

**SHANTIVIJAY JEWELS LTD.**



**BEYOND EXCELLENCE**

ANNUAL REPORT 2014-15



## SHANTIVIJAY JEWELS LIMITED

### BOARD OF DIRECTORS

#### **PRADEEP KUMAR GODHA**

*(Chairman & Managing Director)*

#### **ANURAG GODHA**

*(Vice Chairman & Managing Director)*

#### **AMBUJ A. KASLIWAL**

#### **JAYANT B. SHAH**

#### **APURVA R. SHAH**

#### **TUSHAR A. MAVANI**

#### **JEFFREY K. STERN** (upto 27.05.2015)

### REGISTERED OFFICE / WORKS

G 37, Gem & Jewellery Complex, Bldg. No. III,  
SEEPZ, Andheri (E), Mumbai-400 096.

Tel: 91 22 - 42182244

Fax: 91 22 - 28291360

Email: shantivijay@shantivijay.com

Website: <http://www.shantivijay.com>

CIN: L36910MH1980PLC023289

### ADMINISTRATIVE OFFICE

L-1, Trident Hotel, Hilton Towers,  
Nariman Point,  
Mumbai-400 021.

### BANKERS

Canara Bank  
Overseas Branch,  
Nariman Point,  
Mumbai-400 021.

### AUDITORS

B.F. Chordia & Co.  
Chartered Accountants  
17/1004, Indradarshan,  
Oshivara Link Road,  
Andheri (West), Mumbai-400 053.

### REGISTRAR & TRANSFER AGENTS

Bigshare Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate, Sakivihar Road,  
Sakinaka, Andheri (E), Mumbai-400 072.

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## SHANTIVIJAY JEWELS LIMITED

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NOTICE is hereby given that the 42<sup>nd</sup> Annual General Meeting of the Members of SHANTIVIJAY JEWELS LIMITED will be held at Conference Hall, All India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai 400 058 on **Monday, September 14, 2015 at 3.00 p.m** to transact the following ordinary business:

1. To consider and adopt :
  - (a) the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
  - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2015.
2. To appoint a Director in place of Shri. Pradeep Kumar Godha (DIN: 00008194), who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, B. F. Chordia & Co., Chartered Accountants (Firm Regn. No. FRN:101914W), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 42<sup>nd</sup> Annual General Meeting (AGM) until the conclusion of the 47<sup>th</sup> AGM of the Company, for the period of 5 (five) years, subject to ratification by the members at every AGM and eligibility, on such remuneration and reimbursement of out of pocket expenses, as shall be decided/approved by the Board of Directors.”

### Registered Office:

G-37, Gem & Jewellery Complex,  
Building No.III, SEEPZ, Andheri (East),  
Mumbai 400 096.  
Dated 5<sup>th</sup> August, 2015

BY ORDER OF THE BOARD

Sd/-  
Pradeep Kumar Godha  
Chairman & Managing Director  
(DIN: 00008194)

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.  
A PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. excluding Saturdays upto the date of the Annual General Meeting.
3. **The members are requested to:**
  - (i) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited at E-2 & 3, Ansa Industrial Estate, Sakinaka, Andheri(E), Mumbai 400 072, in respect of their holdings in physical form.
  - (ii) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
  - (iii) Non-Resident Indian Members are requested to inform M/s. Bigshare Services Private Limited immediately of the change in their residential status on return to India for permanent settlement.
  - (iv) **Register your email address and change, if any, therein from time to time with Bigshare Services Private Limited for shares held in physical form and with their Depository Participants for shares held in demat form.**
  - (v) Send or address all their shares related matters/correspondence directly to M/s. Bigshare Services Private Limited.
  - (vi) Note that Section 72 of the Companies Act, 2013 provides for Nomination by the shareholders of the Company in the prescribed Form No. SH 13 for shares held in physical form. Blank forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
  - (vii) Send queries on accounts to the Company 10 days in advance of the Annual General Meeting so that the answers may be made available at the Annual General Meeting.
4. Corporate members are requested to send /bring a duly certified copy of the board resolution authorising their representatives to attend and vote at the Annual General Meeting.

5. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends as on the date of the 41<sup>st</sup> Annual General Meeting (AGM) held on 29<sup>th</sup> September, 2014, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and on the Website of the Company viz. [www.shantivijay.com](http://www.shantivijay.com)
6. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses by sending an e-mail to the Company at [investors@shantivijay.com](mailto:investors@shantivijay.com).
7. Copies of the Annual Report 2014-15 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2014-15 are being sent by the permitted mode.
8. Members/Proxies should bring the duly filled Attendance slip enclosed herewith to attend the meeting.
9. Brief resume of Director seeking re-election /re-appointment are as under:

<b>Name of the Director</b>	<b>Shri Pradeep Kumar Godha</b>
Age (years)	57 Years
Qualification	B. Sc.
Expertise in specific functional areas	He has excellent experience and exposure to jewellery manufacturing operations and international markets.
Date of Appointment	11.12.1986
Shareholding in Company	480853 Equity Shares
Relationship with other Directors/Manager/ Key Managerial Personnel	Brother of Shri. Anurag Godha.
Number of Board Meeting Attended during the year	5
Directorship held in other companies	NIL
Chairmanship/ Membership held in Committees of Boards of other Companies	NIL

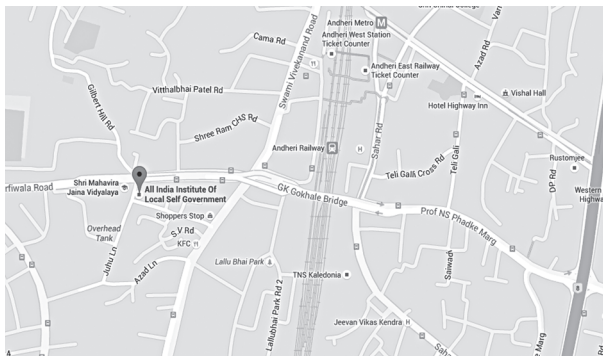
**Registered Office:**

G-37, Gem & Jewellery Complex,  
Building No.III, SEEPZ, Andheri (East),  
Mumbai 400 096.

Dated 5<sup>th</sup> August, 2015

BY ORDER OF THE BOARD

Sd/-  
Pradeep Kumar Godha  
Chairman & Managing Director  
(DIN: 00008194)

**Route Map to the Venue of the Annual General Meeting**

## DIRECTORS' REPORT

TO THE MEMBERS,

### SHANTIVIJAY JEWELS LIMITED

Your Directors present their 42<sup>nd</sup> Annual Report and the Audited Statement of Accounts for the year ended March 31, 2015.

#### 1. FINANCIAL RESULTS / STATE OF AFFAIRS

(₹ in Lakhs)

Particulars	Stand alone for the Company		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Income from operations	6885.06	7317.82	9876.30	10125.58
Less : Expenses	6928.63	7146.48	9826.32	9822.76
Depreciation	46.08	63.16	50.52	71.61
<b>Profit/(Loss) from operations before other income and finance costs</b>	<b>(89.65)</b>	108.18	<b>(0.54)</b>	231.21
Add: Other Income	52.08	108.36	52.07	108.22
<b>Profit/(Loss) from ordinary activities before finance costs</b>	<b>(37.57)</b>	216.54	<b>51.53</b>	339.43
Less: Finance Cost	78.32	76.99	78.32	76.99
<b>Profit/(Loss) from ordinary activities before tax</b>	<b>(115.89)</b>	139.55	<b>(26.79)</b>	262.44
Less: Tax expenses	2.70	46.67	2.70	46.67
<b>Net profit/(Loss) from ordinary activities after tax</b>	<b>(118.59)</b>	92.88	<b>(29.49)</b>	215.77
<b>Net Profit/(Loss) for the period</b>	<b>(118.58)</b>	92.88	<b>(29.49)</b>	215.77
<b>Earnings Per Share (₹)</b>	<b>(3.95)</b>	3.09	<b>(0.98)</b>	7.19

#### 2. DIVIDEND / TRANSFER TO RESERVE(S)

In view of loss during the year, the Directors have not recommended any dividend for the financial year under review. No amount is transferred to any reserve.

#### 3. DELISTING OF SHARES AND EXIT OFFER

As per the continuous listing requirements, Company was required to increase its public shareholding to at least 25 percent in the manner specified by SEBI latest by June 3, 2013.

Your Company could not achieve the said minimum public shareholding and SEBI had thus issued certain directions vide Order dated June 4, 2013 (the "Order") to the Company.

In order to comply with the said Minimum Public Shareholding, the Promoters of the Company had made two Offers for Sale (OFSs) to the public shareholders. However, public shareholding of 25 percent could not be achieved.

In view of the above, the Promoters offered to acquire all the public shareholding in the Company with a view to delist shares of the Company from BSE Ltd. By public announcement dated November 15, 2014 which was published on November 17, 2014 and Letter of Offer dated November 17, 2014, some of the Promoters made an offer to the public shareholders of the Company to acquire their Equity Shares and consequently delist the Company in

accordance with the SEBI Delisting Regulations. By public announcement dated December 10, 2014 which was published on December 11, 2014, the said Promoters accepted and offered to pay the price of ₹ 61/- per Equity Share determined under the reverse book-building process as per the SEBI Delisting Regulations ("Exit Price"). Pursuant to acquisition of the Equity Shares tendered by the Public Shareholders in the Delisting Offer the said promoters along with other members of Promoter/ Promoter Group of the Company currently hold 28,87,764 Equity Shares representing 96.19% of the paid up equity shares capital of the Company. Following the closure of the Delisting Offer, the Company, applied for the delisting of its Equity Shares from the BSE Limited on December 17, 2014. The trading in Equity Shares of the Company had been discontinued on the BSE with effect from January 13, 2015 and the Company is delisted from BSE records with effect from January 20, 2015

**Delisting of the Equity Shares means that these shares cannot be traded on the BSE and a liquid market for trading of the Equity Shares will no longer be available.**

In accordance with Regulations 21 of the SEBI Delisting Regulations, the said Promoters have also provided a final exit opportunity to the remaining Public Shareholders holding Equity Shares of the Company, to tender their Equity

Shares, for a period of 1(One) year at the Exit Price at any time from January 28, 2015 till January 27, 2016 (the “**Exit Period**”), on the terms and subject to the conditions set out in this Offer Letter (“**Exit Offer Letter**”) which has been dispatched to all the public shareholders of the Company as on the Date of Delisting.

