
THE GEM & JEWELLERY EXPORT PROMOTION COUNCIL

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29TH October, 2014

MINUTES OF THE 48th ANNUAL GENERAL MEETING OF THE GEM & JEWELLERY EXPORT PROMOTION COUNCIL (GJEPC/THE COUNCIL) HELD ON MONDAY, 29TH SEPTEMBER, 2014, AT 12.30 P.M. AT "SALON BALLROOM", HOTEL SOFITEL, C-57, LEVEL-II, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI-400 051

PRESENT:

| SR. NO. | NAME OF PERSON | NAME OF FIRM |
|----------------|-----------------------|---|
| 1 | KONAL DOSHI | MODERN IMPEX |
| 2 | RAJENDRA A SHAH | RAJENDRAKUMAR A. SHAH HUF |
| 3 | ANIL SANKHWAL | J H JEWELLERS |
| 4 | AAGAM SANGHAVI | SANGHAVI EXPORTS |
| 5 | B N GUPTA | RAMNARIAN & CO |
| 6 | NIRMAL BARDIYA | RMC GEMS INDIA LTD |
| 7 | NIRMAL BARMECHA | NIRMALKUMAR & CO |
| 8 | RAJENDRA A SHAH | RAJENDRAKUMAR A. SHAH |
| 9 | SURESH SHAH | TWINKLE DIAMONDS EXPORT PVT. LTD |
| 10 | VIPUL SHAH | ASIAN STAR CO LTD |
| 11 | RAJIV JAIN | SAMBHAV GEMS LTD |
| 12 | PRAMOD KUMAR AGARWAL | DJMC EXPORTS |
| 13 | PRAMOD KUMAR AGARWAL | DEREWALA INDUSTRIES LTD |
| 14 | PRAMOD KUMAR AGARWAL | DEREWALA JEWELLERY MANUFACTURING CO LTD |
| 15 | PRAMOD KUMAR AGARWAL | GARG GEMS PVT. LTD |
| 16 | SANJAY KOTHARI | M/s KUNAL DIAMONDS |
| 17 | SANJAY KOTHARI | DIATRENDS JEWELLERY PVT. LTD |
| 18 | B N GUPTA | G S EXPORTS |
| 19 | RAJIV JAIN | SAMBHAV JEWELS |
| 20 | ANIL SANKHWAL | J H JEWELS PVT. LTD |
| 21 | NIRMAL KUMAR BARDIYA | RMC GEMS & JEWELLERY CO |
| 22 | B N GUPTA | SHRI GOVIND GEMS PVT LTD |
| 23 | ASHOK SINGHI | ANUKOOL GEMS |
| 24 | VIPUL SHAH | ASIAN STAR DIAMONDS LTD |
| 25 | SUDHIR KASLIWAL | THE GEM PALACE |
| 26 | SUDHIR KASLIWAL | KASLIWAL EXPORTS |
| 27 | PRINCESON JOSE | PRINCE EXPORTS |
| 28 | PRINCESON JOSE | PRINCE GEM & JEWELLERY PVT. LTD |

| SR. NO. | NAME OF PERSON | NAME OF FIRM |
|---------|----------------------|-----------------------------------|
| 29 | CHANDRAKANT SANGHAVI | SANGHAVI STAR PVT. LTD |
| 30 | NIRAV BHANSALI | PRISM ENTERPRISES PVT. LTD |
| 31 | PANKAJ PAREKH | ALANKAR |
| 32 | COLIN SHAH | KAMA SCHACHTER JEWELLERY PVT. LTD |
| 33 | NIRAV BHANSALI | J K BHANSALI & COMPANY |
| 34 | SAUNAK PARIKH | MAHENDRA BROTHERS PVT. LTD |
| 35 | PRAMOD KUMAR AGARWAL | DEREWALA JEWELLERY MFG CO |

1. Chairman

Shri Vipul Shah was unanimously selected as Chairman of the meeting.

After ascertaining that the requisite quorum for the meeting was present, the meeting was called to order.

