

33rd ANNUAL REPORT

2015 - 2016



SHETH
A Bond Of Trust

PRECIOUS TRADING AND INVESTMENTS LIMITED

CORPORATE INFORMATION

Company Name

Precious Trading and Investments Limited

Corporate Identity Number

L51900MH1983PLC029176

Registered Office Address

Sheth House, Next to Dindoshi Fire Station,
Opp. Oberoi Mall, Gen A. K. Vaidya Marg,
Malad (East) Mumbai - 400097
Telephone No. : 022-42602400

Board of Directors

Mr. Ashwin N. Sheth	-	Non Executive Director (Managing Director w.e.f. 03 rd September, 2016)
Mr. Jitendra N. Sheth	-	Non Executive Director
Mr. Vallabh N. Sheth	-	Non Executive Director
Ms. Nalini R. Bajaria	-	Independent Director
Mr. Sharad N. Doshi	-	Independent Director

Key Managerial Personnels

Mr. Sunil V. Shroff	-	Chief Executive Officer
Ms. Jayshree A. Taori	-	Chief Financial Officer
Mr. Ankush V. Bhoir	-	Company Secretary

Audit Committee

Mr. Sharad N. Doshi	-	Chairman
Mr. Ashwin N. Sheth	-	Member
Ms. Nalini R. Bajaria	-	Member

Nomination and Remuneration Committee

Mr. Sharad N. Doshi	-	Chairman
Mr. Ashwin N. Sheth	-	Member
Ms. Nalini R. Bajaria	-	Member
Mr. Vallabh N. Sheth	-	Member

Stakeholders Relationship Committee

Mr. Sharad N. Doshi	-	Chairman
Mr. Ashwin N. Sheth	-	Member
Mr. Jitendra N. Sheth	-	Member
Ms. Nalini R. Bajaria	-	Member

Registrar and Share Transfer Agent

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar
Road, Sakinaka, Andheri (East),
Mumbai - 400 072

Statutory Auditors

M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai

Internal Auditors

M/s. Rakchamps & Co., Chartered Accountants, Mumbai

Secretarial Auditors

Ms. Khushboo Bakul Gopani, Practicing Company Secretary, Mumbai

Bankers

HDFC Bank

NOTICE

Notice is hereby given that the 33rd Annual General Meeting (AGM) of the Members of Precious Trading and Investments Limited [CIN L51900MH1983PLC029176] will be held on Friday, the 30th Day of September, 2016 at 4.00 p.m. at the registered office of the Company situated at Sheth House, Next to Dindoshi Fire Station, Opposite Oberoi Mall, Gen. A. K. Vaidya Marg, Malad (E), Mumbai - 400097 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited Standalone and Consolidated financial statements of the Company for the financial year ended 31st March, 2016 together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Jitendra N. Sheth (DIN: 00002047), who retires by rotation and being eligible, offers himself for re-appointment;
3. To ratify the appointment of Statutory Auditors for the financial year 2016-17 and in this regard to consider and if thought fit, to pass, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to provisions of Section 139(2) and 142(1) and other applicable provisions if any of the Companies Act, 2013, read with the Companies (Auditor and Auditors) Rules, 2014 pursuant to recommendation of Audit Committee of Board and pursuant to approval of members at Annual General Meeting held on September 30, 2014 the appointment of the Statutory Auditors of the Company M/s. M. B. Agrawal & Co. (Firm Registration No. 100137W), Chartered Accountants, Mumbai, to hold office till the conclusion of the Annual General Meeting to be held for the financial year 2016-17 be and is hereby ratified and confirmed by the members of the Company at such remuneration as may be determined by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. To appoint Mr. Ashwin N. Sheth as Managing Director of the Company and in this regard, to consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), consent of the members be and is hereby accorded for the appointment of Mr. Ashwin N. Sheth (DIN: 00002053) as Managing Director of the Company for a period of five years with effect from 3rd September, 2016 to 2nd September, 2021 with NIL remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to execute such deeds, documents and writings and to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable for giving effect to the foregoing resolution and to settle any question, or doubt that may arise in relation thereto.”

By order of Board of Directors
For **Precious Trading and Investments Limited**

Place : Mumbai
Date : 3rd September, 2016

Ashwin N. Sheth
Chairman
DIN: 00002053

Registered Office:
Sheth House, Next to Dindoshi Fire Station
Opp. Oberoi Mall, Gen. A. K. Vaidya Marg
Malad (East), Mumbai - 400 097.
CIN: L51900MH1983PLC029176
E-mail ID: cs@ptil.co.in

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. Corporate Members intending to attend the AGM through their authorised representatives are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the AGM.
5. Members/Proxies should fill the Attendance Slip for attending the meeting. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit the duly filled in Attendance Slip at the registration counter to attend the AGM.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting. Members are requested to bring their attendance slip along with their copy of the annual report to the meeting.
8. Members are requested to intimate Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent (RTA) of the Company, having office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400072 immediately of any change in their address in respect of equity shares held in physical mode and to their DPs in respect of equity shares held in dematerialized form.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
10. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed and forms the part of the notice.
11. The details of the Directors seeking appointment/re-appointment as per the provisions of the Section 152 of the Companies Act, 2013 and Regulation 36 (3) of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and in compliance with the Secretarial Standards (SS-2) issued by the ICSI are annexed alongwith the notice and forms a part of the notice.

12. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the AGM.
13. Members desirous of asking any questions at the 33rd AGM are requested to send in their questions so as to reach the Company's Registered Office at least 7 days before the date of the AGM, so that the same can be suitably replied to.
14. The Register of Members and the Share Transfer Book of the Company will remain closed from Monday, 26th September, 2016 to Friday, 30th September, 2016 (Both days inclusive) for the purpose of the AGM. Notice is being sent to all the Members, whose names appear in the Register of Members as on 2nd September, 2016.
15. The Notice along with Annual Report will be sent electronically indicating the process and manner of Remote E-voting to the members whose e-mail addresses are registered with the depository participants/Company. The physical copy of Notice along with Annual Report will be sent to those members whose email addresses are not registered with the depository participants/RTA/Company indicating the process and manner of Remote E-voting.
16. In compliance with the Rule 20 of the Companies (Management and Administration) Rules, 2014, and Secretarial Standards issued by the Institute of Company Secretaries of India, the Company has considered 23rd September, 2016 to determine the eligibility of Members to vote by electronic means or through physical ballot at the AGM (cut-off date). The persons whose names appear on the Register of Members/List of Beneficial Owners as on the cut-off date would be entitled to vote through electronic means or through physical ballot at the AGM.

17. E-voting

In terms of Section 108 of the Companies Act read with the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements, 2015, the Company is providing the facility to its Members, being eligible to vote, to exercise their right to vote by electronic means on any or all of the business specified in the accompanying Notice. Members can cast their votes on electronic voting system from any place other than the venue of the meeting (remote e voting). The persons who have become the Members of the Company after the dispatch of the Notice and Annual Report and their names appear in the Register of Members/List of Beneficial owners as on the cut-off date may contact the Registrars & Share Transfer Agents to obtain the Notice of AGM and the login details for casting vote electronically or may cast their vote through physical ballot at the AGM. If a Member is already registered with CDSL e-voting Platform then he can use his existing login details for casting the vote through remote e-voting. Details of the process and manner of remote e-voting along with the login details are being sent to all the Members along with the Notice.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting facility will be available during the following Period:

Commencement of remote e-voting	:	From 9.00 a.m (IST) on Tuesday, September 27, 2016
Conclusion of remote e-voting	:	At 5.00 p.m. (IST) on Thursday, September 29, 2016

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of aforesaid period.

18. After the items of the notice have been discussed, the Chairman will order poll in respect of the items. Poll will be conducted and supervised under the Scrutinizer appointed for remote e-voting and poll. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date and who have not cast their vote by remote e-voting, and being present at the AGM either personally or through proxy, only shall be entitled to vote at the AGM. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated

with the results of remote e-voting will be announced by the Company on its website at www.ptil.co.in within 48 hours of conclusion of the AGM and also inform to the stock exchange where the securities of the Company is listed.

The instructions for shareholders voting electronically are as under:

- (a) The voting period begins on 9.00 a.m. (IST) on Tuesday, September 27, 2016 and ends on 5.00 p.m. (IST) on Thursday, September 29, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (b) Log on to the e-voting website www.evotingindia.com
- (c) Click on Shareholders
- (d) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (e) Next enter the Image Verification as displayed and Click on Login.
- (f) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (g) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (k) Click on the EVSN for the relevant Company Name i.e. Precious Trading and Investments Limited on which you choose to vote.
- (l) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (m) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (n) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (o) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (q) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (s) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (t) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (a) to sl. no. (t) above to cast vote.
- (B) The voting period begins on 9.00 a.m (IST) on Tuesday, September 27, 2016 and ends on 5.00 p.m. (IST) on Thursday, September 29, 2016. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
19. The Board of Directors has appointed Mr. Ashish Kumar Jain, Company Secretaries (M. No 6058) to act as a scrutinizer for conducting the electronic voting and physical ballot voting process in a fair and transparent manner.
 20. Remote e-voting shall not be allowed beyond 5.00 p.m. on September 29, 2016. During the remote e-voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date, may cast their vote electronically. Once the vote on a resolution is cast by the Members, the Members shall not be allowed to change it subsequently
 21. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on cut-off date.
 22. Please note that the Members who have not exercised their right to vote by remote e-voting shall be entitled vote by way of ballot at the venue of the AGM. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
 23. The Scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-voting make a consolidated scrutinizers report and submit the report to the Chairman or Managing Director of the Company. The results declared alongwith the Scrutinizer's Report will be available on the website of the Company at www.ptil.co.in and simultaneously be communicated to the BSE Limited (Stock Exchange) where the securities of the Company is listed.
 24. The Results of e-voting and poll voting at the meeting on resolutions shall be aggregated and declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.
 25. Route map showing directions to reach venue of the AGM is annexed at the end of the Annual Report.

By Order of Board of Directors
For **Precious Trading and Investments Limited**

Place : Mumbai
Date : 3rd September, 2016

Ashwin N. Sheth
Chairman
DIN: 00002053

Registered Office:

Sheth House, Next to Dindoshi Fire Station
Opp. Oberoi Mall, Gen. A. K. Vaidya Marg
Malad (East), Mumbai - 400 097
CIN: L51900MH1983PLC029176
E-mail ID: cs@ptil.co.in

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

Item No. 4

The Board of Directors at its meeting held on 3rd September, 2016 appointed Mr. Ashwin N. Sheth as a Managing Director for period of five years commencing from 3rd September, 2016 on the basis of recommendations by Nomination, Remuneration and Compensation Committee. The Members are informed that the remuneration of Mr. Ashwin N. Sheth is NIL.

Accordingly, the approval of the Members of the Company is sought for appointment of Mr. Ashwin N. Sheth as a Managing Director of the Company as set out in the Item No. 4 of the AGM Notice.

The Board recommends the passing of the above resolution as special resolution for the members' approval.

None of the directors and/or key managerial personnel of your Company and their relatives, except Mr. Ashwin N. Sheth and his relatives, are concerned or interested, financially or otherwise, in the above Resolution.