#### 4. DETAILS OF MEETINGS OF THE BOARD AND COMMITTEES

During the year, 5(five) Board meetings were held on 29.05.2014, 29.07.2014, 30.09.2014, 30.10.2014 and 18.02.2015. Details of attendance by each Director at the said Board meetings are as under:

Name of Director (s)	Board Meetings attended during FY 2014-15
Shri. Pradeep Kumar Godha	5
Shri. Anurag Godha	4
Shri. Ambuj A. Kasliwal	5
Shri. Apurva R. Shah	4
Shri. Jayant B. Shah	4
Shri. Tushar Mavani	4
Mr. Jeffrey K. Stern	Nil

During the year, 4 (four) Audit Committee meetings were held on 29.05.2014, 29.07.2014, 30.09.2014 and 30.10.2014. Details of attendance by each Director being member of this Committee are as under:

Name of Committee Member(s)	Audit Committee Meetings attended during FY 2014-15
Shri. Ambuj A. Kasliwal, Chairman	4
Shri. Apurva Shah	3
Shri. J. B. Shah	4

During the year, 1(One) Nomination and Remuneration Committee (NRC) meeting was held on 29.07.2014. Details of attendance by each Director being member of this Committee are as under:

Name of Committee Member(s)	NRC Meetings attended during FY 2014-15
Shri. Ambuj A. Kasliwal, Chairman	1
Shri. Apurva Shah	1
Shri. Jayant Shah	1
Shri. Tushar Mavani	1

No meeting was held by Stakeholders’ Relationship Committee during FY 2014-15.

#### 5. CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

#### 6. SUBSIDIARIES / ASSOCIATES / JOINE VENTURES

The Company has two subsidiary companies, namely, Shantivijay International Limited, Mauritius with its one step down subsidiary, Shantivijay Impex DMCC. There are no changes in subsidiaries. There are no joint venture or associate companies.

In accordance with Section 129(3) of the Companies Act 2013, consolidated financial statements of the Company and all its subsidiaries are prepared, which form part of Annual Report. Further a statement containing salient features of the financial statement of our Subsidiaries in the prescribed format AOC-1 is included in the Report as **Annexure ‘A’** and forms as integral part of this Report. The statement also provides the details of performance, financial position of each of the Subsidiaries.

#### 7. EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of Annual Return in **Form MGT-9** pursuant to the provisions of Section 92 read with Rule 12 of the Companies(Management and administration) Rules, 2014 is furnished in **Annexure ‘B’** and forms an integral part of this report.

#### 8. DIRECTORS

Shri Apurva Shah, Shri. Ambuj Kasliwal, Shri. Jayant Shah and Shri. Tushar Mavani were appointed as Independent Directors for a period of 1(one) year with effect from 29th September, 2014.

In accordance with the provisions of the Companies Act, 2013, Shri. Pradeep Kumar Godha, Managing Director, has offered to retire by rotation and, being eligible, offers himself for reappointment.

#### 9. KEY MANAGERIAL PERSONNEL

During the year 2014-15, Directors namely Shri Pradeep Kumar Godha and Shri Anurag Godha were re-appointed as the Managing Director for a period of 5 (five) years with effect from 1st September, 2014.

Ms. Saritha Shetty was appointed as the Chief Financial Officer (CFO) of the Company with effect from 1<sup>st</sup> June, 2014.

#### 10. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Act.

#### 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

The details of Loans, Guarantees, and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

#### 12. RELATED PARTY TRANSACTIONS

Particulars of related party transactions are given in prescribed Form AOC-2 annexed as **Annexure ‘C’**

**13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant / material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations except interim order from Securities And Exchange Board of India (SEBI) passed on 14<sup>th</sup> August, 2014 in the matter of non-compliance with the minimum public shareholding requirements.

**14. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the directors had 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 at the end of the financial year and of the loss of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**15. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

**16. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently. Your Company's internal control systems commensurate with the nature and size of its business operations.

**17. PARTICULARS OF EMPLOYEES**

There are no particulars to be disclosed under Rule 5(2) of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**18. STATUTORY AUDITOR & AUDITOR'S REPORT**

B. F. Chordia & Co., Chartered Accountants (Firm Regn. No. FRN:101914W), Statutory Auditors of the Company hold office up to conclusion of ensuing Annual General Meeting (AGM). As required under Section 139(1) of the Companies Act, 2013, the Company is required to appoint Auditors to hold office from conclusion of ensuing 42<sup>nd</sup> AGM until the conclusion of 47<sup>th</sup> AGM, subject to ratification by members at every AGM. The Company has obtained written consent and letter confirming eligibility from B. F. Chordia & Co. Members are requested to appoint Auditors and fix their remuneration.

There is no audit qualification, reservation, or adverse remark or disclaimer in the Auditor's Report for the year under review.

**19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

CSR related provisions of the Companies Act, 2013 do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

**20. DISCLOSURE ON WOMEN AT WORKPLACE**

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the year under review, no case was reported in this regard.

**21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

**(A) Conservation of energy-**

- (i) Steps taken or impact on conservation of energy:  
No specific steps are taken on conservation of energy.
- (ii) Steps taken by the Company for utilizing alternative sources of energy:  
No specific steps are taken for utilizing alternative sources of energy.
- (iii) Capital investment on energy conservation equipments: Nil.

**(B) Technology absorption-**

- (i) The efforts made towards technology absorption:  
The Company keeps itself abreast of the technical developments in Company's line of products world wide and tries to bring about improvements in the product for better yield, quality and cost effectiveness, etc.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:  
As a result of above, the following benefits are achieved:

- Cost Reduction
  - Achievement in precision & quality
  - Use of indigenous equipment as import substitute.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): The Company has not imported any technology
- (iv) The expenditure incurred on Research and Development: Nil.

**(C) Foreign exchange earnings and Outgo-**

	(₹ in Lakhs)	
	2014-15	2013-14
Foreign Exchange earned	<b>6292.84</b>	6958.63
Foreign Exchange used:	<b>1154.78</b>	1150.13

**22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No other material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.

**23. RISK MANAGEMENT POLICY**

The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like markets related, foreign currency rate fluctuations, supply/logistics related, debtors collections, Government policy related matters that may threaten the existence of the Company.

**24. ACKNOWLEDGEMENT**

The Directors would like to place on record their appreciation for the valuable co-operation extended to the Company by the employees of the Company, Government Departments, Bankers, Suppliers, Customers and Investors at large for their continuous support to the Company.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

Place: Mumbai  
Dated: 05.08.2015

**PRADEEP KUMAR GODHA**  
CHAIRMAN & MANAGING DIRECTOR  
DIN- 00008194

**Annexure - 'A'****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries (₹ In lacs)**

Sr. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currently and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign subsidiaries	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share-holding
1	Shantivijay Jewels International Limited (Mauritius)	31.03.2015	US \$ @ 62.50	281.41	979.14	1262.52	1262.52	34.06	0	(10.55)	0	(10.55)	0	100.00
2	Shantivijay Impex DMCC	31.03.2015	US \$ @ 62.50	34.06	899.42	2729.19	2729.19	0	3118.32	103.84	0	103.84	0	100.00

**Part "B": Associates and Joint Ventures**

Sr. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/ joint venture is not consolidated	Net worth attributable to Shareholding as per latest	Profit/Loss for the year	
			No.	Amount of Investment in Associates/ Joint Venture	Amount of Investments in Associates/ Joint Venture				Considered in Consolidation	Not considered in Consolidation
NIL										

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

Place: Mumbai  
Dated: 05.08.2015

**Pradeep Kumar Godha**  
Chairman & Managing Director  
DIN- 00008194



Annexure - 'B'

**Form No. MGT – 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2015**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules 2014]**I. REGISTRATION AND OTHER DETAILS :**

- (i) CIN : L36910MH1980PLC023289  
(ii) Registration Date : 13/04/1973  
(iii) Name of the Company : Shantivijay Jewels Limited  
(iv) Category of the Company : Company Limited by shares  
(v) Sub-Category of the Company : Indian Non Government Company  
(vi) Address of the Registered office and contact details : G-37, Gem & Jewellery Complex, Building No.III, Seepz, Andheri(East), Mumbai 400096. +91 – 22 – 42182244  
(vii) Whether listed Company : No  
(viii) Name/address and Contact Details of Registrar and Transfer Agent : Bigshare Services Private Limited E-2 & 3, Ansa Industrial Estate, Sakinaka, Andheri(E), Mumbai 400 072 Tel: +91 22 2847 0652 / 4043 0200

