixed assets is provided on pro-rata basis as per written down value method over the useful lives of the assets in accordance with Part C of the Schedule II of the Companies Act, 2013 or re-assessed and estimated by the management of the Company.

(ii) Up-front lease rent paid on land for 99 years is amortized on straight line method in equal proportion for remaining period of lease on leasehold land.

(e) Investments:

Long term investments are stated at cost of acquisition. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

(f) Revenue Recognition:

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest on Fixed Deposits with Bank is recognized on accrual basis.

(g) Inventories:

Inventories are valued at cost or Net Realizable Value (NRV), whichever is lower

(h) Employee Benefits:**I. Short term Employee Benefits:**

All employee benefits falling due within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, bonus, leave salary ex-gratia are recognized in the period in which employee renders the related services.

II. Defined Contribution Plans:

Contributions to Defined Contribution Plans are recognized as expense in the Profit and Loss Account, as they incur.

III. Defined Benefit Plans :

In terms of clause (b) of the applicability paragraph of the Accounting Standard 15 - "Employee Benefits" issued by the Institute of the Chartered Accountants of India, substantial requirements of the said Standard are applicable to the entity. The entity has relied on the Actuarial valuation undertaken by Life Insurance Corporation of India (LIC).

(i) Provisions, Contingent Liabilities and Contingent Assets:

- a. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b. Liabilities which are material, and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts.
- c. Contingent Assets are neither recognized nor disclosed in the financial statement, Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

(j) Taxation on Income:

Provision for the current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

In accordance with the Accounting Standard - 22, Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India ('ICAI'), Deferred tax resulting from 'timing difference', if any, between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Note No	Particulars	As at 31st March 2016 (Rs)	As at 31st March 2016 (Rs)	As at 31st March 2015 (Rs)	As at 31st March 2015 (Rs)
1	Members Fees				
	Opening Balance as per last Audit Report		1,944,000		1,908,000
	Add :Receipts during the year		18,000		36,000
	Total		1,962,000		1,944,000
2	Reserves & Surplus				
	Opening Balance		(141,554,438)		-
	Current Year Excess of Expenses over Income		(160,491,552)		(141,324,493)
	Less: Depreciation		-		(229,945)
	Total		(302,045,990)		(141,554,438)
3	Trade Payables				
	Sundry Payables for Expenses		9,056,939		20,440,727
	Total		9,056,939		20,440,727
4	Other Current Liabilities				
	Credit balance of Bank due to Reconciliation		-		-
	Security Deposit for Plots (Refer Note 4.1)	242,773,429	242,773,429	242,516,469	242,516,469
	TOWARDS PROJECT				
	Installments for Plots (Refer Note 4.1)	1,262,610,993		1,253,116,805	
	Installments Pending for Plots (Note No. 4.2)	3,933,743	1,266,544,736	4,714,943	1,257,831,748
	<u>Attributed towards Project</u>				
	Balance brought forward	235,973,491		211,776,980	
	Attributed from Income and Expenditure Account	13,050,059		14,881,029	
	Expenses attributed towards project	(3,027,803)		(282,233)	
	Value of Land Sub-leased Restated (Note 4.3)			9,701,224	
	Amortization of Leasehold land (Note 4.4)	-	245,995,747	(103,509)	235,973,491
	Maintenance Advance		-		23,642,544
	Expense Payable		700,141		929,558
	Provision for Expense		1,608,722		1,410,532
	Security Deposit				-
	Provident Fund Contribution				-
	TDS Payable		47,642		38,125
	Vat Payable				52,470
	Custom Duty Payable				643,058
	Service tax Payable				28,148,798
	Advance received		3,174		-
	Balance with Bank (due to reconciliation)		1,542,520		-
	Total		1,759,216,112		1,791,186,793

- 4.1 With effect from 21st August, 2015, the SEZ area of the Gem and Jewellery Park has been denotified and thereafter there are no demarked area between DTA and SEZ. Consequently, the amount received as Deposits and Installments have been regrouped and restated as amount received for Plots.
- 4.2 Installments pending for plots is contribution receivable from members against plots.
- 4.3 During the financial year 2014-15, the value of sub-leased land was reduced from the value of leasehold land and had been restated and correspondingly, the similar value had been reduced from Installments for plots.
- 4.4 During the financial year 2014-15, amortization on leasehold land had been charged to Income and Expenditure account. Correspondingly, the similar value had been reduced from the value of leasehold land.
- 4.5 Applicants /Members who have given money against booking of rights for lease hold land is classified under "Towards Project". Interest received from Fixed Deposits made from excess amount received from members "Towards Project" is also added to the "Towards Project" under other Current liabilities.