The Chairman took over the dais and addressed the members on the different aspects of the industry performance, the Council's performance, the export review, and also apprised the members on the various steps taken by the Council towards enriching the industry and briefed the Members on the highlights of the financial year 2013-14. Further he also highlighted that the Council has commenced a strong initiative to consolidate the individual contributions of the Indian Gem & Jewellery Industry towards Corporate Social Responsibility (CSR) in order to make a stronger impact on the society. He also acknowledged the contribution and the continuous efforts of CoA members and thanked them for their co-operation towards fulfillment of the objectives of the Council. He concluded his address with the acknowledgements and with the consent of the members, the notice convening the 48th Annual General Meeting was taken as read.

2. To consider, review and adopt the Council's audited Balance Sheet and Income & Expenditure statement for the financial year ended 31st March, 2014 along with the Report of the Committee of Administration

Shri Sabyasachi Ray, Executive Director informed the members that no queries or observations have been received by the Council from any member with respect to the accounts. After brief discussions the below resolution was passed;

Shri Rajiv Jain proposed and Shri Badrinarayanan Gupta seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2014 and the Income and Expenditure Statement for the year ended 31st March, 2014, together with the notes and schedules thereon, the Auditors' Report and the Annual Report, as placed before this meeting be and is hereby adopted."

The resolution when put to vote was declared as being carried unanimously on show of hands.

3. To re-appoint M/s AMJ & Co, Chartered Accountants, having Firm Registration No.128550W, as the Statutory Auditors to hold office from the conclusion of this meeting till the conclusion of the 53rd Annual General Meeting subject to ratification by members every year, and to fix their remuneration

Shri Sabyasachi Ray, Executive Director requested Shri Sandeep Sharma, Chief Financial Officer to elaborate on the provisions of the new Companies Act 2013 for the benefit of the members. Shri Sandeep Sharma thereafter explained the provisions of Section 139 (1) of the Companies Act 2013 which mandated every Company to appoint the auditor who shall hold office from the conclusion of that Annual General Meeting till the conclusion of every sixth Annual General Meeting subject to such appointment being ratified by the members of the Company at every Annual General Meeting. Shri Konal Doshi proposed and Shri Sanjay Kothari seconded the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, AMJ & Co., Chartered Accountants, having firm registration no. 128550W, the retiring auditors of the Company, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration.”

The resolution when put to vote was declared as being carried unanimously on a show of hands.

4. To authorize the Committee of Administration (CoA) to appoint and/or re-appoint branch auditors to hold office from the conclusion of this meeting till the conclusion of the 53rd Annual General Meeting subject to ratification by members every year, and on such remuneration as may be deemed fit by the CoA

Shri Sandeep Sharma, Chief Financial Officer further explained the provisions of Section 143 (8) of the Companies Act 2013 which mandate that every Company who has a branch office, has to have its accounts audited either by the auditor appointed for the Company or any entity qualified for appointment as an auditor, and appointed under the provisions of Section 139. Further he invited the attention of the members to the handouts provided to the members which contained the details of the proposed auditors recommended by the Council for appointment as Branch auditors at the five regional locations of the Council, viz. Jaipur, Kolkata, Surat, Delhi and Chennai. After short deliberations the below resolutions were passed.

a) Appointment of M/s B Khosla & Co, Chartered Accountants, as Branch Auditor for Jaipur Regional Office:

Shri Pramod Agarwal proposed and Shri Rajiv Jain seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s B Khosla & Co, Chartered Accountants, having **Firm Registration No.000205C**, the retiring Branch Auditors for the Jaipur Regional Office of the Company, be and are hereby re-appointed as the Branch Auditors for the Jaipur Regional Office of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration"

The resolution when put to vote was declared as being carried unanimously on a show of hands.

b) Appointment of M/s Agrawal Himatsingka & Co, Chartered Accountants, as Branch Auditor for Kolkata Regional Office:

Shri Pankaj Parekh proposed and Shri Ashok Singhi seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s Agrawal Himatsingka & Co, Chartered Accountants, having **Firm Registration No. 317103E**, the retiring Branch Auditors for the Kolkata Regional Office of the Company, be and are hereby re-appointed as the Branch Auditors for the Kolkata Regional Office of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration"

The resolution when put to vote was declared as being carried unanimously on a show of hands.

c) Appointment of M/s Natvarlal Vepari & Co, Chartered Accountants, as Branch Auditor for Surat Regional Office:

Shri Vipul Shah proposed and Shri Konal Doshi seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, M/s Natvarlal Vepari & Co, Chartered Accountants, having **Firm Registration No. 123626W**, the retiring Branch Auditors for the Surat Regional Office of the Company, be and are hereby re-appointed as the Branch Auditors for the Surat Regional Office of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration"

The resolution when put to vote was declared as being carried unanimously on a show of hands.

d) Appointment of M/s Sanjay Bhalla & Co, Chartered Accountants, as Branch Auditor for Delhi Regional Office:

Shri Sudhir Kasliwal proposed and Shri Nirav Bhansali seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Sanjay Bhalla & Co, Chartered Accountants, having **Firm Registration No. '019423N**, the retiring Branch Auditors for the Delhi Regional Office of the Company, be and are hereby re-appointed as the Branch Auditors for the Delhi Regional Office of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration."

The resolution when put to vote was declared as being carried unanimously on a show of hands.

e) Appointment of M/s G V N Shankar & Co, Chartered Accountants, as Branch Auditor for Chennai Regional Office:

Shri Badrinarayanan Gupta proposed and Shri Rajiv Jain seconded the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, G V N Shankar & Co, Chartered Accountants, having **Firm Registration No. 003760S**, the retiring Branch Auditors for the Chennai Regional Office of the Company, be and are hereby re-appointed as the Branch Auditors for the Chennai Regional Office of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 53rd Annual General Meeting of the Company, subject to ratification by members at each Annual General Meeting to be held hereafter, on a remuneration to be decided by the Committee of Administration"

"RESOLVED FURTHER THAT the Committee of Administration of the Council be and is hereby authorized to do all such acts, deeds, matters and things as may be proper expedient, necessary and desirable to give effect to the above resolutions."

5. To note the composition of the Committee of Administration for the Year 2014 - 15

The members noted that vide email communication dated April 17, 2014 received from the office of the Chairman-cum-Managing Director of Hindustan Diamond Co. Pvt. Ltd, it was informed to the Council that the tenure of Ms. Aika Tyagi, as the CMD of the Company came to an end, with effect from the close of office hours on 31st March, 2014. After some discussions the following resolution was passed;

Shri Vipul Shah proposed and Shri Sanjay Kothari seconded the following resolution as an Ordinary Resolution:

“RESOLVED THAT the cessation of tenure of Ms. Alka Tyagi as Chairman-cum-Managing Director of Hindustan Diamond Co. Pvt. Ltd and Government nominee on the Committee of Administration of the Council be taken on record.”

The members noted, that the Ministry vide its communication dated August 21, 2014 in exercise of its powers vested under Article 47.1 of the Articles of Association of Council had directed the Council to postpone its elections to the Committee of Administration for the term 2014-16 for a period of three months. It was also informed to the members that vide the same communication; the Ministry had extended the tenure of the current Chairman, Vice Chairman and Regional Chairmen for the same period. The members further noted that as per the provisions of Article 27.7 of the Articles of Association, one third of the elected members of the Committee have to automatically retire on the completion of two years of their term.

In view of the provisions of Article 27.7, the Council had addressed a communication to the Ministry which requested the Ministry to extend the tenure of the current CoA including all retiring members of the CoA for a period of three months. As no response has been received from the Ministry till the conduction of the 48th Annual General Meeting, the existing provisions mandate that one-third of the Elected members automatically retire on the completion of two years of their term. It was further noted that in accordance to the provisions of Article 27.7 the following members stand to retire post conduction of the 48th Annual General Meeting of the Council.