**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:-

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% total turnover of the company
1	Manufacturing and exports of studded gold jewellery and Diamond and Precious stones	3211	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr.No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable section
1	Shantivijay Jewels International Limited (Mauritius)	NA	Subsidiary	100.00	2 (87) (ii)
2.	Shantivijay Impex DMCC	NA	Subsidiary	100.00	2 (87) (ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)***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 shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2611606	0	2611606	87.00	2813364	74400	2887764	96.19	9.19
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other ...	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>2611606</b>	<b>0</b>	<b>2611606</b>	<b>87.00</b>	<b>2813364</b>	<b>74400</b>	<b>2887764</b>	<b>96.19</b>	<b>9.19</b>
<b>(2) Foreign</b>									
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other .....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>2611606</b>	<b>0</b>	<b>2611606</b>	<b>87.00</b>	<b>2813364</b>	<b>74400</b>	<b>2887764</b>	<b>96.19</b>	<b>9.19</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	75038	0	75038	2.5	6512	0	6512	0.22	2.28
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	116002	28919	144921	4.83	92790	14119	106909	3.56	-1.27
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	110000	0	110000	3.66	0	0	0	0.00	-3.66
c) Others (specify)									
i) Non Resident Indians (NRI)	35	60400	60435	2.01	15	800	815	0.02	-1.99
<b>Sub-Total (B) (2):-</b>	<b>301075</b>	<b>89319</b>	<b>390394</b>	<b>13.00</b>	<b>99317</b>	<b>14919</b>	<b>114236</b>	<b>3.80</b>	<b>-9.19</b>
<b>Total Public Shareholding (B) = (B)(1) + B(2)</b>	<b>301075</b>	<b>89319</b>	<b>390394</b>	<b>13.00</b>	<b>99317</b>	<b>14919</b>	<b>114236</b>	<b>3.80</b>	<b>-9.19</b>
Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>GRAND TOTAL (A)+( B )+( C )</b>	<b>2912681</b>	<b>89319</b>	<b>3002000</b>	<b>100</b>	<b>2912681</b>	<b>89319</b>	<b>3002000</b>	<b>100</b>	<b>-</b>

**SHANTIVIJAY JEWELS LIMITED**
**ii) Shareholding of Promoters –**

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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/ Encum-bered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Rajrani Bimalchand Godha	712714	23.74	0.00	823178	27.42	0.00	3.68
2	Pradeepkumar Bimalchand Godha	398006	13.26	0.00	480853	16.01	0.00	2.75
3	Anurag Bimalchand Godha	395096	13.16	0.00	477943	15.92	0.00	2.76
4	Namita Anurag Godha	191295	6.37	0.00	191295	6.37	0.00	0.00
5	Sudha Pradeepkumar Godha	188795	6.29	0.00	188795	6.29	0.00	0.00
6	Anish Anurag Godha	151600	5.05	0.00	151600	5.05	0.00	0.00
7	Varun Pradeep Godha	147500	4.91	0.00	147500	4.91	0.00	0.00
8	Anuvi Godha	142400	4.74	0.00	142400	4.74	0.00	0.00
9	Varun Godha	121000	4.03	0.00	121000	4.03	0.00	0.00
10	A K Godha (HUF)	69000	2.30	0.00	69000	2.30	0.00	0.00
11	Pradeep Kumar Godha (HUF)	68700	2.29	0.00	68700	2.29	0.00	0.00
12	Anushree Mayur Doshi	25500	0.85	0.00	25500	0.85	0.00	0.00
	<b>Total</b>	<b>2611606</b>	<b>87.00</b>	<b>0.00</b>	<b>2887764</b>	<b>96.19</b>	<b>0.00</b>	<b>9.19</b>

**(iii) Change in Promoters' Shareholding (please specify if there is no change)**

Sr. No.	Name of Promoter	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. Shares	% of total shares of the company
1	Rajrani Bimalchand Godha	712714	23.74	01.04.2014	74400 36064	Acquisition for delisting	712714	23.74
				16.01.2015			787114	26.22
		823178	27.42	23.01.2015			823178	27.42
				31.03.2015				
2	Pradeepkumar Bimalchand Godha	398006	13.26	01.04.2014	82847	-do-	398006	13.26
				23.01.2015			480853	16.01
		480853	16.01	31.03.2015				
3	Anurag Bimalchand Godha	395096	13.16	01.04.2014	82847	-do-	395096	13.16
				23.01.2015			477943	15.92
		477943	15.92	31.03.2015				
4	Namita Anurag Godha	191295	6.37	01.04.2014	Nil	-	-	-
				31.03.2015				
		191295	6.37					
5	Sudha Pradeepkumar Godha	188795	6.29	01.04.2014	Nil	-	-	-
				31.03.2015				
		188795	6.29					
6	Anish Anurag Godha	151600	5.05	01.04.2014	Nil	-	-	-
				31.03.2015				
		151600	5.05					
7	Varun Pradeep Godha	147500	4.91	01.04.2014	Nil	-	-	-
				31.03.2015				
		147500	4.91					
8	Anuvi Godha	142400	4.74	01.04.2014	Nil	-	-	-
				31.03.2015				
		142400	4.74					
9	Varun Godha	121000	4.03	01.04.2014	Nil	-	-	-
				31.03.2015				
		121000	4.03					
10	A K Godha (HUF)	69000	2.30	01.04.2014	Nil	-	-	-
				31.03.2015				
		69000	2.30					
11	Pradeep Kumar Godha (HUF)	68700	2.29	01.04.2014	Nil	-	-	-
				31.03.2015				
		25500	2.29					
12	Anushree Mayur Doshi	25500	0.85	01.04.2014	Nil	-	-	-
				31.03.2015				
		25500	0.85					

**Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):**

Sr No.	Name of Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Sarita Arvind Sancheti	7767 7767	0.26 0.26	01.04.2014 31.03.2015	Nil	-	7767 7767	0.26 0.26
2	Arvindkumar Sancheti	7532 7532	0.25 0.25	01.04.2014 31.03.2015	Nil	-	7532 7532	0.25 0.25
3	Arun Kumar Sancheti	6298   6723	0.21   0.22	01.04.2014 30.09.2014 19.12.2014 31.12.2014 31.03.2015	  50 206 169	  Purchase Purchase Purchase	6298 6348 6554 6723	0.21 0.21 0.21 0.22
4	VSL Securities Private* Limited*	3595 3595	0.12 0.12	01.04.2014 31.03.2015	Nil	-	3595 3595	0.12 0.12
5	Vardhman Arvind Sancheti*	3020 3020	0.10 0.10	01.04.2014 31.03.2015	Nil	-	3020 3020	0.10 0.10
6	Mamta Sancheti*	1526  2677	0.05  0.09	01.04.2014 2014-15 31.03.2015	1151	Purchase	1526 2677	0.05 0.09
7	Arun Kumar Sancheti (HUF)*	1361  2153	0.05  0.07	01.04.2014 2014-15 31.03.2015	792	Purchase	1361 2153	0.05 0.07
8	Arun Kumar Sancheti*	2090 2090	0.07 0.07	01.04.2014 31.03.2015	Nil	-	2090 2090	0.07 0.07
9	Shantivijay Jewels Limited- Delisting Escrow Account- Hem Securities Ltd*	0  1920	0.0  0.06	01.04.2014 2014-15 31.03.2015	1920	Purchase	0 1920	0.00 0.06
10	Girdharlal Bhansali*	1900 1900	0.06 0.06	01.04.2014 31.03.2015	Nil	-	1900 1900	0.06 0.06
11	Raghu Manghnani#	59600  0	1.99  0.00	01.04.2014 15.12.2014 31.03.2015	59600	Sold	59600 0	1.99 0.00
12	Gajendrakumar Patni#	55000  0	1.83  0.00	01.04.2014 15.12.2014 31.03.2015	55000	Sold	55000 0	1.83 0.00
13	Rajnikanta G Patni#	55000  0	1.83  0.00	01.04.2014 15.12.2014 31.03.2015	55000	Sold	55000 0	1.83 0.00
14	Patni Financial Advisors Pvt Ltd#	40000  0	1.33  0.00	01.04.2014 15.12.2014 31.03.2015	Sold	40000	40000 0	1.33 0.00
15	Bijco Holdings Ltd#	30000  0	0.99  0.00	01.04.2014 15.12.2014 31.03.2015	3000	Sold	30000 0	0.99 0.00
16	Manisha Apurva Shah#	10000  0	0.33  0.00	01.04.2014 15.12.2014 31.03.2015	10000	Sold	10000 0	0.33 0.00
17	Tara Jain#	5000  0	0.17  0.00	01.04.2014 15.12.2014 31.03.2015	5000	Sold	5000 0	0.17 0.00

\*Not in the list of Top 10 shareholders as on 01.04.2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2015.

#Ceased to be the list of Top 10 shareholders as on 31.03.2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01.04.2014.

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of Director/Key managerial Personnel	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the Company				No. of shares	% of total shares of the company
1	Pradeepkumar Godha	398006	13.26	01.04.2014 23.01.2015 31.03.2015	82847	Acquisition for delisting	398006	13.26
		480853	16.01				480853	16.01
2	Anurag Godha	395096	13.16	01.04.2014 23.01.2015 31.03.2015	82847	-do-	395096	13.16
		477943	15.92				477943	15.92
3	Apurva R.Shah	-	-	-	-	-	-	-
4	Ambuj A. Kasliwal	-	-	-	-	-	-	-
5	Jayant B. Shah	-	-	-	-	-	-	-
6	Tushar A. Mavani	-	-	-	-	-	-	-
7	Saritha Shetty (CFO)	-	-	-	-	-	-	-

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of financial year				
(i) Principal Amount	177005954	0	1320602	178326556
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	177005954	0	1320602	178326556
<b>Change in Indebtedness during the financial year</b>				
Addition	887086485	0	0	887086485
Reduction	893971972	0	1320602	895292574
<b>Net Change</b>	6885487	0	1320602	8206089
Indebtedness at the end of financial year				
(i) Principal Amount	170120467	0	0	170120467
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	170120467	0	0	170120467

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and / or Manager**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		CMD	VCMD	
		Pradeep Kumar Godha	Anurag Godha	
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3225000	3225000	6450000
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	151249	280535	431784
	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 (A)	3376249	3505535	6881784
	Ceiling as per the Act	10% of net profits of the Company or Minimum Remuneration as per Schedule V		