Note 5 : Fixed Asset

Sr. No.	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK		
		As On 01.04.2015 Rs.	Addition During the Year Rs.	Adjustment Rs.	As On 31.03.2016 Rs.	Up to 01.04.2015 Rs.	For the Year Rs.	Retained Earnings Rs.	Adjustment Rs.	As On 31.03.2016 Rs.	As On 31.03.2015 Rs.	
ii.	Tangible Assets											
	Buildings (other than factory buildings)											
	RCC Frame Structure	323,229,719	10,917,729	-	334,147,448	33,853,108	50,842,647	-	-	84,735,755	249,411,693	285,336,611
	Carpeted Roads/RCC	323,082,153	5,196,380	-	328,278,533	36,034,849	66,360,544	-	-	102,395,393	225,883,140	287,047,304
	Telecom-Ducts, Cables and optical Fibre	5,253,841	5,187,076	-	10,440,917	386,399	1,473,780	-	-	1,860,179	8,580,738	486,7442
	Pipelines	184,563,322	6,934,207	-	191,597,529	24,738,666	26,899,466	-	-	51,638,332	139,559,197	159,924,556
	Electric Distribution Plant	89,015,431	196,914	-	89,212,345	9,983,807	6,437,407	-	-	16,421,214	72,791,131	79,091,624
	Water Distribution Plant including pipelines	71,286,623	1,706,687	-	72,993,310	9,142,122	7,111,595	-	-	16,253,717	56,739,593	62,144,501
	General furniture and fittings	5,054,928	414,608	-	5,469,536	1,564,144	945,080	-	-	2,609,224	2,860,312	3,390,784
	Motor cycles, scooters and other mopeds	97,926	72,559	-	124,059	55,461	24,812	-	-	37,883	86,176	42,465
	Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	1,774,353	-	-	1,774,363	1,605,167	67,859	-	-	1,673,026	101,337	199,196
	Motor tractors, harvesting combines and heavy vehicles	774,720	-	-	774,720	572,241	64,225	-	-	636,466	138,254	202,479
	End user devices, such as, desktops, laptops, etc.	830,294	-	-	830,294	753,877	38,402	-	-	792,279	38,015	764,17
	Electrical installations and Equipment	27,615,646	196,065	24,568	27,787,143	7,345,631	5,314,587	-	-	12,651,030	15,136,113	20,268,815
	Total	1,032,678,966	30,822,225	70,994	1,063,430,197	126,176,872	165,580,404	-	52,778	281,704,498	771,725,699	906,502,094
	Grand Total	1,032,678,966	30,822,225	70,994	1,063,430,197	126,176,872	165,580,404	-	52,778	281,704,498	771,725,699	906,502,094
	Previous Year	7,850,648	1,025,168,350	340,032	1,032,678,966	4,860,635	121,404,324	229,945	318,032	126,176,872	906,502,097	2,990,014
ii).	Common Use											
	Leasehold Land	205,043,745	771,574	32,946,011	238,761,330	7,503,572	2,658,134	-	-	10,161,706	228,599,624	197,540,174
	Total	205,043,745	771,574	32,946,011	238,761,330	7,503,572	2,658,134	-	-	10,161,706	228,599,624	197,540,174
	Residual Use											
	Leasehold Land	298,037,530	1,304,038	(32,946,011)	266,395,557	10,863,495	2,937,151	-	-	13,800,646	252,594,911	287,174,034
	Total	298,037,530	1,304,038	(32,946,011)	266,395,557	10,863,495	2,937,151	-	-	13,800,646	252,594,911	287,174,034
	Grand Total	503,081,275	2,075,612	-	505,156,887	18,367,067	5,595,285	-	-	23,962,352	481,194,535	484,714,209
	Previous Year	262,119,594	240,961,681	-	503,081,275	13,054,106	5,312,961	-	-	18,367,067	484,714,208	239,467,772