By the Order of the Board of Directors
For **Precious Trading and Investments Limited**

Place : Mumbai
Date : 3rd September, 2016

Ashwin N. Sheth
Chairman
DIN: 00002053

Registered Office:

Sheth House, Next to Dindoshi Fire Station
Opp. Oberoi Mall, Gen. A. K. Vaidya Marg
Malad (East), Mumbai - 400 097
CIN: L51900MH1983PLC029176
E-mail ID: cs@ptil.co.in

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN COMPLIANCE WITH 'SCHEDULE V' OF THE COMPANIES ACT, 2013, SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARDS - II (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

Particulars	Details	
Name of the Director	Mr. Jitendra N. Sheth	Mr. Ashwin N. Sheth
DIN	00002047	00002053
Date of Birth	7 th April, 1963	7 th July, 1961
Age	53 years	55 Years
Profession	Business	Business
Qualification	B. Com	B. Com
Experience	25 years	25 years
Terms and Conditions of appointment or re-appointment along with the details of the remuneration sought to be paid	N.A.	To be appointed as a Managing Director for the period of 5 years without any remuneration more particularly described in the resolution as set out in the Item No. 4 of the AGM Notice.
Remuneration last drawn	NIL	NIL
Date of first appointment on Board	22/04/2002	22/09/2001
Shareholding in the Company	NIL	NIL
Relationship with other Directors, Manager and KMP	Brother of Mr. Ashwin N. Sheth and Mr. Vallabh N. Sheth	Brother of Mr. Vallabh N. Sheth and Mr. Jitendra N. Sheth
Number of meetings of the Board attended during the year	7 (Seven)	7 (Seven)
Whether Attended last AGM	Yes	Yes
Directorship held in other companies	1. Sheth Developers Pvt. Ltd. 2. Transcon - Sheth Creators Pvt. Ltd. 3. Sheth Realcon Ventures Pvt. Ltd. 4. Neepa Real Estates Pvt. Ltd. 5. Sheth Developers & Realtors (India) Ltd. 6. Sheth Infrastructure Pvt. Ltd. 7. Sheth Creators & Promoters Pvt. Ltd. 8. Sheth Buildwell Pvt. Ltd. 9. Laxmi Prabha Impex and Investments Pvt. Ltd. 10. Sheth Heights Pvt. Ltd. 11. Sheth Creators & Constructors Pvt. Ltd. 12. Sheth Creators & Homemakers Pvt. Ltd. 13. Sheth Realtors and Holdings Pvt. Ltd. 14. Sheth Estate (International) Ltd.	1. Sheth Developers Private Ltd. 2. Sheth Realcon Ventures Pvt. Ltd. 3. Neepa Real Estates Pvt. Ltd. 4. Sheth Developers Pvt. Ltd. 5. Sheth Infrastructure Pvt. Ltd. 6. Laxmi Prabha Impex and Investments Pvt. Ltd. 7. Sheth Building Materials Pvt. Ltd. 8. Sheth Shelters Pvt. Ltd. 9. Sheth Developers & Realtors (India) Ltd. 10. Sheth Realty (India) Pvt. Ltd. 11. Sheth Corp Pvt. Ltd. 12. Sheth Holdings (India) Pvt. Ltd. 13. Sheth Universal Pvt. Ltd. 14. Sheth Infraworld Pvt.Ltd. 15. Viviana Malls Pvt .Ltd. 16. Alpha Business Consultants Pvt. Ltd. 17. Sheth Dreamhomes Pvt. Ltd. 18. Sheth Lifestyles Pvt. Ltd. 19. Sheth Infra Estate Pvt. Ltd. 20. Sheth Infracity Pvt. Ltd. 21. Sheth Estate (International) Ltd., Dubai.
Membership / Chairmanship of committees of other Boards	Chairmanship : NIL Membership : 1. CSR Committee - Sheth Developers Pvt. Ltd. 2. Audit Committee – Sheth Creators and Constructors Pvt. Ltd. 3. Stakeholders' Relationship Committee – Sheth Creators and Constructors Pvt. Ltd. 4. Nomination and Remuneration Committee – Sheth Creators and Constructors Pvt. Ltd.	Chairmanship : 1. CSR Committee - Sheth Developers Pvt. Ltd. Membership : 1. Nomination and Remuneration Committee - Sheth Developers & Realtors (India) Ltd. 2. Audit Committee - Sheth Developers & Realtors (India) Ltd.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Directors' Report on the business and operations of the Company along with the audited statements of accounts of the Precious Trading and Investments Limited for the year ended 31st March 2016.

1. FINANCIAL HIGHLIGHTS

Certain key aspects of your Company's performance during the financial year ended 31st March, 2016, as compared to the previous financial year are summarized below:

(Amount in ₹)

Particulars	Current Year 2015-16	Previous year 2014-15
Revenue from Operations	-	-
Other Income	-	-
Total Income	-	-
Less: Other expenses	587,637	239,967
EBITDA	(587,637)	(239,967)
Less: <u>Tax Expenses</u>		
Current Tax	-	-
Deferred Tax	-	-
Profit/(Loss) after Tax for the year	(587,637)	(239,967)

2. DIVIDEND

In view of loss suffered by your Company during the year, the Directors show their inability to declare dividend for the year 2015-16.

3. STATE OF AFFAIRS OF THE COMPANY

During the year under review, the Company was unable to do any business activities due to lack of resources.

4. SHARE CAPITAL AND CHANGES THEREIN

There was no change in share capital of the Company during the year under review.

5. EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2015 the extracts of the Annual Return as at March 31, 2016 forms part of this report as **Annexure # 1**.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the Articles of Association and the provisions of the Section 152(6)(e) of Companies Act, 2013, Mr. Jitendra N. Sheth (DIN:00002047), Non-Executive Director of the Company, being director liable to retire by rotation shall retire at the ensuing Annual General Meeting and being eligible for reappointment, offers himself for re-appointment.

Mr. Ashwin N. Sheth (DIN:00002053), Director of the Company, is appointed as the Managing Director of the Company for the period of five years commencing from 3rd September, 2016 without any remuneration in the Board meeting held on 03rd September, 2016 subject to the approval of members at ensuing Annual General Meeting.

Mr. Sunil V. Shroff and Ms. Jayshree A. Taori have resigned from their post as Chief Executive Officer and Chief Financial Officer of the Company respectively from the closure of the business hours of 3rd September, 2016.

Mr. Chintan A. Sheth is being appointed as the Chief Financial Officer of the Company w.e.f. 4th September, 2016 without any remuneration.

7. MEETINGS OF THE BOARD AND COMMITTEES OF DIRECTORS

A. Board Meeting

The Board of Directors met seven times during the financial year 2015-16 at Mumbai viz. 29th May, 2015, 14th August, 2015, 4th September, 2015, 9th November, 2015, 21st December, 2015, 12th February, 2016, and 14th March, 2016.

Attendance of Board is as follows:

Sr. No.	Name of Director	Category	No. of Meetings held	No. of Meetings Attended
1.	Mr. Ashwin N. Sheth	Non-Executive Director	7	7
2.	Mr. Jitendra N. Sheth	Non-Executive Director	7	7
3.	Mr. Vallabh N. Sheth	Non-Executive Director	7	7
4.	Ms. Nalini R. Bajaria	Independent Director	7	7
5.	Mr. Sharad N. Doshi	Independent Director	7	7

None of the Directors is a member of more than ten Board-level committees or Chairman of more than five such committees as required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further none of the Independent Directors are independent director in more than seven listed entities and none of the whole time directors are independent directors in more than three listed entities as required under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

B. Audit Committee Meetings

The Company has an Audit Committee comprising of the following Directors:

Name	Designation	Category
Mr. Sharad N. Doshi	Chairman	Non Executive & Independent Director
Mr. Ashwin N. Sheth	Member	Non-Executive Director
Ms. Nalini R. Bajaria	Member	Non Executive & Independent Director

No. of Meetings

The members of the Audit Committee met 4 (Four) times during the period under the review viz. 29th May, 2015, 14th August, 2015, 9th November, 2015 & 12th February, 2016, and the maximum time gap between two meetings did not exceed one hundred and twenty days.

Attendance of Committee is as follows

Sr. No.	Name of the Director	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Sharad N. Doshi	4	4
2.	Mr. Ashwin N. Sheth	4	4
3.	Ms. Nalini R. Bajaria	4	4

C. Nomination, Remuneration and Compensation Committee Meetings

The Company has a Nomination, Remuneration and Compensation Committee comprising of the following Directors:

Name	Designation	Category
Mr. Sharad N. Doshi	Chairman	Non Executive & Independent Director
Mr. Ashwin N. Sheth	Member	Non-Executive Director
Mr. Vallabh N. Sheth	Member	Non-Executive Director
Ms. Nalini R. Bajaria	Member	Non Executive & Independent Director

No. of Meetings

During the year under review, no meeting was held by the Nomination Remuneration and Compensation Committee.

D. Stakeholders Relationship Committee Meetings

During the year under review, the members of the Stakeholder Relationship Committee met 2 (Two) times viz. 29th May, 2015 and 9th November, 2015.

Attendance of Committee is as follows:

Sr. No.	Name of the Directors	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Sharad N. Doshi	Chairman	2	2
2.	Mr. Ashwin N. Sheth	Member	2	2
3.	Mr. Jitendra N. Sheth	Member	2	2
4.	Ms. Nalini R. Bajaria	Member	2	2

The Board of Directors of the Company in their meeting held on 12th February, 2016 dissolved the Stakeholders Relationship Committee of the Board. The functions of the Committee are now being carried by the Board.

8. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013 that:

- 1) In the preparation of the annual accounts for financial year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as the end of the financial year and on the Loss for the year under review.
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 2013 Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) The Directors have prepared the accounts for the financial year ended 31st March 2016 on a "going concern" basis.

- 5) The Directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and have been operating efficiently.
- 6) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of sub-section 7 of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

10. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization programme to Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the <http://www.ptil.co.in>

11. ANNUAL EVALUATION OF PERFORMANCE OF THE BOARD

Pursuant to provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees and that of Chairman.

In a separate meeting of Independent Directors, performance of Non Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non executive directors. Performance evaluation of independent Directors was done by the entire Board, excluding the independent Directors being evaluated.

12. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNELS (KMPS) AND SENIOR MANAGEMENT

The Board has formulated the Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMPS) and Senior Management in terms of the provisions of the Companies Act, 2013 is appended as **Annexure # 2** to this Report. The said Policy outlines the appointment criteria and qualifications, the term/tenure of the Directors on the Board of the Company and the matters related to remuneration of the Directors, KMPS & Senior Management.

13. INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

14. LOANS, GUARANTEE OR INVESTMENTS

During the period under review, the Company has neither granted any loan to any person or body corporate nor has provided any guarantee or security in connection with a loan to any person or body corporate.

Further, the Company has not made any investments/acquisition in terms of Section 186 of the Companies Act, 2013 during the financial year 2015-16.

15. CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company has not entered into any contract/arrangement with related parties which are specified under the provisions of the Section 188(1) of the Companies Act, 2013.

For details of related parties, your Directors draw attention to Note no. 21 of the standalone financial statement which set out 'Related Party Disclosures'.

16. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between after 31st March, 2016 and the date of this report other than those disclosed in this report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Conservation of Energy

Your Company has taken necessary steps and initiative in respect of conservation of energy to possible extent to conserve the resources as required under Section 134(3)(m) of the Companies Act, 2013 and rules framed thereunder.

Technology Absorption

Your Company is not engaged in any manufacturing activity, the particulars of technology absorption as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are not applicable.

Foreign Exchange earnings and Outgo

During the year under review, the Company had not earned any foreign exchange nor incurred any outflows in foreign exchange.

18. BUSINESS RISK MANAGEMENT

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/mitigating the same. Your Company has institutionalized the policy/process for identifying, minimizing and mitigating risk which is periodically reviewed.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

19. CORPORATE SOCIAL RESPONSIBILITY POLICY

During the year under review, the provisions of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company.

20. CHANGE IN THE NATURE OF BUSINESS

During the year under review there is no change in the nature of the business of the Company.

21. REPORT ON PERFORMANCE OF THE SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year, the subsidiary of the Company i.e. Sheth Developers & Realtors (India) Ltd. (SDRIL) has made further issue of shares to foreign investor. Due to such further issue of shares, SDRIL has ceased to be a subsidiary of the Company w.e.f. 23rd March, 2016 but continue to be an associate company.

The Gross revenue of the SDRIL for Financial Year 2015-16 stood at ₹ 137.13 Crores (Previous Year: ₹ 123.44 Crores) and has incurred a loss of ₹ 36.23 Crores (Previous Year loss of ₹ 4.95 Crores).

The Company does not have any joint venture Company.