**B. Remuneration to other directors:**

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Ambuj Kasliwal	Apurva Shah	Jayant Shah	Tushar Mavani	J. Stern	
1.	Independent Directors						
	● Fee for attending board/ committee meetings	45000	40000	45000	25000	-	155000
	● Commission	-	-	-	-	-	-
	● Others, please specify	-	-	-	-	-	-
	Total (1)	45000	40000	45000	25000	-	155000
2.	Other Non-Executive Directors						
	● Fees for attending board / committee meetings						
	● Commission						
	● Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B) = (1+2)	45000	40000	45000	25000	-	155000
	Total Managerial Remuneration	-	-	-	-	-	7036784
	Overall Ceiling as per the Act	1% of net profits of the Company					

## SHANTIVIJAY JEWELS LIMITED

### C. Remuneration to key managerial personnel other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
		CEO	Company Secretary	CFO-Saritha Shetty	
1.	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	487702	487702
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-	-	19175	19175
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as a % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5.	Others, please specify (Bonus)	-	-	48241	48241
	Total	-	-	555118	555118

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punish-ment/ Compounding fees imposed	Authority (RD)/NCLT/ Court	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICER IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD

Sd/-

Place: Mumbai  
Dated: 05.08.2015

PRADEEP KUMAR GODHA  
CHAIRMAN & MANAGING DIRECTOR  
DIN- 00008194

## Annexure - 'C'

## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013  
and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

## 1. Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1.	Mrs Rajrani Godha Mother of KMPs/ MDs	Lease of shop premises for use as showroom-cum office for the company	5 (Five) years	- Monthly Rental ₹ 10,000/- p.m. w.e.f 01.10.2014 - Security Deposit ₹ 120 lacs - Other usual terms are common in any such lease agreement	- For use as Jewellery showroom & office for the company - Shop premises are also given by Lessor as collateral security to the bankers for credit facilities granted to the Company - ideal location for visibility, tap foreign tourists and also celebrity visitors.	30.09.2014	₹ 35 lacs	N.A.
2	Diamondere Pvt. Ltd.	Sales & service	One year	₹ 152,99,783/-	Access to online sales portal	30.09.2014	-	N.A.

## 2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any	Amount paid as advances, if any.
(a)	(b)	(c)	(d)	(e)	(f)	
NIL						

FOR AND ON BEHALF OF THE BOARD

Sd/-

**Pradeep Kumar Godha**  
Chairman & Managing Director  
DIN- 00008194

Place: Mumbai  
Dated: 05.08.2015



## Independent Auditor's Report

TO,  
THE MEMBERS OF M/s SHANTIVIJAY JEWELS LIMITED  
Report on the Financial Statements

We have audited the accompanying financial statements of SHANTIVIJAY JEWELS LIMITED, which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant Accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made 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 disclosures in the financial statements. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit & Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Our opinion is not qualified & modified in respect of these matters.

### Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

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 purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified Under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us ;
- g) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – [Refer Note 2.26 to the financial statements]
- h) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts. There were no outstanding derivative contracts.
- i) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company

For B. F. CHORDIA & CO  
CHARTERED ACCOUNTANTS  
FRN:101914W

Sd/-

B. F. CHORDIA  
PROPRIETOR

MEMBERSHIP No. :9026

PLACE : MUMBAI  
DATE : Aug 5<sup>th</sup>, 2015

**The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Shantivijay Jewels Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2015.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

**1. In respect of its fixed assets:**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

**2. In respect of its inventories:**

- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

**3. In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 1956.**

- a) According to information & explanations given to us during the year the company has not granted any loans, secured/unsecured to the Companies, Firms & other parties covered by section 189 of the Companies Act 1956
- (b) During the year Company had not taken any fresh loans from such parties.

**4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.**

**5. In our opinion and according to the information and explanations given to us Company has not accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act.**

**6 As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act. Company have made and maintained such records properly.**

**7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State**

Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2015 for a period of more than six months from the date they became payable except unquantified penalty for 2000-2001 for Income tax.

- (b) According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 2378.53 lacs, that have not been deposited on account of matters pending before appropriate authorities are as under:

Sr.	Name of the Statute	Nature of the dues	Forum where dispute is Pending	Amount (₹ in Lacs)
1	Indian Income Tax Act 1961.	Income Tax A.Y.2011-2012	CIT (A)	673.95
2	Indian Income Tax Act 1961.	Income Tax A.Y.2007-2008	CIT (A)	1700.07
3	Customs excise & Service Tax Act	Custom Duty	Custom & Service tax Appellate Tribunal	4.51

- c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under has been transferred to such fund with in time.

**8. The Company do not have accumulated losses and there were no cash losses in the immediately preceding years. During the year under report Company has incurred cash loss.**

**9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to the bank.**

**10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.**

**11. No Term loan taken during the year.**

**12. Based on the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, which have been relied upon by us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.**

**For B. F. CHORDIA & CO  
CHARTERED ACCOUNTANTS**

**FRN:101914W**

**Sd/-**

**B. F. CHORDIA**

**PROPRIETOR**

**MEMBERSHIP No. :9026**

PLACE : MUMBAI

DATE : Aug 5<sup>th</sup>, 2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

Particulars	Note No	As at 31st March 2015 (₹)	As at 31st March 2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholder's Funds</b>			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	231022940	243352393
<b>2. Non-Current Liabilities</b>			
(a) Other Long term liabilities	2.3	0	440000
(b) Long -term provisions	2.4	335111	181442
<b>3. Current Liabilities</b>			
(a) Short-term borrowings	2.5	170120467	177005954
(b) Trade payables	2.6	64776153	72097126
(c) Other current liabilities	2.7	872309	4480490
(d) Short-term provisions	2.8	1580644	1477491
<b>Total</b>		<b>498727624</b>	<b>529054896</b>
<b>II. Assets</b>			
<b>1. Non-current assets</b>			
<i>(a) Fixed assets</i>			
(i) Tangible assets	2.9	28142738	30814148
(ii) Intangible assets	2.9	2971610	4268168
(b) Non-current investments	2.10	19002385	19002385
(c) Deferred tax assets (net)		3056000	3190000
(d) Long term loans and advances	2.11	65995841	57857787
(e) Other non-current assets	2.12	15937	15937
<b>2. Current assets</b>			
(a) Inventories	2.13	204611233	209356925
(b) Trade receivables	2.14	156108321	173491903
(c) Cash and cash equivalents	2.15	12535257	16846927
(d) Short-term loans and advances	2.16	6073836	10414594
(e) Other current assets	2.17	214467	3796122
<b>Total</b>		<b>498727624</b>	<b>529054896</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS** 1 & 2

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

**Place : MUMBAI**  
**Dated : 5th August, 2015**

**For SHANTIVIJAY JEWELS LTD.**

**Sd/-**  
**P. K. GODHA**  
(Chairman & M.D)

**Sd/-**  
**A.KASLIWAL**  
Director

**Sd/-**  
**A. K. GODHA**  
(Vice Chairman & M.D)

**Sd/-**  
**A.R. SHAH**  
Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Note No	31.03.2015 (₹)	31.03.2014 (₹)
I. Revenue from operations	2.18	688506422	731781981
II. Other Income	2.19	5207771	10836343
<b>III. Total Revenue (I +II)</b>		<b>693714193</b>	<b>742618324</b>
IV. Expenses:			
Cost of materials consumed	2.20	511943102	507231359
Purchase of Stock-in-Trade	2.20	111702701	112001297
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.21	(18729325)	12549304
Employee benefit expense	2.22	25829322	23501099
Financial costs	2.23	7831673	7699069
Depreciation and amortization expense		4607555	6315905
Other expenses	2.24	62118064	59364523
<b>Total Expenses</b>		<b>705303092</b>	<b>728662555</b>
V. Loss before tax (III - IV)		(11588899)	13955769
VI. Tax expense:	2.25		
(1) Current tax		135777	4897340
(2) Deferred tax		134000	(230000)
VII. Loss for the period from continuing operations		(11858676)	9288429
VIII. Earning per equity share:			
Equity share of par value of ₹ 10/- each			
(1) Basic & Diluted		(3.95)	3.09
Number of shares used in computing earning per share			
(1) Basic & Diluted		3002000	3002000
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS</b>	<b>1 &amp; 2</b>		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

**Place : MUMBAI**  
**Dated : 5th August, 2015**

For SHANTIVIJAY JEWELS LTD.

**Sd/-**  
**P. K. GODHA**  
(Chairman & M.D)

**Sd/-**  
**A.KASLIWAL**  
Director

**Sd/-**  
**A. K. GODHA**  
(Vice Chairman & M.D)

**Sd/-**  
**A.R. SHAH**  
Director

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

### NOTE No. 1

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### Corporate Information :

Shantivijay Jewels Ltd. is located in Special Economic Zone Mumbai having its showroom in Trident Hotel , Mumbai and factory at MIDC, Andheri. Company is engaged in Manufacturing and exports of wide range of studded gold jewellery and Diamond and P.stones.

##### a) System of Accounting:

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis unless otherwise stated hereinafter.
- ii) The Accounts are prepared under historical cost convention , as a going concern and generally in accordance with applicable Accounting standards.
- iii) **Use of Estimates**

The Preparation of financial statements require management to make certain estimates and assumptions that effect the amounts reported in financial statements and notes thereon. Difference in actual results & estimates are recognised in the period in which they materialize.

##### b) Fixed Assets and Depreciation :

###### i) Tangible Assets

- a) Fixed Assets are stated at their cost of acquisition less Depreciation. Additions to Fixed assets are net of Modvat Credit. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
- b) Effective 1 st April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practise of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Fixed Assets including costing less than ₹ 5000/- whose lives have expired as on 01.04.2014 have been shown at their residual value and the difference of ₹ 4.71 lacs have been adjusted net of tax in the opening balance of retained earnings Depreciation and amortisation expenses for the year would have been higher by ₹ 13.46 lacs had the Company continued with the previous system of providing depreciation on WDV.