6 Capital Work-In-Progress				
Leasehold Land (Saleable Area)	287,174,034		290,323,101	
Less: Amortization of Leasehold Land and transfer to Leasehold Land (Common Use)(refer note 6.1)	(2,937,150)		(3,149,067)	
Less: Amounts Transferred	(32,946,011)		-	
Add: Service Tax Interest (due to SEZ denotification)	1,304,038	252,594,911	-	287,174,034
Leasehold Land (Common Use)	197,540,174		199,704,067	
Less: Amortization of Leasehold Land (refer note 6.1)	(2,658,135)		(2,163,892)	
Add: Amounts Transferred	32,946,011		-	
Add: Service Tax Interest (due to SEZ denotification)	771,574	228,599,624	-	197,540,174
Project WIP	58,964	58,964	-	-
Inventory at Site	27,073,645	27,073,645		37,001,169
Total		508,327,144		521,715,378

6.1 Amortization on leasehold land has been charged to Income and Expenditure account. Correspondingly, the similar value is reduced from the value of land.

7 Current Investments				
- (1000) Equity Shares of Sar Infracon Private Ltd of Rs. 100 each			-	100,000
Total			-	100,000

8 Cash and Bank Balance				
A. Cash and Cash Equivalents				
Cash in hand		31,391		21,247
Balance with Bank				
In Current account		284,801		820,688
		316,192		841,935
B. Other Bank Balance				
Term Deposits		145,171,321		194,795,507
		145,171,321		194,795,507
Total		145,487,513		195,637,442

9 Short term Loan & Advances				
Deposits		3,598,686		3,531,322
Advances receivable in cash or in kind		531,554		1,686,720
Balance with revenue authorities		28,121,211		26,363,133
Prepaid Expense		39,061		44,869
Total		32,290,512		31,626,044

10 Current Assets				
Interest accrued on Fixed Deposit		4,483,305		5,686,308
Interest Accrued on Various Deposits		113,123		126,867
Lease Rent Receivable		4,461		-
Installment receivable from Members		3,933,743		4,714,943
Sundry Debtors		1,823,560		5,908,003
Total		10,358,192		16,436,121



11	Other Income			
	Interest on Income Tax Refund		-	1,510,759
	Interest received on Fixed Deposit		13,050,059	14,881,029
	Interest received on Saving Bank		347	424
	Interest on Late Payment of Maintenance		407,995	-
	Interest received on DGVCL Deposit		118,749	123,455
	Interest received on Security Deposit of Torrent		1,220	2,512
	Lease Rent		274,557	251,671
	Maintenance		31,603,208	7,880,848
	Transfer Fees		3,251,610	7,150,121
	Interest on other Deposits		76,353	57,420
	Profit on Sale of Fixed Assets		7,964	-
	Total		48,792,062	31,858,239

12	Employee Benefit Expenses			
	Salaries, Wages and Bonus		5,719,570	5,213,792
	Contribution to Provident Fund		397,614	274,292
	Gratuity		456,865	366,121
	Leave Encashment		242,442	255,856
	Staff Welfare Expense		242,206	325,475
	Total		7,058,697	6,435,536

13	Depreciation			
	Depreciation (refer note 13.1)		165,580,404	121,404,324
	Total		165,580,404	121,404,324

13.1 Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, as disclosed in Accounting Policy on Depreciation. Accordingly, the carrying value as on 1st April 2014 is being depreciated over the remaining useful life of the assets. The written down value of Fixed Assets whose life has expired as at 1st April 2014 have been adjusted net of residual value in the opening balance of Profit and Loss Account under Reserves and Surplus.

14	Amortization			
	Amortization (refer note 14.1)		5,595,285	5,312,958
	Total		5,595,285	5,312,958

14.1 Amortization value per year on leasehold land is reduced from the value of land.

15	Financial Charges			
	Interest on Revenue charge - GIDC			2,177,404
	Interest on Service Tax		1,086	3,074
	VAT Interest		103	100
	Total		1,189	2,180,578