As required under Section 129 of the Companies Act, 2013 the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards and forms part of the Report. A statement containing the salient features of the Financial Statements of the Subsidiaries, Joint Ventures and Associate Companies in Form AOC-1 as required under Rule 5 of the Companies (Accounts) Rules, 2014 form part of the notes to the financial statements.

22. DETAILS RELATING TO DEPOSITS, COVERED UNDER CHAPTER V OF THE COMPANIES ACT 2013

The Company has not accepted Public Deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet within the purview of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2015.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company.

24. INTERNAL FINANCIAL CONTROL SYSTEM

Your Company has an internal financial control system commensurate with the size, scale and complexity of its operations. The Audit Committee has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. The Audit Committee has a process for timely check for compliance with the operating systems, accounting procedures and policies. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis.

25. AUDITORS AND AUDITORS' REPORT

A. Statutory Auditor

M/s. M. B. Agrawal & Co., Chartered Accountants (FRN: 100137W), Statutory Auditors of the Company, were appointed for the term of three years to hold office till the conclusion of the Annual General Meeting of the Company to be held for the Financial Year 2016-17 subject to ratification of their appointment at every Annual General Meeting.

Pursuant to provisions of section 139(2) and 142(1) of the Companies Act, 2013 and Rules framed thereunder and the Board of Directors of the Company at its meeting held on 3rd September, 2016 has recommended to ratify the appointment of M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai, as Statutory Auditors of the Company for financial year 2016-2017.

The Company has received letter from M/s. M. B. Agrawal & Co. to the effect that their re-appointment if made would be pursuant to provisions of Section 139(1) of the Companies Act, 2013 and that they are

not disqualified within the meaning of Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit and Auditors) Rules, 2015.

The Notes on Financial Statements referred to in the Auditors' Report are self explanatory and do not call for any further comments.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. M. B. Agrawal & Co., Chartered Accountants, Statutory Auditors, in their report.

B. Internal Auditor

M/s. Rakchamps & Co., Chartered Accountants, performs the duties of Internal Auditors of the Company and their report is reviewed by the audit committee from time to time.

C. Secretarial Auditor

The Board of Directors of the Company has appointed Ms. Khushboo Bakul Gopani, Practicing Company Secretaries, Mumbai, (ICSI Membership No. 29194 and Certificate of Practice No. 10560) to conduct the Secretarial Audit as required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by Ms. Khushboo Bakul Gopani, Practicing Company Secretary, in Form MR-3 for the Financial Year 2015-16 forms part to this report is appended as **Annexure # 3**. The said report does not contain any adverse observation or qualifications, or disclaimers or reservations requiring explanation or comments from Board under Section 134(3) of the Companies Act, 2013.

26. ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in the business organisation and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

The Company has a Whistle Blower Policy in line with the provisions of the Section 177 of the Companies Act, 2013. This policy establishes a vigil mechanism for directors and employees to report their genuine concerns actual or suspected fraud or violation of the Company's code of conduct.

The said mechanism also provides for adequate safeguards against victimisation of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee. We confirm that during the financial year 2015-2016, no employee of the Company was denied access to the Audit Committee.

The said Whistle Blower Policy is available on the website of the Company at <http://ptil.co.in/policiesandcode/vigilmechanismpolicy.pdf>.

27. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

Your Company has in place the Policy for Prevention of Sexual Harassment in line with the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules framed thereunder to create a robust framework for this policy dissemination, awareness creation and periodic reiteration among all executives.

The following is a summary of sexual harassment complaints received and disposed off during the year:

No. of Complaints received	NIL
No. of Complaints disposed off	NIL

28. CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 15(2)(a) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the compliance with the provisions of Regulations 27 of the listing regulations is not mandatory for the time being, in respect of the following class of the Companies:

- a. Listed Companies having paid up equity share capital not exceeding ₹ 10 Crores and Networth not exceeding ₹ 25 Crores as on the last day of the previous financial year;

Provided that where the provisions of above regulations becomes applicable to a company at a later date, such Company shall comply with the requirements of Regulation 27 within six months from the date of which the provisions become applicable to the company.

- b. Listed entities whose specified securities are listed on the SME Exchange:

Our Company is within the ambit and exempted on the basis of the conditions prescribed in the regulation 15(2)(a) and therefore compliances with the Regulation 27 of the Listing Regulations are not applicable to the Company for the time being.

As a consequence, Corporate Governance Report under Regulations 27 of the Listing Regulations does not form part of the Annual Report for the Financial Year 2015-16.

29. MANAGEMENT DISCUSSION AND ANALYSIS

The Management’s Discussion and Analysis Report for the year under review, as stipulated under Regulations 34(2) of the Listing Regulations is Appended as **Annexure # 4**.

30. PARTICULARS OF REMUNERATION

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is not applicable, as there were no Directors, Key Managerial Personnels and/or employees of the Company for which the information is required to be disclosed under the provisions of Section 197 of the Companies Act, 2013 read with Rules of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

The Company has not paid any remuneration to any of its Directors. None of the Director takes sitting fee for attending the meetings of the Board and Committees of the Board.

31. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares lying in its Demat Suspense Account/Unclaimed Suspense Account.

32. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and sincere thanks to the State Governments, Government agencies, Banks and Financial Institutions, shareholders, and other related organizations, who through their continued support and co-operation have helped, as partners in your Company’s progress. Your Directors, also acknowledge the hard work, dedication and commitment of the employees.

By order of Board of Directors
For **Precious Trading and Investments Limited**

Place : Mumbai
Date : 3rd September, 2016

Ashwin N. Sheth
Chairman
DIN: 00002053

ANNEXURE # 1
FORM # MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2016 of Precious Trading and Investments Limited [Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51900MH1983PLC029176
Registration Date	24 th January, 1983
Name of the Company	Precious Trading and Investments Limited
Category / Sub-Category of the Company	Company Limited by Shares Indian Non-Government Company
Address of the Registered Office and contact details	"Sheth House", Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen. A. K. Vaidya Marg, Malad (East), Mumbai - 400 097. Tel : 022-42602400/42933400 e-mail ID : cs@ptil.co.in
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072 E-mail ID: investor@bigshareonline.com Tel : 022-40430200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated: NIL

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
-	There was no business activity during the year		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Sheth Developers Private Limited Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A. K. Vaidya Marg, Malad (E), Mumbai – 97	U45200MH1993PTC070335	Holding	74.99	2(46)
2.	Sheth Developers & Realtors (India) Ltd. (SDRIL) Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A. K. Vaidya Marg, Malad (E), Mumbai – 97	U29130MH1993PLC071231	Associate*	26.01 [#]	2(6)

* Ceased to be a subsidiary w.e.f. 23rd March, 2016.

[#] Dilution on account of further issue of shares by the subsidiary company i.e. SDRIL.

IV. SHARE HOLDING PATTERN

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A) Promoters									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporates	179970	-	179970	74.99	179970	-	179970	74.99	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1)	179970	-	179970	74.99	179970	-	179970	74.99	-
2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	179970	-	179970	74.99	179970	-	179970	74.99	-
B) Public Shareholding									
1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Co.s	-	-	-	-	-	-	-	-	-
g) FI's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2) Non-Institutions									
a) Bodies Corporates									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	-	60030	60030	25.01	-	60030	60030	25.01	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify) Trusts Custodians / Clearing member/ NRIs	-	-	-	-	-	-	-	-	-
Sub-total (B)(2) :	-	60030	60030	25.01	-	60030	60030	25.01	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	60030	60030	25.01	-	60030	60030	25.01	-
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	179970	60030	240000	100	179970	60030	240000	100	-

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sheth Developers Pvt. Ltd.	179970	74.99	-	179970	74.99	-	-
Total		179970	74.99	-	179970	74.99	-	-

(iii) Change in Promoters' Shareholding

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	No changes during the year			
2.	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat/equity etc.)	No changes during the year			
3.	At the end of the Year	No changes during the year			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Musa Mohmadd Meman	1940	0.81	1940	0.81
2.	Hemendra M. Sharda	1500	0.63	1500	0.63
3.	Nilesh K. Kothari	1440	0.60	1440	0.60
4.	Pushpa M. Kothari	1400	0.58	1400	0.58
5.	Mukesh Kothari	1300	0.54	1300	0.54
6.	Somaji Lalaji Chabbaiya	1280	0.53	1280	0.53
7.	Anita N. Kothari	1250	0.52	1250	0.52
8.	Rajesh J. Parekh	1240	0.52	1240	0.52
9.	Jayendra Govind Suthar	1200	0.50	1200	0.50
10.	Rekha M. Sharda	1200	0.50	1200	0.50

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Datewise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer / bonus / sweat / equity etc.)	Shareholding at the end of the year	
		No. of shares	% of total shares of the Co.		No. of shares	% of total shares of the Co.
(A) Directors						
1.	Mr. Ashwin N. Sheth	-	0.00	No Change	-	0.00
2.	Mr. Jitendra N. Sheth	-	0.00	No Change	-	0.00
3.	Mr. Vallabh N. Sheth	-	0.00	No Change	-	0.00
4.	Mr. Sharad N. Doshi	-	0.00	No Change	-	0.00
5.	Ms. Nalini R. Bajaria	250	0.10	No Change	250	0.10
(B) Key Managerial Personnel						
6.	Mr. Sunil V. Shroff	-	0.00	No Change	-	0.00
7.	Ms. Jayshree A. Taori	-	0.00	No Change	-	0.00
8.	Mr. Ankush Bhoir	-	0.00	No Change	-	0.00

V. INDEBTEDNESS

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

(Amount in ₹)

Particulars	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	90857210	-	90857210
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total [(i)+(ii)+(iii)]	-	90857210	-	90857210
Change in Indebtedness during the financial year				
- Addition	-	576500	-	576500
- Reduction	-	-	-	-
Net Change	-	576500	-	576500
Indebtedness at the end of the financial year				
(i) Principal Amount	-	91433710	-	91433710
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total [(i)+(ii)+(iii)]	-	91433710	-	91433710

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	N.A.	N.A.	N.A.	N.A.	N.A.
2.	Stock Option	N.A.	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.	N.A.
4.	Commission - as % of profit	N.A.	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (A)	N.A.	N.A.	N.A.	N.A.	N.A.
	Ceiling as per the Act					

*There is no Managing Director, Whole-time Directors and/or Manager

B. Remuneration to other directors:

(Amount in ₹)

S. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Vallabh Natwarlal Sheth	Jitendra Natwarlal Sheth	Ashwin Natwarlal Sheth	Sharad Nathuram Doshi	Nalini Rajendra Bajaria	
1.	Independent Directors • Fee for attending board/committee meetings • Commission • Others, please specify	N.A. N.A. N.A.	N.A. N.A. N.A.	N.A. N.A. N.A.	- - -	- - -	- - -
	Total (1)	-	-	-	-	-	-
2.	Other Non-Executive Directors • Fee for attending board/committee meetings • Commission • Others, please specify	- - -	- - -	- - -	N.A. N.A. N.A.	N.A. N.A. N.A.	- - -
	Total (2)	-	-	-	-	-	-
	Total (B) = (1+2)	-	-	-	-	-	-
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WT

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO (Mr. Sunil Shroff)	CS (Mr. Ankush Bhoir)	CFO (Ms. Jayashree Taori)	Total
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	- - -	- - -	- - -	- - -
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - Others, specify....	-	-	-	-
5.	Others, please specify	-	-	-	-
Total		NIL	NIL	NIL	NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

(Amount in ₹)

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

ANNEXURE # 2

NOMINATION AND REMUNERATION POLICY

1. OBJECTIVE

The Nomination, Remuneration and Compensation Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement (as amended from time to time). The Key Objectives of the Committee would be:

- 1.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.6 To devise a policy on Board diversity
- 1.7 To develop a succession plan for the Board and to regularly review the plan;
- 1.8 To formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto.