###### ii) Intangible Assets :

Computer Software :

Intangible Assets are stated at cost of acquisition less accumulated amortization.

Computer Software is amortized over a period of Five Years in equal installments.

##### c) Investments

Long term Investments are valued at cost with an appropriate provision for permanent diminution in value.

##### d) Inventories

- (A) Raw materials are valued at lower of the cost or net realisable value; cost is arrived at on FIFO basis. Cost includes costs incurred in bringing them to their present location.
- (B) Stores & Consumables are valued at cost.
- (C) Loose Tools are valued at cost.
- (D) Finished goods are valued at lower of the cost or net realisable value. Cost of finished goods is determined by taking material, labour and appropriate factory overheads.
- (E) Inventory of spares, Rubber Moulds is not valued and is charged to revenue.

##### e) Sales / Revenue Recognition.

Sales are net of tax.

Company recognises sales at the point of dispatch / delivery of the goods to the customer. Interest / rental income is recognised on time proportionate basis.

##### f) Foreign Currency Transaction

- (a) Transactions denominated in Foreign Currencies are normally recorded at the exchange rate prescribed by customs at the time of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at the year end rates.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account .
- (e) Exchange difference on acquisition of fixed assets is adjusted to carrying cost of such fixed assets.

##### g) Employee Benefits

Company have opted for Group Gratuity Scheme with LIC of India; Company's contribution based on a actuarial valuation by LIC is charged to Profit & Loss Account. Company have made provision for Gratuity for the employees who are not covered by LIC 's Group Gratuity scheme. Contribution to Provident / Family Pension Fund as percentage of salary is charged to Profit & Loss Account on accrual basis.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

Accrued leave Salary is estimated and provided on accrual basis. The expense is recognised at present value of amount payable to Employees. Total liability for Leave Salary outstanding at year end rate is ₹ 6.41 Lacs.

h) Purchases are accounted for net of Modvat credit.

i) **Taxation**

In view of net loss no tax provision is required. Deferred Tax liability resulting from timing difference between book loss and taxable loss for the year is calculated by using tax rates & tax laws that have been enacted or substantially enacted at the balance sheet date

j) **Provisions, Contingent Liabilities and Contingent Assets**

Provisions in respect of present obligations arising out of past events are made in Accounts where reliable estimation can be made of the amount of obligation. Contingent Liabilities are not provided for and if material are disclosed separately by way of note. Contingent Assets are neither recognised nor disclosed in Financial Statement.

**2. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

The previous period figures have been regrouped /reclassified, wherever necessary to conform to the current presentation.

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.1 SHARE CAPITAL</b>		
Authorised- Equity shares of ₹ 10 par value 6000000 Equity Shares	<u>60000000</u>	<u>60000000</u>
<b>Issued , Subscribed &amp; Paid Up</b>		
3002000 Equity Shares of ₹ 10/- par value fully paid	<u>30020000</u>	<u>30020000</u>
<b>TOTAL</b>	<u><u>30020000</u></u>	<u><u>30020000</u></u>

(1) Refer to note 2.32 for details of basic and diluted shares.

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

**The details of shareholder holding more than 5 % shares as at March 31, 2015 is set out below :**

Name of the shareholder	31.03.2015		31.03.2014	
	No of shares	%	No of shares	%
1. Rajrani Bimalchand Godha	748778	24.94	712714	23.74
2. Pradeepkumar Bimalchand Godha	480853	16.02	398006	13.26
3. Anurag Bimalchand Godha	477943	15.92	395096	13.16
4. Varun pradeep kumar Godha	268500	8.94	268500	8.94
5. Namita Anurag Godha	191295	6.37	191295	6.37
6. Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
7. Anish Anurag Godha	151600	5.05	151600	5.05

**The reconciliation of the number of shares outstanding as at March 31, 2015 and March 31, 2014 is set out below :**

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. of Shares		No. of Shares	
Number of shares at the beginning and at the end	3002000		3002000	
	₹ 30020000/-		₹ 30020000/-	
<b>2.2 RESERVE AND SURPLUS</b>				
<b>Security Premium Reserve</b>	46797952		46797952	
<b>Capital Reserve</b>	20055422		20055422	
<b>General Reserve</b>				
Opening Balance	109432127		109432127	
Less: Difference of reassessment of Useful life of Fixed assets as per SCH II	470777	108961350	0	109432127
<b>Profit &amp; Loss Account</b>				
Opening Balane	67066892		57778463	
Add : Trf from statement of profit & loss	(11858676)	55208216	9288429	67066892
<b>TOTAL</b>		<u><u>231022940</u></u>		<u><u>243352393</u></u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.3 OTHER LONG TERM LIABILITIES</b>		
Deposit received from Grip Sales P. Ltd.	0	440000
<b>TOTAL</b>	<b>0</b>	<b>440000</b>
<b>2.4 LONG TERM PROVISIONS</b>		
Provision for Employee benefits-Gratuity	335111	181442
<b>TOTAL</b>	<b>335111</b>	<b>181442</b>
<b>2.5 SHORT TERM BORROWINGS</b>		
<b>PACKING CREDIT (Secured)</b>	<b>125545757</b>	<b>123862011</b>
<b>DISCOUNTED BILLS (Secured)</b>	<b>44574710</b>	<b>53143943</b>
(Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immovable property of Precious Gems P. Ltd. and Rajrani Godha, personally guaranteed by whole time directors.)		
<b>TOTAL</b>	<b>170120467</b>	<b>177005954</b>
<b>2.6 TRADE PAYABLES</b>		
<b>Trade Payables</b>	<b>64776153</b>	<b>72097126</b>
(Including ₹ 9.65 lacs Due to Directors pr year 3.83 lacs)	<b>64776153</b>	<b>72097126</b>
<b>2.7 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt	0	418587
Advance from customers	60000	720000
Un-paid dividends *	17199	29421
Other Payables #	795110	3312482
<b>TOTAL</b>	<b>872309</b>	<b>4480490</b>
* These figures do not include any amounts , due and outstanding , to be credited to Investor Education and Protection Fund .		
# Includes Statutory dues & security deposit		
<b>2.8 SHORT TERM PROVISION</b>		
Provisions for Employee Benefits- Bonus	1580644	1477491
<b>TOTAL</b>	<b>1580644</b>	<b>1477491</b>

NOTE NO 2.9 FIXED ASSETS :

(FIGURES IN RUPEES)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2014	Additions / adjustments	Deductions/ adjustments	As at 31.03.2015	As at 01.04.2014	FOR THE YEAR	Deductions/ adjustments	Upto 31.03.2015	AS ON 31.03.2015	AS ON 31.03.2014
<b>Tangible Assets</b>										
Building	36154425	0	0	36154425	23106677	529890	0	23636567	12517858	13047748
Plant and Equipments	24286905	560813	0	24847718	14558588	891883	199640	15650111	9197607	9728317
Office Equipments	7947145	417865	0	8365010	5964452	887824	383940	7236216	1128794	1982693
Furniture and Fixtures	5315274	41161	0	5356435	2847981	322493	(12820)	3157654	2198781	2467293
Vehicles	8624168	0	0	8624168	5036070	588384	(99983)	5524471	3099697	3588098
<b>Total ( a )</b>	<b>82327917</b>	<b>1019839</b>	<b>0</b>	<b>83347756</b>	<b>51513768</b>	<b>3220473</b>	<b>470777</b>	<b>55205018</b>	<b>28142738</b>	<b>30814149</b>
<b>Intangible Assets</b>										
Software	6807074	90524	0	6897598	2538906	1387082	0	3925988	2971610	4268168
<b>Total ( b )</b>	<b>6807074</b>	<b>90524</b>	<b>0</b>	<b>6897598</b>	<b>2538906</b>	<b>1387082</b>	<b>0</b>	<b>3925988</b>	<b>2971610</b>	<b>4268168</b>
<b>Total ( a +b )</b>	<b>89134991</b>	<b>1110363</b>	<b>0</b>	<b>90245354</b>	<b>54052674</b>	<b>4607555</b>	<b>470777</b>	<b>59131007</b>	<b>31114347</b>	<b>35082317</b>
<b>Previous Year</b>	<b>85364498</b>	<b>8644673</b>	<b>4874180</b>	<b>89134991</b>	<b>52280387</b>	<b>6315903</b>	<b>4543616</b>	<b>54052674</b>	<b>35082317</b>	<b>33084114</b>

Note : \* Motor Vehicles costing ₹ 64.83 lacs are in the name of the Directors of the Company.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.10 NON CURRENT INVESTMENTS</b>		
<b>A) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST</b>		
Gujrat Fluorochemicals Ltd - 300 Shares of ₹ 10/- each	32475	32475
Canara Bank -4100 sharss of ₹ 10/- each	143500	143500
<b>B) UN QUOTED</b>		
In wholly owned Subsidiary Company		
450250 fully paid Equity shares of US \$ 1 each in Shantivijay		
Jewels International Ltd Mauritius.	18826410	18826410
183000 fully paid Equity shares of ₹10/- each	2021613	2021613
of German Garden Ltd.		
Less : Provision for Dimunition in the value	2021613	0
(Total Provision for dimunition in the value of Investment ₹ 20.22 lacs)		
(Market Value of quoted shares ₹ 20.65 Lacs, Previous Yr ₹ 14.70 Lacs)		
(Book value ₹1.76 Lacs, Previous year ₹1.76 Lacs )		
<b>TOTAL</b>	<b>19002385</b>	<b>19002385</b>
<b>2.11 LONG TERM LOANS AND ADVANCES</b>		
Un-secured , considered good		
Loans and advances to Employees	701500	1061500
Capital advances-Advance against property	29369200	29369200
Balances with Tax authorities	12699704	7710801
Other loans & advances	9795667	9796516
Rental Deposits	12703230	9203230
Other Security Deposits	726540	716540
<b>TOTAL</b>	<b>65995841</b>	<b>57857787</b>
<b>2.12 OTHER NON CURRENT ASSETS</b>		
Bank FDR	15937	15937
(Restricted bank balance with Maturity of more than one year from the reporting date)		
<b>TOTAL</b>	<b>15937</b>	<b>15,937</b>
<b>2.13 INVENTORIES</b>		
(Raw materials and Finished goods are valued at lower of the cost or net realisable value & Consumables & tools are valued at cost. )		
Raw Materials	142964636	168113004
Finished Goods	59323730	39469405
Stores & Spares	1239282	1052329
Loose tools	1083585	722187
<b>TOTAL</b>	<b>204611233</b>	<b>209356925</b>
<b>2.14 TRADE RECEIVABLES</b>		
Un-secured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	11975936	21472381
Other debts considered good	144132386	152019522
<b>TOTAL</b>	<b>156108321</b>	<b>173491903</b>