Shri Nirmal Bardiya (Convener-Colored Gemstones Panel)
 Shri Nirmalkumar Barmecha (Member-Diamond Panel)
 Shri Konal Doshi (Co-Convener-Jewellery Panel)
 Shri Badrinarayanan Gupta (Member- Synthetic Stones Panel)
 Shri Anup Zaveri (Member-Diamond Panel)

After brief discussions the following resolutions were passed;

Shri Sanjay Kothari proposed and Shri Ashok Singhi seconded the following resolution as an Ordinary Resolution;

“RESOLVED THAT the automatic retirement of Shri Nirmal Bardiya, (Convener-Colored Gemstones Panel) under the provisions of Article 27.7 of Articles of Council be and is hereby accepted and taken on record and that the said vacancy shall not be filled up till the conduction of elections”

Shri Colin Shah proposed and Shri Badrinarayanan Gupta seconded the following resolution as an Ordinary Resolution;

“RESOLVED THAT the automatic retirement of Shri Nirmalkumar Barmecha, (Member-Diamond Panel) under the provisions of Article 27.7 of Articles of Council be and is hereby

accepted and taken on record and that the said vacancy shall not be filled up till the conduction of elections”

Shri Chandrakant Sanghavi proposed and Shri Vipul Shah seconded the following resolution as an Ordinary Resolution;

“RESOLVED THAT the automatic retirement of Shri Konal Doshi, (Co-Convener-Jewellery Panel) under the provisions of Article 27.7 of Articles of Council be and is hereby accepted and taken on record and that the said vacancy shall not be filled up till the conduction of elections”

Shri Nirav Bhansali proposed and Shri Anil Sankhwal seconded the following resolution as an Ordinary Resolution;

“RESOLVED THAT the automatic retirement of Shri Badrinarayanan Gupta, (Member-Synthetic Stones Panel) under the provisions of Article 27.7 of Articles of Council be and is hereby accepted and taken on record and that the said vacancy shall not be filled up till the conduction of elections”

Shri Pramod Kumar Agarwal proposed and Shri Suresh Shah seconded the following resolution as an Ordinary Resolution;

“RESOLVED THAT the automatic retirement of Shri Anup Zaveri (Member-Diamond Panel) under the provisions of Article 27.7 of Articles of Council be and is hereby accepted and taken on record and that the said vacancy shall not be filled up till the conduction of elections”

Shri Princeson Jose proposed and Shri Saunak Parikh seconded the following resolution as an Ordinary Resolution;

“RESOLVED FURTHER THAT Shri Vipul Shah, Chairman, and Shri Sabyasachi Ray, currently Executive Director of the Council be and are hereby severally authorized to complete all the necessary E-filing compliances with the Registrar of the Companies.”

The resolutions when put to vote were declared as being carried unanimously on show of hands.

6. To take note of Suggestions from Members

With the permission of the Chair, Shri Colin Shah of M/s Kama Schachter Pvt. Ltd suggested that the Council may discuss and decide to engage the services of *Big Four* statutory auditors such as KPMG etc. in the near future. He also proposed the engagement of a common auditor for all regions of the Council in order to ensure proper alignment and co-ordination of the Head office with all the Regional Offices.

The Chairman welcomed the suggestions received from Shri Colin Shah and requested Shri Sandeep Sharma, CFO to suitably address these suggestions in due course of time. Shri Sandeep Sharma thereafter responded stating that;

1. The Council would try and engage the services of the *Big four* auditors at the earliest after suitable alignment of all the internal processes currently in force in Council. He further noted that all related aspects would be assessed properly prior to making any decision in this regard.
2. The Council is planning to engage the services of a common auditor for all the regions of the Council at the earliest in order to ensure proper synchronization of exchange of information and data inter-se between the Head office and all the regions of the Council.

7. *Vote of Thanks*

There being no other business the meeting concluded with a vote of thanks to the chair.

For ***The Gem & Jewellery Export Promotion Council***



Sabyasachi Ray
Executive Director