2. DEFINITIONS

- 2.1. **Act** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- 2.2. **Board** means Board of Directors of the Company.
- 2.3. **Directors** mean Directors of the Company.
- 2.4. **Key Managerial Personnel** means
 - 2.4.1. Managing Director;
 - 2.4.2. Whole-time director;
 - 2.4.3. Chief Financial Officer;
 - 2.4.4. Company Secretary; and
 - 2.4.5. Such other officer as may be prescribed.
- 2.5. **Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

3.1 Terms of reference

The Committee shall:

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

- 3.1.4** formulate detailed ESOS Plan and the terms and conditions thereof including but not limited to determination of the Exercise Price, Exercise Period, Lock – in period, consequence of failure to exercise option, method of valuation, accounting policies, disclosures, etc and matters related thereto.

3.2. Policy for appointment and removal of Director, KMP and Senior Management

3.2.1. Appointment criteria and qualifications

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (b) A person should possess adequate qualification, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (c) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.2.2. Term / Tenure

(a) Managing Director/Whole-time Director

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

(b) Independent Director

- (1) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- (2) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- (3) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3. Policy relating to the Remuneration for the Managing Director or Whole- time Director, KMP and Senior Management Personnel

3.3.1. General

- (a) The remuneration / compensation / commission etc. to the Managing Director or Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- (b) The remuneration and commission to be paid to the Managing Director or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act and in line with the Company's policy.
- (c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director or Whole-time Director.
- (d) Where any insurance is taken by the Company on behalf of its Managing Director or Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2. Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

(a) Fixed pay

The Managing Director or Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

(b) Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

(c) Provisions for excess remuneration

If any Managing Director or Whole-time Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Govt., where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Govt.

3.3.3. Remuneration to Non- Executive/Independent Director

(a) Remuneration/Commission

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and/or the Act.

(b) Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(c) Commission

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

(d) Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

- 4.1 The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.
- 4.3 Membership of the Committee shall be disclosed in the Annual Report.
- 4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- 5.1 Chairperson of the Committee shall be an Independent Director.
- 5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- 7.1 A member of the Committee is not entitled to be present when his or her remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING

- 9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- 10.1 Ensuring that there is appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 10.3 Identifying and recommending Directors who are to be put forward for retirement by rotation.

- 10.4 Determining the appropriate size, diversity and composition of the Board;
- 10.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 10.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 10.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- 10.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- 10.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- 10.10 Recommend any necessary changes to the Board; and
- 10.11 Considering any other matters, as may be requested by the Board.

11. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- 11.1 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 11.2 To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 11.3 To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4 To consider any other matters as may be requested by the Board.
- 11.5 Professional indemnity and liability insurance for Directors and senior management.

12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

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

To

The Members

Precious Trading and Investments Limited

Sheth House, Next to Dindoshi Fire Station

Opp. Oberoi Mall, Gen A K Vaidya Marg

Malad (East), Mumbai 400097

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Precious Trading and Investments Limited (CIN: L51900MH1983PLC029176) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not Applicable to the Company during the Audit Period)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the financial year under review)**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**; and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**.
- (vi) The management has confirmed that there is/ are no sector specific laws applicable to the Company during the Audit Period.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Applicable with effect from 1st July, 2015);
- (ii) The Equity Listing Agreement entered into by the Company with Stock Exchange i.e. BSE Limited as per Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (LODR) (LODR applicable from 1st December, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors that took place during the period under review.

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

Decisions at the meetings of the Board of Directors were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under the review.

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

Place: Mumbai
Date: 3rd September, 2016

Ms. Khushboo Bakul Gopani
Company Secretary
Membership No. A29194

Note: This report is to be read with my letter of even date which is annexed and forms an integral part of this report

ANNEXURE

To

The Members

Precious Trading and Investments Limited

Sheth House, Next to Dindoshi Fire Station

Opp. Oberoi Mall, Gen A K Vaidya Marg

Malad (East)

Mumbai 400097

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

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

Place: Mumbai

Date: 3rd September, 2016

Ms. Khushboo Bakul Gopani

Company Secretary

Membership No. A29194

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OUTLOOK

Global activity has broadly strengthened and is gradually improving in 2016-17, with much of the impetus coming from advanced economies. Activity in many emerging market economies has disappointed in a less favorable external financial environment. The renewed increase in financial volatility in early 2014 highlights the challenges for emerging market economies posed by the changing external environment. Although market pressures were relatively broad based, countries especially third world, with higher inflation and wider current account deficits were generally more affected. Some of these weaknesses have been present for some time, but with prospects of improved returns in advanced economies, investor sentiment is now less favorable toward emerging market risks. In view of possible capital flow reversals, risks related to sizable external funding needs and disorderly currency depreciations are a concern. Some emerging market economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. The cost of capital has increased as a result, and this is dampening investment and weighing down on growth. Looking ahead, global growth is projected to strengthen, led by strong growth in the United States and positive but varied growth projections for the euro area: stronger in the core, but weaker in countries with high debt (both private and public) and financial fragmentation. In emerging markets and developing economies, growth is projected to pick up helped by stronger external demand from advanced economies, but tighter financial conditions will be a dampener to domestic demand growth.

DOMESTIC OUTLOOK

The Indian economy continued to face an uphill task in attaining a higher growth trajectory, given the continued impact of the global economic crisis. The challenges included an elevated current account deficit, persistent inflation and sharp depreciation of the rupee against the US dollar, which spiraled in mid-2013-14. Other domestic impediments like rising food and retail inflation, high input costs, pressure on profit margins and infrastructural bottlenecks contributed to the pressure on the economy. These challenges prompted the government to calibrate the fiscal policy and launch preventive administrative measures along with appropriate institutional mechanisms to fast track investments in the country.

Backed by a favorable monsoon season, India's agricultural sector did witness some recovery, particularly in the second and third quarters of the last fiscal. However, subdued growth in the manufacturing sector resulted in the overall GDP growth rate hovering around 4.6% during the year to the dismay of the Indian Government. Going forward, the economy has started picking positive cues from the advanced economies, alleviating external constraints, and paving the way to recovery. The stability of the new incumbent government is expected to ease the economic condition of the nation. The recovery is strengthening but remains uneven.

GLOBAL SCENARIO OF FINANCIAL INDUSTRY

Financial Services is the one of the growing sector of Indian economy, which determines the growth and sustainability. There are vast opportunities available for investments in the country for its globalization.

The Company is focused on trading in Finance products and Investments in Shares, Banks and other Financial Channels in India and internationally. The Company has been planning to trade and finance in Financial products at large scale.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian economy faced considerable macro challenges during Financial Year 2015, the most prominent being sharp deterioration in Balance of Payments (BoP) situation. Combination of very large current account deficit and

sudden outflow of capital especially from bonds led to a precipitous decline of 20% in the rupee exchange rate in a short span of 3-4 months.

Capital markets witnessed a roller coaster ride during Financial Year 2015 but ended on a high note. The Financial Year 2016 started well as Commodity prices declined and stability on political front was restored.

Debt market had its fair share of ups and downs in a volatile year whereby both global and domestic factors necessitated swift action by policy makers, initially with a view to defend currency volatility and later to fight inflationary pressures. RBI and the government had to step in as currency depreciated sharply on the back of US Fed tapering fears and higher current account deficit.

OPPORTUNITIES AND THREATS

Pricing and Rising of Finance Costs

The industry is very much dependent on FII Investments. Any price volatility due to these investments and to adjust to the same could adversely affect the results of operations and profitability of the industry.

Domestic Markets

We try and tap every lawful opportunity coming our way and follow a focused approach and increased marketing efforts. In the coming years, we shall strive harder to start the activities of the Company.

Segment-wise Performance

The operation of the company consists of a single segment. Hence, the Accounting Standard on Segment Reporting (AS-17) issued by Institute of Chartered Accountants of India does not apply.

Outlook

The Indian economy has shown a substantial growth in the year 2015-16 and this will have a positive impact on all the sectors. However, to tap the full potential of this emerging opportunity, the domestic industry needs to improve its cost effectiveness, scale of operations and quality/reliability in order to be able to compete with other global competitors in the market.

Security Market has maintained their high volatility making it difficult to take long-term views on prices. The volatility of the rupee against the dollar has further been a cause of concern for investors.

We are committed to deliver quality Services on a consistent basis and at competitive prices. Our strategy has been to make optimum utilization of the resources and finally develop strong customer relationship and thereby backing our prime motto to be a Service driven Company.

Risk and concerns

- Growth of unorganized sector and threat from local regional players.
- General economic and business conditions.
- Our Company's ability to successfully implement our growth strategy, fluctuation in Exchange rates.
- Changes in laws and regulations relating to the industry in which we operate.
- Changes in political and social conditions in India.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control procedures are tailored to match the organization's pace of growth and increasing complexity of operations. This ensures compliance to various policies, practices and statutes.

We have an independent and adequate system of Internal Control which enables reliable financial reporting, safeguard of assets and encourages adherence to management policies. The Company has a system for speedy compilation of accounts and management information reports to comply with applicable laws and regulations. We have a reasonable budgetary control system so that the management can monthly review actual performance against the budget. A well defined organization structure is in place with authority level, internal rules and guidelines for conducting business transactions.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Break-up of Revenue and Costs of Company is as given below:

Particulars	2015-16 (₹)	2014-15 (₹)
Income	-	-
Operating Administrative & Other Expenditure	5,87,637	239,967
Total	(5,87,637)	(2,39,967)
Profit Before Tax	(5,87,637)	(2,39,967)
Profit After Tax	(5,87,637)	(2,39,967)
Earning Per Share	(2.45)	(1.00)

Operating Administrative and other expenses:

The operating administrative and other expenses have been increased from ₹ 239967 (FY 2014-15) to ₹ 587637 (FY 2015-16). There has been an increase of 144.88%.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

Industrial relations of the company were cordial during the year and continue to remain peaceful at the office at Mumbai and all the employees are working with the company for a common objective.

Precious Trading and Investments Limited had three employees on payroll on the date of this report.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing your Company's objectives, projections, estimates and expectations, may be 'forward looking statements' and are within the meaning of the applicable laws and regulations. Actual results might differ substantially or materially from those expressed and implied. Important developments that could affect your Company's operations include a downtrend in the international market, fall in on-site, offshore rates and significant changes in political and economic environment, environment standards, tax laws, litigations and labour relations.

By order of Board of Directors
For **Precious Trading and Investments Limited**

Place : Mumbai
Date : 3rd September, 2016

Ashwin N. Sheth
Chairman
DIN: 00002053

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Precious Trading & Investments Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying financial statements of M/s. Precious Trading & Investments Limited ("the Company"), which comprise the Balance Sheet as at March 31st , 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

2. 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 to 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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 and the rules made there under.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. 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. 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.

7. 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

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:
 - a. the state of affairs of the Company as at March 31st, 2016,
 - b. the Loss stated in the Statement of Profit and Loss, and
 - c. the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure A, statement of the matters specified in paragraphs 3 and 4 of the Order.
10. 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, 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 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 March 31st, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; 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 knowledge and belief and according to the information and 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 during the year ended March 31st, 2016.

For M B Agrawal & Co.
Chartered Accountants
FRN No: 100137W

Place: Mumbai
Date : May 30, 2016

Harshal Agrawal
Partner
Membership No: 109438

Annexure-A to the Independent Auditors' Report

Referred to in Paragraph 9 of the Independent Auditors' Report of even date on the financial statement as of and for the year ended March 31st, 2016.

1. In respect of Fixed Assets:

The company does not have any Fixed Assets. Accordingly, paragraph 3(i) of the Order is not applicable.

2. In respect of Inventories:

The company does not have any stock of Inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.

3. The Company has unsecured loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013.

(a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to a 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) In case of the loans granted to a body corporate listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated.

(c) There is no overdue amount, for a period more than ninety days in respect of a body corporate listed in the register maintained under section 189 of the Act.

4. The Company has obtained an opinion from an Expert stating that *"Section 185 and 186 are to be read harmoniously and the conditions contained in Section 186, if satisfied are an exception to the restrictions contained in Section 185."* Relying solely on the opinion obtained by the Company from the legal expert regarding the said transactions and the interpretations regarding the provisions of section 185 and 186 of the Companies Act, 2013, by the said expert, the company has complied with the provisions of Section 185 and 186 in respect of loans, investments, guarantees and security.