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.15 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	544333	459603
Balance with Bank		
In current and Deposit Account *	11990924	16387324
* Includes Un paid Dividend A/c ₹ 17199/- (Pr. yr. ₹ 29428/-)		
<b>TOTAL</b>	<b>12535257</b>	<b>16846927</b>
<b>2.16 SHORT TERM LOANS AND ADVANCES</b>		
un secured , considered good		
Interest accrued on FDR	113992	112474
Balances with Tax authorities	3912555	7894152
Advances to Employees and Contractors	725386	422272
Prepaid Expenses	1176677	1733578
Other Advances	145226	252118
<b>TOTAL</b>	<b>6073836</b>	<b>10414594</b>
<b>2.17 OTHER CURRENT ASSETS</b>		
Other Current Assets	214467	3796122
<b>TOTAL</b>	<b>214467</b>	<b>3796122</b>
<b>2.18 REVENUE FROM OPERATIONS</b>		
Sales - Jewellery	572682314	614306017
Sales - Diamond	112702687	116528280
Sales - P.stones & Others	3002421	553685
Services - Labour charges	119000	394000
<b>TOTAL</b>	<b>688506422</b>	<b>731781981</b>
<b>2.19 OTHER INCOME</b>		
Dividend - Long term Investments	29450	86700
Interest received #	1451817	1639550
Gain on Foreign currency transaction / translation	0	4889914
Excess provision for exp written back	6504	472328
Rent received	3720000	3747851
<b>TOTAL</b>	<b>5207771</b>	<b>10836343</b>
# Interest received includes bank interest on deposit of ₹ 6.97 lacs (Pr. yr. ₹ 8.85 lacs) and Interest on loans and advances of ₹ 7.55 lacs (Pr. yr. ₹ 7.55 lacs)		
<b>2.20 MATERIALS</b>		
<b>1) COST OF MATERIALS CONSUMED</b>		
Gold	117420754	129875853
Diamond	371573599	353114854
Others	22948749	24240652
<b>TOTAL</b>	<b>511943102</b>	<b>507231359</b>
<b>2) PURCHASE OF STOCK IN TRADE</b>		
Diamond & P/stones	111702701	112001297
<b>2.21 Changes in inventories of finished goods , work in progress and stock - in -trade</b>		
Opening Stock of Finished Goods	39469405	52018709
Opening Stock-in-trade	0	0
Add : Purchases of Finished Goods	52054987	22027544
	91524392	74046253
Less : Closing Stock-in -trade	0	0
Less : Closing Stock of Finished Goods	59323730	39469405
Less : Melting of Finished Goods	50929987	22027544
<b>TOTAL</b>	<b>(18729325)</b>	<b>12549304</b>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

	31.03.2015 (₹)		31.03.2014 (₹)
<b>2.22 EMPLOYEE BENEFIT EXPENSES</b>			
Salaries & Wages	16654723		15851652
Contribution to PF & Other Funds	2228003	1076492	
Welfare Expenses	64812	49325	
	<u>18947538</u>		<u>16977469</u>
Directors Remuneration	6881784		6523630
<b>TOTAL</b>	<u><u>25829322</u></u>		<u><u>23501099</u></u>
<b>2.23 FINANCIAL COSTS</b>			
Interest paid	6772409		7699069
Loss on foreign currency translation	1059264		0
	<u>7831673</u>		<u>7699069</u>
<b>2.24 OTHER EXPENSES</b>			
Consumable Stores, Spares & Tools	4234076		4116427
Labour Charges	25153216		23850802
Rent	2916274		2719264
Electricity Charges	3096491		2858651
Directors Sitting Fees	155000		125000
Professional & Technical Fees	2696042		4354139
Bank Charges	1138454		1509816
ECGC Premium charges	790028		888524
Rates & Taxes	142642		125804
<b>Repairs &amp; Maintenance :</b>			
Repairs & Maintenance to Machinery	1197051	1003170	
Others	1423058	1419388	2422558
Donations		762502	1013601
<b>Auditors Remuneration :</b>			
As Auditors		440000	396000
For Taxation Services	100000		96000
For consultancy & other services	110000		108000
		<u>650000</u>	<u>600000</u>
Insurance	540033		575614
Commission & Discount	1759235		2672946
Loss on Foreign currency transaction / translation	2746135		0
loss on Impairment of asset	0		127064
Other General Expenses	12694707		11391727
<b>Prior Period Items</b>			
Postage & Telephone	1000	10503	
Licence fees	7815	2083	
Sundry Expenses	14305	0	12586
<b>TOTAL</b>	<u><u>62118064</u></u>		<u><u>59364523</u></u>
<b>2.25 TAX EXPENSES</b>			
<b>Current Tax:</b>			
Income Tax	0		4886000
Short provision of Income tax relating to earlier year	135777		11340
	<u>135777</u>		<u>4897340</u>
Deferred Taxes	134000		(230000)
<b>TOTAL</b>	<u><u>269777</u></u>		<u><u>4667340</u></u>

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

**2.26 CONTINGENT LIABILITIES**

i) In respect of Income Tax matters contested by the Company	2374.02	673.95
ii) In respect of Custom Duty matter	4.51	4.51
iii) Estimated Amount of Contracts remaining to be executed on Capital Accounts and not provided for in the accounts.	0.00	0.00

**2.27 FINANCIAL AND DERIVATIVE INSTRUMENT : -**

- 1) During the year Company have entered into forward exchange contract for the next year but it has no impact on the current year.
- 2) Foreign Currency exposure that is not hedged by forward exchange contract as on 31-03-2015 ₹ 320.84 Lacs on account of Imports & others (Pr. Yr 90.00 Lacs) and ₹1357.88 lacs on account of Export of goods. (Previous Year ₹ 1532.37 lacs )

**2.28 a) CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & STORES**

A) RAW MATERIALS CONSUMED	(₹ in Lacs)	%	(₹ in Lacs)	%
Indigenous	4963.43	80%	5178.78	84%
Imported	1273.03	20%	1013.55	16%
<b>B) STORES &amp; TOOLS CONSUMED</b>				
Indigenous	16.23	39%	21.03	51%
Imported	24.94	61%	20.14	49%
<b>b) CIF VALUE OF IMPORTS</b> (Including Inter Unit Purchases)				
Raw Materials	611.50		884.73	
Stores & Consumables & Spares	12.17		5.14	
Finished Goods	508.89		220.09	
Fixed Assets	0.00		6.98	
	<b>1132.56</b>		<b>1116.94</b>	
	(₹ in Lacs)		(₹ in Lacs)	

**c) EARNINGS IN FOREIGN EXCHANGE**

FOB Value of Exports	6292.84	6958.63
----------------------	---------	---------

**d) EXPENDITURE IN FOREIGN CURRENCY**

	(₹ in Lacs)	(₹ in Lacs)
Travelling Expenses	10.54	17.15
Exhibition Expenses & Advances	9.07	1.86
Bank Charges	0.55	0.56
Membership & subscription	0.24	0.00
Postage & Telephone	0.36	1.27
Sales Commission	1.46	12.08
Sales Promotion expenses	0.00	0.00
Books & periodicals	0.00	0.27
	<b>22.21</b>	<b>33.19</b>

**2.29 SEGMENT REPORTING**

Company is exclusively engaged in the Gems & Jewellery Business, which as per Accounting Standard AS-17 is considered the only primary reportable business segment.

**GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)**

COUNTRY	SALES		BALANCE ON	
	3/31/2015	3/31/2015	3/31/2014	3/31/2014
<b>EXPORTS</b>				
U.S.A.	2899.81	590.13	2297.27	367.93
EUROPE	466.33	32.70	761.99	91.25
MIDDLE EAST	1771.58	424.13	2138.81	495.06
OTHERS	1164.43	315.54	1775.66	615.83
LOCAL SALES	581.72	198.59	340.15	164.86
	<b>6883.87</b>	<b>1561.08</b>	<b>7313.88</b>	<b>1734.92</b>

**2.30 Related Party Transaction**

Related Party Disclosures have been set out below. The Related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of information available with the company.

**A) Wholly owned Subsidiary Companies**

- i) Shantivijay Jewels International Ltd -Mauritius
- ii) Shantivijay Impex DMCC (Subsidiary of Shantivijay Jewels International Ltd.)

(Contd.)

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

### B) Associate Companies

- i) Precious Gems Pvt. Ltd.
- ii) Diamondere Pvt. Ltd.