16	Other Expenses			
	Audit Fees (Refer Note 16.1)		375,000	325,000
	Advertisement Expense		80,574	100,383
	Bank Charges and Commission		3,271	2,763
	Office Drinking Water Exp.		36,951	95,058
	Computer Software Exp.		11,864	10,952
	Computer Expenses		5,659	12,404
	Diwali gift Expense		179,853	61,115
	Electricity Charges		2,158,659	1,125,091
	EPF Admin & Other Charges		39,423	30,616
	G.I.D.C N.A.A. Charges		1,919,993	969,766
	Infrastructure Fund Exp.		-	8,485,465
	Insurance Expense		33,284	36,745
	Internet Expense		19,749	1,719
	ISO 9001 Charges		15,210	2,030
	Late Filing Fees (TDS) Return		4,400	7,800
	Legal & Professional Fees		319,005	230,106
	Lease Rent Exp.		1,167	5,805
	Legal Stationery Exp.		6,295	1,750
	Loss on discarded Fixed assets		18,975	22,000
	Meeting expenses		18,495	85,892
	Municipal tax		27,345	27,067
	Notified Area Tax Expense, Hazira DTA		700,112	666,773
	Office Expense		14,305	24,745
	Office Maintenance		41,118	33,554
	Penalty for Water Usage Charges		64,532	141,372
	Penalty on Stamp Duty		-	9,100
	Petrol, Diesel & Maintenance of Vehicles		19,540	94,096
	Petrol & Maintenance of Two Wheelers		32,971	40,248
	Postage & Courier Expenses		20,985	21,440
	Printing, Stationery and Xerox expenses		66,933	60,199
	Professional Services		386,392	625,000
	Rent Expense		68,850	69,450
	Rates&Taxes		2,400	-
	Security Service Charges		1,834,384	1,998,912
	Visitors Hospitality Exp.		30,381	2,192
	Repairs & Maintenance Expenses		6,906,724	4,425,409
	ROC Fees		1,600	6,400
	TDS Interest		2,579	14,247
	TDS ON SALARY (Old)		5,199	-
	Telephone & Mobile Charges		95,001	86,855
	Test Inspection & Certification Service		9,000	-
	Travelling & Conveyance		41,112	17,849
	Transportation Charges		-	700
	Vat Audit fees		50,000	10,000
	Professional Exp(SEZ -Denotify)		2,324,991	2,976,539
	Website Expenses		3,700	3,700
	Total		17,997,980	22,968,307

16.1	Payment to Auditors (exclusive of Service Tax)			
	(a) As an Auditor (excludes audit fees)		375,000	325,000
	(b) Capacity in respect of:			
	Company law matter			
	Taxation Matter			
	Management Services			
	In any other manner			
	Reimbursement of expenses			
	Total		375,000	325,000



17 Regulation u/s. 8 of Companies Act 2013

- a That the income and property of the company when so ever derived shall be applied solely for the promotion of the objects as set forth in its memorandum of association and that no portion thereof shall be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to persons who at any time are or have been members of the said company or to any of them or to any person claiming through any one or more of them.
- b That no remuneration of other benefit in money or money's worth is given by the company to any of its members whether officers or servants of the company or not except payment of out-of-pocket expenses.

18 Taxation on Income:

As the company is registered under section 12A, claiming exemption under section 11 of the Income Tax Act, 1961. Consequently, the Company is not required to provide for any liability towards payment of Income Tax.

The Company is incorporated under section 8 of the Companies Act, 2013 and since there is no liability towards payment of Tax, no temporary timing difference arises that require reversal to account for deferred tax.

- 19 Previous year's comparative figures of the financial statements and its components have been regrouped /reclassified, wherever necessary, to correspond with the current year's classification/disclosure.

As per our report of even date
**For, Natvarlal Vepari &
Chartered Accountants
FRN : 123626W**

**Partner
R. N. Vepari
Membership No.006728
Surat.
Date : 9/9/2016**



An ISO 9001:2008 company

GUJARAT HIRA BOURSE

Developer: Gem & Jewellery Park - Ichchhapore-Surat

Managing Committee Members

Mr. Chandrakantbhai Sanghvi	President
Mr. Navinbhai Mehta	Vice President
Mr. Govindbhai Dholakiya	Vice President
Mr. Laljibhai T. Patel	Treasurer
Mr. Nanubhai Vanani	Secretary
Mr. Pravinbhai Nanavati	Jt.Secretary
Mr. Sevantibhai Shah	Member
Mr. Paragbhai Shah	Member
Mr. Savjibhai Dholakia	Member
Mr. Siddharthbhai Mehta	Member
Mr. Dilipbhai Sanghvi	Member
Mr. Mathurbhai Sojitra	Member
Mr. Babubhai Lakhani	Member
Mr. Dhirubhai Vasoya	Member
Mr. Vallabhbhai Chheta	Member
Mr. Janakbhai Mistry	Member
Mr. Arvindbhai Shah	Member



An ISO 9001:2008 company

ગુજરાત હીરા બુર્સ

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