5. According to information and explanations provided to us, the company has not obtained deposit from public as defined according to the provisions of Section 73 to 76 of the Companies Act, 2013 and the Rules framed there under.

6. According to information and explanations provided to us, the Company has maintained accounts and cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 and as specified by the Central Government of India under Section 148(1) of the Companies Act, 2013. We have however not carried out a detailed examination of the same.

7. In respect of Statutory Dues:

(a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including income tax, service tax, cess and any other statutory dues, as applicable, with appropriate authorities. As explained to us the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and other material statutory dues.

According to the information and explanations given to us, no undisputed amounts payable on account of income tax, service tax, cess and other statutory dues were in arrears as at March 31st. 2016, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of income tax, service tax, cess and other statutory dues, which have not been deposited on account of any disputes with respective authorities.

8. According to the information and explanations given to us, the company has not obtained any loan or borrowing from financial institutions, banks, Government or by way of issue of debentures. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company does not have any term loan outstanding at the beginning and at the end of the year. The Company has not raised any money via initial public offer or by way of further public offer and by way of term loans during the current financial year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has neither paid nor provided for any Managerial Remuneration during the year under audit. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. In our opinion, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations provided to us, and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations provided to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. According to the information and explanations provided to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For M B Agrawal & Co.
Chartered Accountants
FRN No: 100137W

Place: Mumbai
Date : May 30, 2016

Harshal Agrawal
Partner
Membership No: 109438

Annexure - B to the Independent Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), referred to in Paragraph 10(f) in the Independent Auditors' Report

1. We have audited the internal financial controls over financial reporting of Precious Trading & Investments Limited ("the Company") as of March 31st, 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

2. 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 ('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

3. 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 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 internal financial controls over financial reporting was 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 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.
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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. 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:
 - (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (b) 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

- (c) 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

- 7. 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

- 8. 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 31st, 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 ('ICAI').

**For M B Agrawal & Co.
Chartered Accountants
FRN No: 100137W**

**Place: Mumbai
Date : May 30, 2016**

**Harshal Agrawal
Partner
Membership No: 109438**

PRECIOUS TRADING & INVESTMENTS LIMITED

BALANCE SHEET

as at 31st March, 2016

(Currency : Indian Rupees)

	Note No	2016	2015
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	2,400,000	2,400,000
Reserves and surplus	3	107,595,473	108,183,111
		109,995,473	110,583,111
Non current liabilities			
Long term borrowings	4	91,433,710	90,857,210
		91,433,710	90,857,210
Current liabilities			
Trade payable	5	44,025	36,836
Other current liabilities	6	394	407
Short term provisions	7	11,500	-
		55,919	37,243
TOTAL		201,485,103	201,477,564
ASSETS			
Non Current Assets			
Non current investments	8	95,368,349	95,368,349
Long term loans and advances	9	106,099,000	106,099,000
		201,467,349	201,467,349
Current Assets			
Cash and Bank	10	17,754	10,215
		17,754	10,215
TOTAL		201,485,103	201,477,564
		-	-
Notes to Accounts	1		
Significant accounting Policies			

The schedules referred to above form an integral part of the balance sheet.

As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438
Place :Mumbai
Date : May 30, 2016

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Ankush V. Bhoir
Company Secretary

Jayshree A. Taori
Chief Financial Officer

Place :Mumbai
Date : May 30, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED

Statement of Profit & Loss Account for the year ended 31st March,2016

(Currency : Indian Rupees)

	Note No	2016	2015
<u>INCOME</u>			
Revenue from Operations		-	-
		-	-
<u>EXPENSES</u>			
Other expenses	11	587,637	239,967
		587,637	239,967
		(587,637)	(239,967)
PROFIT / (LOSS) BEFORE TAX		(587,637)	(239,967)
Tax expense			
- Current tax		-	-
- Deferred tax		-	-
PROFIT / (LOSS) FOR THE PERIOD		(587,637)	(239,967)
<u>EARNINGS PER EQUITY SHARE</u>			
Basic and diluted earnings per share		(2.45)	(1.00)

Notes to Accounts
Significant accounting Policies

1

The schedules referred to above form an integral part of the profit and loss account.
As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

For and on behalf of the Board of Directors

Harshal Agrawal

Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place :Mumbai
Date : May 30,2016

Ankush V. Bhoir
Company Secretary

Jayshree A. Taori
Chief Financial Officer

Place :Mumbai
Date : May 30, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2016

PARTICULARS	31.03.16	31.03.15
A. <u>Cash Flow from Operating Activities</u>		
Net Profit / (Loss) before tax & extra-ordinary items	(587,637)	(239,967)
Adjustments for:		
Increase / (Decrease) in Trade Payable/Other Current Liabilities/Provision	18,676	(5,644)
Increase / (Decrease) in Loans and Advances	576,500	242,205
(Increase)/ Decrease in Loans and Advances	-	2,500
Cash generated from operations	7,539	(906)
Less: Taxes Paid	-	-
Net Cash From Operating Activities	7,539	(906)
B. <u>Cash Flow from Investment Activities</u>	-	-
C. <u>Cash Flow from Finance Activities</u>	-	-
Net Increase or Decrease in Cash & Cash Equivalents [(A)+(B)+(C)]	7,539	(906)
Cash & Cash Equivalents as on 01/04/2015 & 01/04/2014	10,215	11,121
Cash & Cash Equivalents as on 31/03/2016 & 31/03/2015	17,754	10,215
	0.00	-

As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place :Mumbai
Date : May 30, 2016

Ankush V. Bhoir
Company Secretary

Jayshree A. Taori
Chief Financial Officer

Place :Mumbai
Date : May 30, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued) as at 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
2 Share capital		
Authorised capital		
2,50,000 (2,50,000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
Issued, subscribed and paid-up		
2,40,000 (2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	2016	2015
	Number Rupees	Number Rupees
Shares at the beginning of the year	240,000 2,400,000	240,000 2,400,000
Issued during the year	- -	- -
Outstanding at the end of the year	<u>240,000 2,400,000</u>	<u>240,000 2,400,000</u>
(b) Terms / rights attached to the shares		
The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.		
(c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution wi		
(d) Shares held by holding company	2016	2015
Sheth Developers Private Limited		
1,79,970 (P.Y. : 1,79,970) equity shares of Rs 10 each fully paid.	1,799,700	1,799,700
(e) Detail of shareholders holding more than 5% shares in the company	2016	2015
	% holding in the class No. of Shares Held	% holding in the class No. of Shares Held
Equity Shares of Rs 10 each fully paid up		
Sheth Developers Private Limited	75% 179,970	75% 179,970
3 Reserves and surplus		
Securities premium account		-
Capital Reserve	<u>98,265,518</u>	<u>98,265,518</u>
	98,265,518	98,265,518
Profit and Loss Account		
Balance as per last financial statements	9,917,593	10,157,560
Add: Loss for the year transferred from the statement of Profit and loss	<u>(587,637)</u>	<u>(239,967)</u>
Closing balance at the end of the year	<u>9,329,955</u>	<u>9,917,593</u>
	<u>107,595,473</u>	<u>108,183,111</u>

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (*Continued*) as at 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
4 Long term borrowings		
Unsecured loan from related party		
from Corporate	91,433,710	90,857,210
(No schedule of repayment has been determined.)		
	<u>91,433,710</u>	<u>90,857,210</u>
5 Trade Payable		
Trade payables towards goods purchased and services rendered		
-Others	44,025	36,836
	<u>44,025</u>	<u>36,836</u>
6 Other current liabilities		
Statutory dues payable	394	407
	<u>394</u>	<u>407</u>
7 Short term provisions		
Provision for Employee benefits:		
Provision for Expense	11,500	-
	<u>11,500</u>	<u>-</u>
8 Non current investments		
Long term investments - at cost		
Trade (Unquoted)		
Investment in Equity Shares		
1,37,70,000 Fully paid up equity shares of Rs. 10/- each of Sheth Developers & realtors (I) Ltd (P.Y. 1,37,70,000)	7,688,249	7,688,249
1 equity share of Rs. 100/- each of Sheth Shelters Pvt Ltd (P.Y 1)	100	100
Investment in Preference Shares		
4,38,400, 6% Redeemable Non-Cumulative, Non-Participating Preference shares of Rs. 10/- each of Sheth Shelters Pvt Ltd. (P.Y. 4,38,600)		
(Face Value of Rs.10/- and Premium of Rs.190/- per share)	87,680,000	87,680,000
	<u>95,368,349</u>	<u>95,368,349</u>
9 Long term loans and advances (Unsecured, considered good)		
Unsecured loan to related party		
To Corporate	106,099,000	106,099,000
	<u>106,099,000</u>	<u>106,099,000</u>
10 Cash and Bank balances		
Cash and cash equivalents		
Cash in hand	2,927	2,967
Balance with scheduled banks		
- in current accounts	14,827	7,248
	<u>17,754</u>	<u>10,215</u>
	<u>17,754</u>	<u>10,215</u>

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (*Continued*)

for the year ended 31st March,2016

(Currency : Indian Rupees)

	2016	2015
11 Operating, administrative and other expenses		
Legal, professional and other fees	146,018	35,199
Filing fees and stamping charges	25,520	27,000
Auditors remuneration (including service tax)		
- Audit fee	11,714	11,236
Bank charges and commission	1,710	1,685
Advertisement Expenses	120,157	28,530
Stock Exchange Listing Fees	224,720	112,360
Other Fees & Stamps	33,608	16,850
Miscellaneous expenses	24,190	7,107
	<u>587,637</u>	<u>239,967</u>

NOTE NO. I**NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

(Annexed to and forming part of the financial statements for the year ended 31st March, 2016)

I. GENERAL

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis, pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

II. RECOGNITION OF INCOME AND EXPENDITURE

- (i) Revenues/Incomes and Costs/Expenditures are generally accounted on accrual as they are earned or incurred.
- (ii) Sale of Goods Is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.

III. USE OF ESTIMATES

The preparation of financial statements is in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known /materialised.

IV. INVESTMENTS

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However provision for diminution is made to recognise a decline, other than temporary, in the value of the investments. Such reduction being determined and made for each investment individually.

V. PROVISIONS AND CONTINGENT LIABILITIES

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions

are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

VI. TAXATION

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised 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 realisation. Minimum Alternative Tax credit (MAT Credit) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

VII. EARNINGS PER SHARE

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES TO ACCOUNTS

12. Contingent Liability: The investment done in an associate company i.e. Sheth Developers & Realtors (India) Ltd ("SDRIL") in the form of equity share have been pledged in favour of SBICAP Trustee Company Limited as an additional security under pledged agreement dated 19th December, 2013 for the loan availed by SDRIL from State Bank of India and Punjab National Bank.

13. In the opinion of the Directors the Current Assets and creditors have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. The provision for all known Liabilities is adequate and not in excess of the amount reasonably necessary.

14. Auditor's remuneration

Particulars	2015-16 (₹)	2014-15 (₹)
Audit Fees (including Service Tax)	11,714	11,236

15. Revenue recognition

Income and expenses considered receivable and payable are accounted for on accrual basis when no significant uncertainties as to its realization or determination exist.

16. Expenditure in Foreign Currency during the year ₹ Nil (Previous Year ₹ NIL)

17. As per the guidelines provided under AS-13 on 'Accounting for Investments all the long term unquoted investments and are stated At Cost. Cost Includes Purchase Cost and the cost of Acquisition.

18. The Liability for Retirement benefits as per Accounting Standard-15 in view of absence of employees. Provision during the year is ₹ NIL . (Previous Year ₹ NIL)

19. Amount of Borrowing Cost capitalized as per Accounting Standard-16 during the year is ₹ NIL . (Previous Year ₹ NIL)

20. Since the Company is operating its Investment Activity only in one Segment no Segment wise Reporting per Accounting Standard-17 is provided.