### C) Key Management Personnel

- Shree Pradeep Kumar Godha - Chairman & Managing Director
- Shree Anurag Godha - Vice Chairman & Managing Director

### D) Relatives of Key Management Personnel and Associates

- Smt Rajrani Godha
- Smt Sudha Godha
- Smt Namita Godha
- Shree Varun Godha
- Smt Deepika Godha

Relatives of Directors

Details of Transactions are as below,

(Figures in ₹)

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2015	OUTSTANDING 31.03.2015	TRANSACTION AMOUNT 31.03.2014	OUTSTANDING 31.03.2014
1	Shantivijay Impex DMCC	Subsidiary of Wholly owned subsidiary	Sales	12708000	0 DR	0	0 DR
2	Diamondere P. Ltd.	Associate Company	Sales & Services Purchase	15299783 0	4670150 DR	8912541 84000	3728721 DR 0
3	Pradeep Kumar Godha	Managing Director	Remuner+perks	3369006	530521 CR	2999318	209762 CR
4	Anurag Godha	Managing Director	Remuner+perks	3413184	434519CR	2876312	173244 CR
5	Rajrani Godha	Relative of Director	Rent paid Security deposit paid	85000 0	64904 CR 12000000 DR	36000 0	56088 CR 8500000 DR
6	Sudha Godha	Relative of Director	Remuneration +Bonus	223200	64421 CR	223200	62443 CR
7	Namita Godha	Relative of Director	Remuneration +Bonus	223200	165575 CR	223200	191340 CR
8	Varun Godha	Relative of Director	Remuneration +Bonus	0	210841 CR	237600	351941 CR
9	Deepika Godha	Relative of Director	Remuneration +Bonus	192000	0 CR	32000	32000 CR

### Surety given to Company's banker by Third parties

1	Precious Gems P. Ltd.	Associate Company	Surety given to Company bankers (without any charge)	Market value	25080000	11400000
2	Rajrani Godha	Wife of Director	— do —	Market value	41160000	29400000

### 2.31 LEASE DISCLOSURES

The Company has entered into Three Lease Agreements and had given premises on lease for 60 Months to others, which are in the nature of operating lease. Leased Asset i.e., premises is shown as Fixed Assets. Gross value ₹ 257.33 Lacs and accumulated depreciation ₹ 185.71 Lacs. Lease income ₹ 33.00 Lacs is recognised on straight-line basis in the Profit & Loss Account. Depreciation ₹ 3.39 Lacs provided during the year at rates for which similar Assets are depreciated. Future lease rental receivable within the period of one year ₹ 2.40 Lacs (Previous Year ₹ 42 lacs) .

### 2.32 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

#### Basic & Diluted

	31.03.2015	31.03.2014
Profit after Tax as per Accounts	(118.59)	92.88
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) ₹	(3.95)	3.09

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)****2.33 ACCOUNTING FOR DEFERRED TAX**

The deferred Tax Liability has arisen mainly on account of timing difference between Depreciation admissible under Income Tax Rules and Depreciation in Books.

Major components of Deferred Tax Liabilities are arising on account of timing difference as under :

**Deferred Tax Assets**

	<b>Upto</b>	(₹ in lacs)
	<b>3/31/2015</b>	Upto
		<b>3/31/2014</b>
<b>Assets</b>		
Difference between Book & Tax Depreciation	<b>31.65</b>	32.49
Less : Provision for Gratuity	<b>1.09</b>	0.59
Net Deferred tax assets	<b>30.56</b>	31.90
Deferred Tax Liability Provision required	<b>(1.34)</b>	2.29

**2.34** The Profit & Loss A/c includes exchange difference of ₹ NIL (Credit) (Pr Year ₹ 54.96 lacs Credit) and ₹ 38.05 lacs (Debit) (Pr year ₹ 6.06 lacs Dr)

**2.35** Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006;

There are no outstanding dues payable to parties covered under the Micro, Small and Medium Enterprises as per MSMED Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

During the year, Company have not paid any interest to such suppliers and no interest was accrued and remaining unpaid at the year end. This has been relied upon by the auditors.

**2.36** Figures of previous year has been regrouped and rearranged wherever necessary.

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS****1 & 2**

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

**Place : MUMBAI**  
**Dated : 5th August , 2015**

**For SHANTIVIJAY JEWELS LTD.**

**Sd/-**  
**P. K. GODHA**  
(Chairman & M.D)

**Sd/-**  
**A.KASLIWAL**  
Director

**Sd/-**  
**A. K. GODHA**  
(Vice Chairman & M.D)

**Sd/-**  
**A.R.SHAH**  
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

	2015 (₹)	2014 (₹)
(Rupees in Thousands)		
<b>A. CASH FLOW FROM OPERATION ACTIVITIES :-</b>		
Net loss before tax & extraordinary items	(11589)	13956
<b>Add: Adjustments for :</b>		
Depreciation & Amortisation	4608	6316
Finance Cost	7832	7699
	850	27971
<b>Adjustments for :</b>		
Interest/Dividend Received	(1481)	(1726)
<i>Operating Loss before working capital changes</i>	(631)	26244
<b>Adjustments for :</b>		
<b>(Increase) / Decrease in operating assets</b>		
Inventories	4746	(6317)
Trade receivables	17384	(30496)
Short term loans & advances	4341	4514
Long term loans & advances	(3148)	(6964)
Other Current assets	3582	2327
	26272	(10692)
<b>Increase /(Decrease) in operating liabilities</b>		
Trade Payables	(7321)	25257
Other Current liabilities	(3608)	(833)
other long term liabilities	(440)	440
Long term provisions	154	(19)
Short term Provisions	103	98
<b>Cash generated from Operation</b>	15160	14251
Finance Cost	(7832)	(7699)
Taxes Paid	(5126)	(4431)
<b>Net cash (used in)/ from Operating activities</b>	2203	2121
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :-</b>		
Purchase of Fixed assets	(1110)	(8518)
Sale /Impairment of Fixed Assets.	0	204
Interest & Dividend Received	1481	1726
<i>Net cash( used in)/from Investment activities</i>	371	(6588)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :-</b>		
Decrease in Bank borrowings	(6885)	4162
<i>Net cash used in Finance activities</i>	(6885)	4162
<b>NET DECREASE IN CASH EQUIVALENTS (B+C+A)</b>	(4312)	(305)
Cash and Cash Equivalents		
Opening Balance	16847	17152
Closing Balance	12535	16847
	(4312)	(305)

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

Sd/-  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

Place : MUMBAI  
Dated : 5th August, 2015

For SHANTIVIJAY JEWELS LTD.

Sd/-  
**P. K. GODHA**  
(Chairman & M.D)

Sd/-  
**A. K. GODHA**  
(Vice Chairman & M.D)

Sd/-  
**A.KASLIWAL**  
Director

Sd/-  
**A.R. SHAH**  
Director

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Shantivijay Jewels Limited.

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Shantivijay Jewels Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2015, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Grouping 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our unqualified audit opinion on the consolidated financial statements.

### **Opinion**

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

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the consolidated statement of Profit and Loss Account, of the Loss of the company for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central government of India in terms of Sub-Section (11) of Section 143 of the Act, based on the comments in the Auditor's reports of the Holding Company, subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. In our opinion, and according to the information and explanations given to us, the order is not applicable in the case of subsidiary company.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified Under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the Directors of the Holding Company, as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding Company is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act,
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
    - i. The Consolidated financial statements disclose the compact of pending litigations on the consolidated financial position of the Group Refer Note 2.26 to the consolidated financial Statements.
    - ii. The Group does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its Subsidiary Company, incorporated in India.

### Other Matters

We did not audit the financial statements of the Subsidiary Companies, Shantivijay Jewels International Limited and its Subsidiary Shantivijay Impex DMCC Dubai whose consolidated financial statements reflect total assets (Net) of ₹ 2732.80 lakhs as at March 31, 2015 and total revenues of ₹ 3118.32 lakhs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the Subsidiary Companies, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements and other financial information certified by the Management.

**For B. F. CHORDIA & CO**  
**CHARTERED ACCOUNTANTS**  
**FRN:101914W**

Sd/-  
**B. F. CHORDIA**  
**PROPRIETOR**  
**MEMBERSHIP No. : 9026**

PLACE : MUMBAI  
 DATE : Aug 5<sup>th</sup>, 2015



**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

Particulars	Note No	As at 31 st March 2015 (₹)	As at 31st March 2014 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	426724916	421382491
<b>(2) Non-Current Liabilities</b>			
(a) Other Long term liabilities	2.3	0	440000
(b) Long -term provisions	2.4	335111	181442
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	2.5	170120467	177005954
(b) Trade payables	2.6	106835968	112162178
(c) Other current liabilities	2.7	16095122	5626149
(d) Short-term provisions	2.8	1580644	1477491
<b>Total</b>		<b>751712227</b>	<b>748295705</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<i>(a) Fixed assets</i>			
(i) Tangible assets	2.9	34738987	37572176
(ii) Intangible assets	2.9	2971610	4268168
(b) Non-current investments	2.10	175975	175975
(c) Deferred tax assets (net)		3056000	3190000
(d) Long term loans and advances	2.11	66615216	58402489
(e) Other non-current assets	2.12	15937	15937
<b>(2) Current assets</b>			
(a) Inventories	2.13	410524246	398219164
(b) Trade receivables	2.14	198483196	209464144
(c) Cash and cash equivalents	2.15	17602257	17013237
(d) Short-term loans and advances	2.16	17314337	16178293
(e) Other current assets	2.17	214467	3796122
<b>Total</b>		<b>751712227</b>	<b>748295705</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS**

1 & 2

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

Place : MUMBAI  
Dated : 5th August, 2015

**For SHANTIVIJAY JEWELS LTD.**

**Sd/-**  
**P. K. GODHA**  
(Chairman & M.D)

**Sd/-**  
**A. K. GODHA**  
(Vice Chairman & M.D)

**Sd/-**  
**A.KASLIWAL**  
Director

**Sd/-**  
**A.R. SHAH**  
Director

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No	31.03.2015 (₹)	31.03.2014 (₹)
I. Revenue from operations	2.18	987629973	1012557920
II. Other Income	2.19	5207771	10821530
<b>III. Total Revenue (I +II)</b>		<b>992837744</b>	<b>1023379450</b>
IV. Expenses:			
Cost of materials consumed	2.20	511943102	507231359
Purchase of Stock-in-Trade	2.20	111702701	112001297
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.21	261146489	269639254
Employee benefit expense	2.22	27218405	24746515
Financial costs	2.23	7831673	7699069
Depreciation and amortization expense		5051687	7160531
Other expenses	2.24	70622500	68657346
<b>Total Expenses</b>		<b>995516558</b>	<b>997135371</b>
V. Loss before tax (III - IV)		<b>(2678815)</b>	26244079
VI. Tax expense:			
(1) Current tax	2.25	135777	4897340
(2) Deferred tax		134000	(230000)
VII. Loss for the period from continuing operations		<b>(2948592)</b>	21576739
VIII. Earning per equity share:			
Equity share of par value of ₹ 10/- each			
(1) Basic & Diluted		<b>(0.98)</b>	7.19
Number of shares used in computing earning per share			
(1) Basic & Diluted		<b>3002000</b>	3002000
<b>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS</b>	<b>1 &amp; 2</b>		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

**Place : MUMBAI**  
**Dated : 5th August, 2015**

For SHANTIVIJAY JEWELS LTD.