21. Related party Disclosures

As per Accounting Standard-18, issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard is given below:

(i) List of related parties where control exists and relationships:

Sr. No.	Name of the Related Party	Relationship
1.	Sheth Developers Private Limited	Holding Company
2.	Sheth Developers and Realtors (India) Limited	Associate Company
3.	Sheth Shelters Private Limited	Related Party (Companies where Director is a Director or Member)
4.	Sheth Realcon Ventures Private Limited	
5.	Sheth Infrastructure Private Limited	
6.	Sheth Estate (International) Limited	
7.	Sheth Building Materials Private Limited	
8.	Laxmiprabha Impex and Investments Private Limited	
9.	Sheth Corp Private Limited	
10.	Sheth Infraworld Private Limited	
11.	Sheth Lifestyles Private Limited	
12.	Sheth Dreamhomes Private Limited	
13.	Sheth Infracity Private Limited	
14.	Sheth Universal Private Limited	
15.	Sheth Realty (India) Private Limited	
16.	Sheth Smarthomes Private Limited	
17.	Sheth Aviation Private Limited	
18.	Sheth Development Private Limited	
19.	Sheth Holdings (India) Private Limited	
20.	Sheth Homes Private Limited	
21.	Sheth Infra Estate Private Limited	
22.	Alpha Business Consultants Private Limited	
23.	Viviana Malls Private Limited	
24.	Sheth Buildwell Private Limited	
25.	Sheth Creators and Constructors Private Limited	
26.	Sheth Creators and Holdings Private Limited	
27.	Sheth Creators and Homemakers Private Limited	
28.	Sheth Creators and Planners Private Limited	
29.	Sheth Creators and Promoters Private Limited	
30.	Sheth Realtors and Holdings Private Limited	
31.	Sheth Heights Private Limited	
32.	Neepa Real Estates Private Limited	
33.	Transcon - Sheth Creators Private Limited	
34.	Lohitka Properties LLP	Related Party (LLP where Director is a Partner)
35.	Sanjeevani Vyaapar LLP	
36.	Sheth Abode LLP	
37.	Sheth Real Projects LLP	
38.	Ashwin N. Sheth	Directors / Key Management Personnel
39.	Jitendra N. Sheth	
40.	Vallabh N. Sheth	

- ii. Following Transaction were carried out during the year with the Related Parties in the Ordinary course of Business with there outstanding balance as on 31st March 2016 :

Particulars	Associate Concerns (₹)
Transaction Carried out during the year:	
Loans and Advances (taken)	576,500
Outstanding balances as at 31st March, 2016	
A] Loans given (Sheth Shelters Pvt. Ltd.)	10,60,99,000 (10,60,99,000)
B] Loans Taken (Sheth Developers Pvt. Ltd., Holding Company)	9,14,33,710 (9,08,57,210)

Figures in Parenthesis represent previous year figures.

22. As required by Accounting Standard-20 the Basic and Diluted (EPS) during the year is ₹(2.45)[Previous Year ₹(1.00)] arrived at by dividing net profit/(loss) for the year after tax (NPAT) by the total number of Equity Shares issued and subscribed as at the end of the year.

23. Deferred taxation

The breakup of Net Deferred Tax Asset as at March 31, 2016 comprising of temporary differences between the profit as per financial statements and profit as per Income tax as recognized in the profit & loss account is as under:

Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Therefore no DTA is recognized.

24. The Disclosure of Investments made in Associate concern other than those in subsidiary concern has been made as per the requirements of Accounting Standard 23 - 'Accounting for Investments in Associates in Consolidated Financial Statements'.

During the year, SDRIL has allotted 2,49,41,175 equity shares by way of private placement to RECO Fern Pte. Ltd., Singapore. Due to such allotment of shares, the percentage of shareholding of the Company in SDRIL is reduced to 26.01%.

SDRIL ceased to become subsidiary of the Company and continue to become associate company of the Company.

25. There is no joint venture arrangement or control over operations requiring disclosure of per Requirements of Accounting Standard-27 'Financial Reporting of Interest in Joint ventures'.

26. Prior period comparatives

Prior period figures have been regrouped/reclassified wherever necessary for comparative purpose.

**For M. B. Agrawal & Co.
Chartered Accountants**

For and on behalf of the Board of Directors

**Harshal Agrawal
Partner
Membership No:109438**

**Ashwin N. Sheth
Director
DIN-00002053**

**Vallabh N. Sheth
Director
DIN-00002035**

**Ankush V. Bhoir
Company Secretary**

**Jayshree A. Taori
Chief Financial Officer**

**Place : Mumbai
Date : May 30, 2016**

**Place : Mumbai
Date : May 30, 2016**

I N D E P E N D E N T A U D I T O R S ' R E P O R T

**To,
The Members of
Precious Trading & Investments Limited**

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. PRECIOUS TRADING & INVESTMENTS LIMITED** ("the Holding Company") and its Associates, which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year the ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are 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 and financial performance 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.

3. 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 thereunder.

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 assessment, 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. 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.

4. 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:

- a) In case of its Balance-sheet of the state of affairs of the Company as at 31st March, 2016.
- b) In case of Statement of Profit and Loss Account of the Loss for the year ended on that date.
- c) In case of Cash flow statement of its cash flows for the year ended on that date.

5. Other Matters

We would like to draw your attention to Note No-26 which briefly explains and justifies the reason as to the non-comparability of the current year figures with the previous year figures in the Consolidated Financial Statements.

6. Report on Other Legal and Regulatory Requirements

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 accounts of the company;
- 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 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) With respect to the adequacy of the 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.

For M B Agrawal & Co.
Chartered Accountants
FRN No: 100137W

Place: Mumbai
Date : September 3, 2016

Harshal Agrawal
Partner
Membership No: 109438

Annexure - A to the Independent Auditors' Report
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act"), referred to in Paragraph 6(f) in the Independent Auditors' Report

1. We have audited the internal financial controls over financial reporting of Precious Trading & Investments Limited ("the Holding Company") and its Associates as of March 31st, 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

2. The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ('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

3. Our responsibility is to express an opinion on the Holding 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 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 internal financial controls over financial reporting was 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 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.
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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. 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:
 - (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (b) 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
- (c) 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

- 7. 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

- 8. In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor, the Holding Company and its associates have, 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 31st, 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 ('ICAI').

For M B Agrawal & Co.
Chartered Accountants
FRN No: 100137W

Place: Mumbai
Date : September 3, 2016

Harshal Agrawal
Partner
Membership No: 109438

PRECIOUS TRADING & INVESTMENTS LIMITED

CONSOLIDATED BALANCE SHEET BALANCE SHEET

as at 31st March, 2016

(Currency : Indian Rupees)

	Note No	2016	2015
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	2,400,000	2,400,000
Reserves and surplus	3	877,774,378	144,460,953
		880,174,378	146,860,953
Non current liabilities			
Long term borrowings	4	91,433,710	7,016,916,437
Other long term liabilities	5	-	428,473,672
Long term provisions	6	-	2,697,334
		91,433,710	7,448,087,443
Current liabilities			
Short term borrowings	7	-	35,621,863
Trade payable	8	44,025	342,436,527
Other current liabilities	9	394	450,089,060
Short term provisions	10	11,500	-
		55,919	828,147,450
Minority Interest			42,241,931
TOTAL		971,664,007	8,465,337,776
ASSETS			
Fixed assets			
(i) Tangible assets	11	-	7,818,862,540
(ii) Intangible assets	11	-	-
(iii) Capital work in progress	11	-	-
		-	7,818,862,540
Non Current Assets			
Non current investments	12	865,547,254	87,690,100
Deffered Tax		-	108,295,789
Long term loans and advances	13	106,099,000	174,575,677
Other non current assets	14	-	123,030,667
		971,646,254	493,592,233
Current Assets			
Inventories	15	-	1,566,918
Trade receivables	16	-	34,829,529
Cash and Bank	17	17,754	38,765,005
Short term loans and advances	18	-	5,337,783
Other current assets	19	-	72,383,768
		17,754	152,883,003
TOTAL		971,664,007	8,465,337,776
Notes to Accounts	1		
Significant accounting Policies			

The schedules referred to above form an integral part of the balance sheet.
As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place :Mumbai
Date : September 3, 2016

Jayshree A. Taori
Chief Financial Officer
Place :Mumbai

Ankush V. Bhoir
Company Secretary

Date : September 3, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated Statement of Profit & Loss Account for the year ended 31st March, 2016

(Currency : Indian Rupees)

	Note No	2016	2015
<u>INCOME</u>			
Revenue from Operations	20	-	1,234,436,722
Other income	21	-	3,924,400
		<u>-</u>	<u>1,238,361,122</u>
<u>EXPENSES</u>			
Changes in Inventories		-	-
Finance cost	22	-	680,242,368
Employee benefit expense	23	-	51,746,118
Other expenses	24	587,637	427,052,176
		<u>587,637</u>	<u>1,159,040,661</u>
		<u>(587,637)</u>	<u>79,320,462</u>
Depreciation and amortisation			181,752,079
PROFIT / (LOSS) BEFORE TAX		(587,637)	(102,431,618)
Tax expense			
- Current tax		-	-
- Deferred tax		-	52,647,608
PROFIT / (LOSS) FOR THE PERIOD		<u>(587,637)</u>	<u>(49,784,010)</u>
Add: Share of (Profit)/ Loss transferred (to)/ from Minority Interest			24,276,580
Profit For the Year (after adjustment for Minority Interest)		<u>(587,637)</u>	<u>(25,507,429)</u>
<u>EARNINGS PER EQUITY SHARE</u>			
Basic and diluted earnings per share		<u>(2.45)</u>	<u>(106.28)</u>

Notes to Accounts
Significant accounting Policies

1

The schedules referred to above form an integral part of the profit and loss account.
As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place : Mumbai
Date : September 3, 2016

Jayshree A. Taori
Chief Financial Officer

Ankush V. Bhoir
Company Secretary

Place : Mumbai
Date : September 3, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED		
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 ST MARCH,2016		
PARTICULARS	31.03.2016	31.03.2015
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before tax & extra-ordinary items	(587,637)	(102,431,618)
Adjustments for:		
Dividend on Shares	-	(1,000)
Interest Income	-	(3,866,103)
Interest Cost	-	680,242,368
Depreciation	-	181,752,079
Operating Profit / (Loss) before Working Capital Changes	(587,637)	755,695,726
Changes in Working Capital:		
Increase / (Decrease) in Inventory	-	5,393,015
Increase / (Decrease) in Trade Payable, Other Liabilities & Provisions	18,676	(5,832,525)
(Increase) / Decrease in Loans & Advances and Other Current Assets	576,500	(30,809,763)
(Increase) / Decrease in Trade and Other Receivable	-	18,260,835
Cash generated from operations	7,539	742,707,289
Less: Taxes Paid	-	(13,226,053)
Cash generated from Operating Activities (A)	7,539	729,481,235
B. Cash Flow from Investment Activities		
Additions to Fixed Assets & Capital work in Progress	-	(2,878,255)
Interest Received	-	3,866,103
Dividend on Shares	-	1,000
Cash Used in Investing Activities (B)	-	988,848
C. Cash Flow from Finance Activities		
Proceeds From Long Term Borrowings	-	530,027,417
Repayment of Long Term Borrowings	-	(618,358,341)
Proceeds From Short Term Borrowings	-	-
Repayment of Short Term Borrowings	-	(16,474,242)
Interest Paid	-	(598,030,386)
Cash generated from Financing Activities (C)	-	(702,835,552)
Net Increase or Decrease in Cash & Cash Equivalents [(A)+(B)+(C)]	7,539	27,634,532
Opening Balance of Cash and Cash Equivalents	10,215	11,130,473
Closing Balance of Cash and Cash Equivalents	17,754	38,765,005

Notes:

1. Cash Flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS)-3: 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India.
2. Previous year's figures have been re-grouped/re-classified/re-arranged wherever required.
3. The Previous year's figures are not comparable because of the reason mentioned in Note No. 26 of the Notes to Accounts

For M. B. Agrawal & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place: Mumbai
Date : 3rd September, 2016

Jayshree A. Taori Ankush V. Bhoir
Chief Financial Officer Company Secretary

Place: Mumbai
Date : 3rd September, 2016

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
as at 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
2 Share capital		
Authorised capital		
2,50,000 (2,50,000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
Issued, subscribed and paid-up		
2,40,000 (2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	2016	2015
	Number Rupees	Number Rupees
Shares at the beginning of the year	240,000 2,400,000	240,000 2,400,000
Issued during the year	- -	- -
Outstanding at the end of the year	<u>240,000 2,400,000</u>	<u>240,000 2,400,000</u>
(b) Terms / rights attached to the shares		
The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.		
(c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently.		
(d) Shares held by holding company	2016	2015
Sheth Developers Private Limited		
1,79,970 (P.Y. 1,79,970) equity shares of Rs 10 each fully paid.	1,799,700	1,799,700
(e) Detail of shareholders holding more than 5% shares in the company	2016	2015
	% holding in the class No. of Shares Held	% holding in the class No. of Shares Held
Equity Shares of Rs 10 each fully paid up		
Sheth Developers Private Limited	75 179,970	75 179,970
3 Reserves and surplus		
Capital Reserve on Consolidation	71,340,303	14,969,699
Capital Reserve	<u>98,265,518</u>	<u>98,265,518</u>
	169,605,821	113,235,217
Securities Premium (from Associates on Consolidation)	782,214,466	
Profit and Loss Account		
Balance as per last financial statements	9,917,593	56,733,164
Add: Loss for the year transferred from the statement of Profit and loss	(587,637)	(239,967)
Add: Loss for the year transferred on account of Consolidation	-	(25,267,461)
Add: Revenue Share from Associates on Consolidation	<u>(83,375,865)</u>	-
Closing balance at the end of the year	<u>(74,045,910)</u>	<u>31,225,735</u>
	<u>877,774,378</u>	<u>144,460,953</u>
4 Long term borrowings		
Term loan from banks/Institutions (Secured)		
From Financial Institutions	-	4,370,362,677
Unsecured loan from related party		
from Corporate	91,433,710	2,646,553,760
(No schedule of repayment has been determined.)	<u>91,433,710</u>	<u>7,016,916,437</u>

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements *(Continued)*
as at 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
5 Other long term liabilities		
Security deposit	-	428,473,672
	-	428,473,672
6 Long term provisions		
Provision for Employee Benefits		2,697,334
	-	2,697,334
7 Short term borrowings		
Unsecured loans		
Loans from related party (repayable on demand)	-	35,621,863
	-	35,621,863
8 Trade Payable		
Trade payables towards goods purchased and services rendered		
-Others	44,025	342,436,527
	44,025	342,436,527
9 Other current liabilities		
Statutory dues payable	394	58,249,321
Salary & Bonus	-	3,354,556
Employee Benefits Payable	-	3,910,904
Advance from customers	-	5,890,324
Security deposit-From Ocupants / Licensees	-	8,021,451
Current maturities of long term debt	-	318,750,000
Other Liabilities	-	3,656,160
Interest accrued but not due	-	48,256,344
	394	450,089,060
10 Short term provisions		
Provision for Employee benefits:		
Provision for Expense	11,500	-
	11,500	-
12 Non current investments		
Long term investments - at cost		
Trade (Unquoted)		
Investment in Equity Shares		
1,37,70,000 Fully paid up equity shares of Rs. 10/- each of Sheth Developers & realtors (I) Ltd (P.Y. 1,37,70,000)	7,688,249	-
Add: Capital Reserve on Acquisition	71,340,303	-
Add: Securities Premium (from Associates on Consolidation)	782,214,466	-
Add: Revenue Share post Acquisition	(83,375,865)	-
	777,867,154	-
1 equity share of Rs. 100/- each of Sheth Shelters Pvt Ltd (P.Y.1)	100	100
1000 Fully Paid-up Equity share of Rs.10/- each in Sarswat Co-operative Bank Limited	-	10,000
Investment in Preference Shares		
4,38,400, 6% Redeemable Non-Cumulative, Non-Participating Prefrance shares of Rs. 10/- each of Sheth Shelters Pvt Ltd. (P.Y. 4,38,400)		
(Face Value of Rs.10/- and Premium of Rs.190/- per share)	87,680,000	87,680,000
	865,547,254	87,690,100
13 Long term loans and advances (Unsecured, Considered Good)		
Unsecured loan to related party		
Loans and advances to related parties	106,099,000	106,099,000
Deposits Paid	-	42,879,403
Advance tax	-	21,246,327
CENVAT Credit Available	-	4,350,946
	106,099,000	174,575,677

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements *(Continued)*
as at 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
14 Other non current assets		
Prepaid expense	-	48,273,821
Unbilled revenue	-	74,756,846
	<u>-</u>	<u>123,030,667</u>
15 Inventories (At lower of cost and net realisable value)		
Building materials, components and spares	-	1,566,918
	<u>-</u>	<u>1,566,918</u>
16 Trade receivables (Unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	4,245,664
Others debts	-	30,583,865
	<u>-</u>	<u>34,829,529</u>
Less: Provision for doubtful Debts	-	-
	<u>-</u>	<u>34,829,529</u>
17 Cash and Bank balances		
Cash and cash equivalents		
Cash in hand	2,927	2,295,184
Balance with scheduled banks		
- in current accounts	<u>14,827</u>	<u>36,469,821</u>
	<u>17,754</u>	<u>38,765,005</u>
	<u>17,754</u>	<u>38,765,005</u>
18 Short term loans and advances (Unsecured, considered good)		
Advances to vendors	-	2,635,972
Other receivables	-	2,701,811
	<u>-</u>	<u>5,337,783</u>
19 Other current assets		
Prepaid expense	-	8,565,785
Unbilled revenue	-	21,942,412
Income Accrued but not due	-	41,875,571
	<u>-</u>	<u>72,383,768</u>

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements *(Continued)* for the year ended 31st March, 2016

(Currency : Indian Rupees)

	2016	2015
20 Revenue from Operations		
License Fees	-	413,377,963
Amenity Fees	-	392,022,348
Revenue Share	-	56,348,045
CAM Recoveries & Utility Debits	-	295,153,099
Other Mall Operating Income	-	77,535,267
	<u>-</u>	<u>1,234,436,722</u>
21 Other income		
Interest income	-	3,866,103
Dividend income	-	1,000
Miscellaneous income	-	57,297
	<u>-</u>	<u>3,924,400</u>
22 Finance costs		
Interest on fixed loans	-	615,493,223
Interest on others	-	69,390,584
Other borrowing costs	-	7,014,140
	<u>-</u>	<u>691,897,947</u>
Less: Finance cost transferred to capital work in progress	-	11,655,579
	<u>-</u>	<u>680,242,368</u>
23 Employee Benefit Expenses		
Salaries, bonus and other benefits	-	51,746,118
	<u>-</u>	<u>51,746,118</u>
24 Operating, administrative and other expenses		
Legal, professional and other fees	146,018	3,787,530
Filing fees and stamping charges	25,520	122,935
Auditors remuneration (including service tax)		
- Audit fee	11,714	706,236
Bank charges and commission	1,710	37,657
Advertisement Expenses	120,157	28,530
Stock Exchange Listing Fees	224,720	112,360
Other Fees & Stamps	33,608	16,850
Miscellaneous expenses	24,190	6,227,950
Travelling and conveyance	-	1,867,212
Communication costs	-	739,685
Printing and stationery	-	852,231
- Reimbursement of expenses		
Insurance	-	2,601,159
Rates and taxes	-	1,079,156
- Repairs and maintenance		
Building	-	5,865,673
Plant and machinery	-	9,528,739
Security charges	-	28,834,801
Electricity cost (net)	-	173,609,782
Water charges (net)	-	8,105,395
Marketing and promotion expense	-	44,926,779
Housekeeping expenses	-	25,549,139
Mall Operations Expenses	-	8,410,261
Equipment Hire Charges	-	865,200
Consumables Cost	-	9,794,639
Facility Management Agency Expenses	-	14,908,841
CCTV Management and Safety Costs	-	3,428,450
Annual Maintenance Contract Expenses	-	9,696,530
Commission & Brokergae Expenses	-	18,798,480
Property Tax	-	43,351,536
Licence Fees	-	3,198,439
	<u>587,637</u>	<u>427,052,176</u>

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

NOTE NO. I

NOTES TO ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(Annexed to and forming part of the financial statements for the year ended 31st March, 2016)

1. GENERAL

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis, pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. FIXED ASSETS AND DEPRECIATION

(i) Fixed Assets

Fixed asset are stated at cost net of tax/duty credits availed, less accumulated depreciation/impairment losses if any. Cost includes original cost of acquisition and incidental expenses related to such acquisition and installation.

(ii) Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the assets as prescribed under Schedule II of the Companies Act, 2013. Depreciation on addition / deletion of fixed asset made during the year is provided on pro-rata basis from / to the date of such addition/deletion. Assets individually costing less than ₹ 5,000 are fully written off in the year of acquisition.

3. INVESTMENTS

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long term investments are carried at cost. However provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

4. RECOGNITION OF INCOME AND EXPENDITURE

- (i) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual as they are earned or incurred.
- (ii) Sale of Goods Is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.

Revenues from property leased out under an operating lease are recognised over the tenure of the lease/service agreement on a straight line basis, except where there is uncertainty of ultimate collection.

Maintenance income is recognised as and when related expenses are incurred.

Interest income is recognised on period proportion basis.

5. BORROWING COSTS

The borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with the AS - 16 issued by the ICAI. A qualifying asset is the one that necessarily takes a substantial period of time to get ready for intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

6. INVENTORIES

Inventories comprise of components, consumables and stores and spares. Inventories are valued at lower of cost or net realizable value. Cost is determined on FIFO Basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location.

7. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the profit and loss account of the period.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end and not covered by forward contracts, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the profit and loss account.

8. OTHER ACCOUNTING POLICIES

These are consistent with generally accepted accounting policies except interest, penalty and other demand/refunds finalized on completion of assessment under Income Tax Act, Maharashtra value added Tax, etc. which will be accounted on completion of assessment.

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company creates a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

10. PROVISION FOR TAXATION

(i) Current tax

Provision for current tax is based on the results for the year ended 31st March 2016, in accordance with the provisions of the Income-tax Act, 1961.

(ii) Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the financial statements.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

11. EARNING PER SHARE (EPS)

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

12. EMPLOYEE BENEFITS

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period. Benefits such as salaries are recognized in the period in which the employee renders the related services.

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

Post-employment benefits

Defined contribution plans

The Company's approved provident scheme is a defined contribution plan. The Company makes specified monthly contributions towards employees' provident fund. The Company's contribution paid / payable under the scheme is recognised as an expense in the profit and loss account during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at the balance sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognized immediately in the profit and loss account.

Other long-term employment benefits

The Company's net obligation in respect of long-term employment benefits, other than gratuity, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated based on actuarial valuation at balance sheet date, by an independent actuary, using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

13. LEASES

Leases, where the lessor effectively retains substantially all its risk and benefits of ownership, as the leased assets during the leased term are classified, as operating leases. Operating lease income /expenditure are recognized in profit and loss account on straight line basis over the leased term.

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

14. IMPAIRMENT OF ASSETS

In accordance with AS 28 on "Impairment of Assets" 2006, where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment Loss, if any, is recognized in the Statement of Profit and Loss.

15. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known /materialized.

16. MINORITY INTEREST

Share of Minority interest in consolidated subsidiary is arrived at and identified

- (i) in case of profit and loss account for the year ended, net profit/loss attributable to them and
- (ii) in case of balance sheet, net assets attributable to them.

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

NOTES TO ACCOUNTS

25. PRINCIPLES OF CONSOLIDATION

The consolidated Financial Statements comprise the Financial Statements of the parent company and its subsidiary and its Associate if any. Minority interest in the net assets of the subsidiary disclosed separately if any.

The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together book values of like items of assets, liabilities, income and expenses after fully eliminating intra group transactions in accordance AS-21 "Consolidated Financial Statements".

Difference between the cost of investment and the parent's portion of equity in the subsidiary company as on the date of the holding-subsidiary relationship coming into existence and at anytime thereafter is recognized as Capital Reserve/Goodwill as the case may be.

Investment in Associate Companies has been accounted under the equity method as per Accounting Standard (AS) 23- " Accounting for Investments in Associates in Consolidated Financial Statements".

Investments made by the parent company in the subsidiary companies subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statements.

Intra group balances and intra group transactions are eliminated to the extent share of the parent company in full.

26. FINANCIAL STATEMENTS

Consolidated financial statements are prepared and presented upon the principles consistent with the manner stipulated in Accounting Standards (AS) - 23: 'Accounting for Investments in Associates in Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, as follows:

Financial statements of Parent and that of its Associates have been drawn up to the same reporting date i.e. as on 31st March, 2016.

The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates 'Profit and Loss Statement and through its reserves for the balance based on available information.

The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

PRECIOUS TRADING & INVESTMENTS LIMITED**Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016**

In the Current Financial Year, Sheth Developers & Realtors (India) Ltd. has issued 2,59,41,175 shares by way of private placement to RECO Fern Pte. Ltd., Singapore, resulting into dilution of stake of the Company from 51% to 26.01%. Sheth Developers & Realtors (India) Ltd. now stands as an Associate in the financials of the company as on 31st March, 2016.

Due to above transaction, the Company has consolidated the financials of Sheth Developers & Realtors (India) Ltd. being an associate rather than subsidiary as in last financial year (i.e. year ending March 2015). The previous year figures and the current year figures are thus not comparable.

27. DETAILS OF THE ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Name: Sheth Developers & Realtors (India) Ltd.

Proportion of Ownership and Voting Power as on 31st March, 2016: 26.01%.

28. CONTINGENT LIABILITY

The investment of the Company in Sheth Developers & Realtors (India) Ltd ("SDRIL") in the form of equity shares have been pledged in favour of SBICAP TRUSTEE COMPANY LIMITED by pledged agreement dated 19 December, 2013 as an additional security for the loan availed by SDRIL

29. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small & medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2016 as a Micro, Small or Medium enterprise. Consequently amount payable to these parties during the year has been taken as NIL.

30. AUDITORS' REMUNERATION

Particulars	2015-16 (₹)	2014-15 (₹)
Audit Fees (Excluding Service Tax)	10,000	7,05,000
Total	10,000	7,05,000

31. In the opinion of the directors the current assets, loans and advances and creditors have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate.
32. Remuneration to the Directors ₹ Nil (Previous year ₹ Nil)
33. Expenditure in Foreign Currency during the year is ₹ Nil. (Previous Year ₹ Nil)
(Expenditure means expenses incurred during the year whether considered as project cost or treated as revenue).
34. Since the Company is operating its Investment Activity only in one Segment no Segment wise Reporting per Accounting Standard-17 is provided.

PRECIOUS TRADING & INVESTMENTS LIMITED**Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016****35. RELATED PARTY DISCLOSURES**

As per Accounting Standard 18, issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties where control exists and relationships:

Sr No.	Name of the Related Party	Relationship
1.	Sheth Developers Private Limited	Holding Company
2.	Alpha Business Consultants Private Limited	Related Party (Companies where Director is a Director or Member)
3.	Laxmiprabha Impex and Investments Private Limited	
4.	Neepa Real Estates Private Limited	
5.	Sheth Estate (International) Limited	
6.	Sheth Aviation Private Limited	
7.	Sheth Building Materials Private Limited	
8.	Sheth Buildwell Private Limited	
9.	Sheth Corp Private Limited	
10.	Sheth Creators and Constructors Private Limited	
11.	Sheth Creators and Holdings Private Limited	
12.	Sheth Creators and Homemakers Private Limited	
13.	Sheth Creators and Planners Private Limited	
14.	Sheth Creators and Promoters Private Limited	
15.	Sheth Creators and Realtors Private Limited	
16.	Sheth Development Private Limited	
17.	Sheth Dreamhomes Private Limited	
18.	Sheth Heights Private Limited	
19.	Sheth Holdings (India) Private Limited	
20.	Sheth Homes Private Limited	
21.	Sheth Infra Estate Private Limited	
22.	Sheth Infracity Private Limited	
23.	Sheth Infrastructure Private Limited	
24.	Sheth Infraworld Private Limited	
25.	Sheth Lifestyles Private Limited	
26.	Sheth Realcon Ventures Private Limited	
27.	Sheth Realtors and Holdings Private Limited	
28.	Sheth Realty (India) Private Limited	
29.	Sheth Shelters Private Limited	
30.	Sheth Smarthomes Private Limited	
31.	Sheth Universal Private Limited	
32.	Transcon - Sheth Creators Private Limited	
33.	Viviana Malls Private Limited	

PRECIOUS TRADING & INVESTMENTS LIMITED**Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016**

34.	Lohitka Properties LLP	Related Party (LLP's where Director is a Partner)
35.	Sanjeevani Vyaapar LLP	
36.	Sheth Abode LLP	
37.	Sheth Real Projects LLP	
38.	Ashwin N. Sheth	Directors
39.	Jitendra N. Sheth	
40.	Vallabh N. Sheth	

Details of Transaction are as follows:

Transaction	Relationship	Amount (₹)
Unsecured Loans (Loan Taken)	Holding Company	9,14,33,710 (2,192,070,810)
Unsecured Loans (Loan Taken)	Related Party	Nil (45,44,82,951)
Unsecured Loans (Loan Given)	Related Party	10,60,99,000 (10,60,99,000)
Interest Expenses	Related Party	Nil (3,17,04,134)
Trade Payable	Related Party	Nil (50,47,209)

(Figures in brackets represent previous year figures.)

Sr. No.	Nature of Transaction	Holding Amount (₹)	Related Party Amount (₹)
1.	Unsecured Loan balance as on 31.03.2016		
	Sheth Developers Pvt. Ltd. (Taken)	9,14,33,710 (2,192,070,810)	-
	Sheth Corp Private Limited (Taken)	-	- (27,45,23,280)
	Sheth Shelters Private Limited (Given)	-	10,60,99,000 (10,60,99,000)
	Sheth Infracore Private Limited (Taken)	-	- (17,99,59,671)
2.	Interest Expenses during F.Y. 2015-16		
	Sheth Corp Private Limited	-	- (2,06,37,833)
	Sheth Infracore Private Limited	-	- (1,10,66,301)
3.	Trade Payable as on 31st March, 2016		
	Neepa Real Estate Private Limited	-	- (50,47,209)

(Figures in brackets represent previous year figures.)

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated notes annexed to and forming part of accounts for year ended 31st March, 2016

36. EARNINGS PER SHARE

As required by the Accounting Standard - 20 the Earnings Per Share (EPS) is ₹ (2.45) [Previous Year ₹ (106.28)] arrived at by dividing net profit/(loss) for the year after Tax (NPAT) by the total number of equity shares issued and subscribed as at the end of the year.

- 37.** The Disclosure of Investments made in Associate concern other than those in subsidiary concern has been made as per the requirements of Accounting Standard 23 - 'Accounting for Investments in Associates in Consolidated Financial Statements'.
- 38.** There is no joint venture arrangement or control over operations requiring disclosure of per Requirements of AS - 27 'Financial Reporting of Interest in Joint ventures'.
- 39.** The Standalone Financial Statement of Sheth Developers & Realtors (India) Ltd ("**Associate Company**") has been attached along with it.

40. PRIOR YEAR COMPARATIVES

Prior year figures are regrouped / reclassified wherever necessary.

For M. B. Agrawal & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Harshal Agrawal
Partner
Membership No:109438

Ashwin N. Sheth
Director
DIN-00002053

Vallabh N. Sheth
Director
DIN-00002035

Place : Mumbai
Date : September 3, 2016

Ankush V. Bhoir
Company Secretary
Place : Mumbai
Date : September 3, 2016

Jayshree A. Taori
Chief Financial Officer

FORM # AOC-1

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES

PART "A" - SUBSIDIARIES

As on 31st March, 2016, the Company does not have any Subsidiary.

PART "B" - ASSOCIATES AND JOINT VENTURES

Particulars		Details
Name of associates/Joint Ventures		Sheth Developers & Realtors (India) Ltd.*
1.	Latest audited Balance Sheet Date	31 st March, 2016
2.	Shares of Associate held by the company on the year end	
	No.	13,770,000
	Amount of Investment in Associates	₹ 76,88,249
	Extend of Holding (%)	26.01 [#]
3.	Description of how there is significant influence	Holding equity shares more than 20%
4.	Reason why the associate is not consolidated	N.A.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 77,78,67,154
6.	Profit/Loss for the year	
	(i) Considered in Consolidation	N.A.
	(ii) Not Considered in Consolidation	N.A.

* Ceased to be a subsidiary w.e.f. 23rd March, 2016 and continue to become an associates company.

[#] Dilution on account of further issue of shares by the subsidiary company i.e. SDRIL.

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm Registration No. 100137W

For **Precious Trading and Investments Limited**

Harshal Agrawal
Partner
Membership No. 109438

Ashwin N. Sheth
Director
DIN: 00002053

Vallabh N. Sheth
Director
DIN: 00002035

Place: Mumbai
Date: 3rd September, 2016

Ankush Bhoir
Company Secretary

Jayshree A. Taori
Chief Financial Officer

Place: Mumbai
Date: 3rd September, 2016

PRECIOUS TRADING AND INVESTMENTS LIMITED

Regd. Off: Sheth House, Next to Dindoshi Fire Station, Gen A. K. Vaidya Marg, Malad (E), Mumbai - 400097

CIN: L51900MH1983PLC029176

**ATTENDANCE SLIP**

(To be presented at the entrance)

Name	
Address:	
Reg. Folio No/DP Id	
Client ID	

I/We hereby record my/our presence at the Annual General Meeting of the Company to be held on Friday, the 30th day of September, 2016 at 4.00 p.m. at Sheth House, Next to Dindoshi Fire Station, Gen A. K. Vaidya Marg, Malad (East), Mumbai - 400097

First/Sole Holder/Proxy_____
Second Holder/Proxy_____
Third Holder/Proxy

PRECIOUS TRADING AND INVESTMENTS LIMITED

Regd. Off: Sheth House, Next to Dindoshi Fire Station, Gen A. K. Vaidya Marg, Malad (E), Mumbai - 400097
CIN: L51900MH1983PLC029176

**Form No. MGT-11****PROXY FORM**

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

Name of Member(s)	
Registered Address:	
Email Id:	
Folio No./Client ID	
DP ID:	

I/We of being a Member /Members of _____ Shares of the above named Company hereby appoint:

1. Name: _____ E-mail Id: _____

Address: _____

_____ Signature _____

or falling him/her

2. Name: _____ E-mail Id: _____

Address: _____

_____ Signature _____

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Friday, the 30th day of September, 2016 at 4:00 p.m. at Sheth House, Next to Dindoshi Fire Station, Gen A. K. Vaidya Marg, Malad (East), Mumbai - 400097 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
	ORDINARY BUSINESS
1.	Adoption of Standalone and Consolidated Financial Statements and reports thereon for the year ended 31 st March, 2016.
2.	Re-appointment of Mr. Jitendra N. Sheth as a Director who retires by rotation.
3.	Ratification of appointment of M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai, as Statutory Auditors of the Company.
SPECIAL BUSINESS	
4.	To appoint Mr. Ashwin N. Sheth as a Managing Director of the Company.

Signed this ___ day of _____ 2016

.....
Signature of the shareholder

**Affix
Revenue
Stamp**

Signature of proxy holder(s)

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route map to the Venue of the AGM

Venue : 2nd Floor, "Sheth House"
Next to Dindoshi Fire Station, Gen. A. K. Vaidya Marg,
Off Western Express Highway, Malad (East),
Mumbai - 400097

Landmark : Opp. Oberoi Mall