<b>Sd/-</b> <b>P. K. GODHA</b> (Chairman & M.D)	<b>Sd/-</b> <b>A. K. GODHA</b> (Vice Chairman & M.D)
---	--

<b>Sd/-</b> <b>A.KASLIWAL</b> Director	<b>Sd/-</b> <b>A.R. SHAH</b> Director
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## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2015

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### **Corporate Information :**

Shantivijay Jewels Ltd is located in Special Economic Zone Mumbai having its showroom in Trident Hotel , Mumbai and factory at MIDC, Andheri. Company is engaged in Manufacturing and exports of wide range of studded gold jewellery and Diamond and P. stones. Company is having two Subsidiaries. { as per Note No b (c) }

#### a). **System of Accounting:**

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis unless otherwise stated hereinafter.
- ii) The Accounts are prepared under historical cost convention , as a going concern and generally in accordance with applicable Accounting standards.

#### b). **Principles of Consolidation :**

- a) The Consolidated financial statements relates to Shantivijay Jewels Ltd ('the company') and its wholly owned Subsidiary Company Shantivijay Jewels International Ltd Mauritius and it's Subsidiary Shantivijay Impex DMCC Dubai. The consolidated financial statements have been prepared on the following basis. The Financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.
- b) As far as possible , the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

c) The Subsidiary Companies considered in the consolidated financial statements are,

<b><u>Name of the Company</u></b>	<b><u>County of Incorporation</u></b>	<b><u>% of Voting Power held as at 31.03.2015</u></b>
a) Shantivijay Jewels International Ltd	Mauritius	100%
b) Shantivijay Impex DMCC (Wholly owned subsidiary of Shantivijay Jewels International Ltd )	Dubai	100%

#### c). **Exchange Adjustments**

Incase of foreign subsidiaries , being non-integral foreign operations , revenue items are consolidated at the exchange rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.

#### d). **Fixed Assets and Depreciation :**

##### i) **Tangible Assets**

- a) Fixed Assets are stated at their cost of acquisition less Deprecation. Additions to Fixed assets are net of Modvat Credit. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
- b) Depreciation on all Fixed Assets is provided on written down value method at the rates and in the manner prescribed by Schedule XIV of the Companies Act 1956. Assets costing up to ₹ 5000/- are depreciated fully in the year of Purchase. Depreciation on additions / Deletions of Assets is provided on Pro-Rata basis.

##### ii) **Intangible Assets :**

Computer Software :  
Intangible Assets are stated at cost of acquisition less accumulated amortization.  
Computer Software is amortized over a period of Five Years in equal installments.

#### e). **Investments**

Long term Investments are valued at cost with an appropriate provision for permanent diminution in value.

Current investments are stated at lower of the cost or quoted / fair value.

#### f). **Inventories**

- (A) Raw materials are valued at lower of the cost or net realisable value; cost is arrived at on FIFO basis. Cost includes costs incurred in bringing them to their present location.
- (B) Stores & Consumables are valued at cost.

(Contd.)

- (C) Loose Tools are valued at cost.
- (D) Finished goods are valued at lower of the cost or net realisable value. Cost of finished goods is determined by taking material, labour and appropriate factory overheads.
- (E) Inventory of spares, Rubber Moulds is not valued and is charged to revenue.
- g). **Foreign Currency Transaction**
- (a) Transactions denominated in Foreign Currencies are normally recorded at the exchange rate prescribed by customs at the time of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at the year end rates. In case of forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and premium or discount on forward exchange contracts is recognised over the life of the contract.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.
- (e) Exchange difference on acquisition of fixed assets is adjusted to carrying cost of such fixed assets.
- h). **Employee Benefits**
- Company has opted for Group Gratuity Scheme with LIC of India; Company's contribution based on an actuarial valuation by LIC is charged to Profit & Loss Account. Contribution to Provident / Family Pension Fund as percentage of salary is charged to Profit & Loss Account on accrual basis. Accrued Leave Salary is estimated and provided on accrual basis. The expenses are recognised at present value of amount payable to Employees. Total liability for Leave Salary outstanding at year end rate is ₹ 6.41 Lacs.
- i). **Taxation**
- Provision for current tax is made considering Rules/ benefits admissible under Income tax Act 1961. Deferred Tax Asset resulting from timing difference between book profit and taxable profit for the year is calculated by using tax rates & tax laws that have been enacted or substantially enacted at the Balance sheet date.
- j). **Other Significant Accounting Policies**
- These are set out in the Notes to Accounts under Significant Accounting Policies for Financial statements of the Company and its Subsidiaries.

## 2. CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2015

The previous period figures have been regrouped /reclassified, wherever necessary to conform to the current presentation.

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.1 SHARE CAPITAL</b>		
Authorised- Equity shares of ₹ 10 par value 6000000 Equity Shares	<b>60000000</b>	60000000
<b>Issued, Subscribed &amp; Paid Up</b>		
3002000 Equity Shares of ₹ 10/- par value fully paid	<b>30020000</b>	30020000
<b>TOTAL</b>	<b>30020000</b>	30020000

(1) Refer to note 2.29 for details of basic and diluted shares.

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share.

The details of shareholder holding more than 5% shares as at March 31, 2015 is set out below :

Name of the shareholder	31.03.2015		31.03.2014	
	No. of shares	%	No. of shares	%
1. Rajrani Bimalchand Godha	748778	24.94	785954	26.18
2. Pradeepkumar Bimalchand Godha	480853	16.02	453006	15.09
3. Anurag Bimalchand Godha	477943	15.92	450096	14.99
4. Varun pradeep kumar Godha	268500	8.94	268500	8.94
5. Namita Anurag Godha	191295	6.37	191295	6.37
6. Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
7. Anish Anurag Godha	151600	5.05	151600	5.05

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

The reconciliation of the number of shares outstanding as at March 31,2015 and March 31, 2014 is set out below :

<u>Particulars</u>	<u>As at 31.03.2015</u>		<u>As at 31.03.2014</u>	
		<u>No. of Shares</u>		<u>No. of Shares</u>
Number of shares at the beginning and at the end		<b>3002000</b>		3002000
		<b>₹ 30020000/-</b>		₹ 30020000/-
<b>2.2 RESERVE AND SURPLUS</b>				
<b>Security Premium Reserve</b>		<b>46797952</b>		46797952
<b>Capital Reserve</b>		<b>20055422</b>		20055422
<b>General Reserve</b>				
Opening Balance	<b>109432127</b>		109432127	
Less: Difference of reassessment of	<b>470777</b>	<b>108961350</b>	<b>0</b>	109432127
Useful life of Fixed assets as per SCH II				
Exchange Translation reserve		<b>53692389</b>		44930596
<b>Profit &amp; Loss Account</b>				
<b>Opening Balane</b>	<b>200166394</b>		178589655	
Add : Trf from statement of profit & loss	<b>(2948592)</b>		21576739	
	<b>197217802</b>		200166394	
Less : Dividend Tax	<b>0</b>	<b>197217802</b>	<b>0</b>	200166394
<b>TOTAL</b>		<b>426724916</b>		421382491
<b>2.3 OTHER LONG TERM LIABILITIES</b>				
Deposit received from Grip Sales Pvt. Ltd.		<b>0</b>		440000
<b>TOTAL</b>		<b>0</b>		440000
<b>2.4 LONG TERM PROVISIONS</b>				
Provision for Employee benefits-Gratuity		<b>335111</b>		181442
<b>TOTAL</b>		<b>335111</b>		181442
<b>2.5 SHORT TERM BORROWINGS</b>				
<b>PACKING CREDIT (Secured )</b>		<b>125545757</b>		123862011
<b>DISCOUNTED BILLS (Secured )</b>		<b>44574710</b>		53143943
(Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immovable property of Precious Gems P Ltd*. and Rajrani Godha, personally guaranteed by whole time directors.)				
<b>TOTAL</b>		<b>170120467</b>		177005954
<b>2.6 TRADE PAYABLES</b>				
<b>Trade Payables</b>		<b>106835968</b>		112162178
(Including ₹ 9.65 lacs Due to Directors per year ₹ 3.83 lacs)				
<b>TOTAL</b>		<b>106835968</b>		112162178
<b>2.7 OTHER CURRENT LIABILITIES</b>				
Current maturities of long term debt (refer note no 2.3)		<b>0</b>		418587
Advance from customers		<b>14513563</b>		720000
Un-paid dividends *		<b>17199</b>		29421
Other Payables #		<b>1564360</b>		4458141
<b>TOTAL</b>		<b>16095122</b>		5626149
* These figures do not include any amounts , due and outstanding, to be credited to Investor Education and Protection Fund .				
# Includes Statutory dues & security deposit				
<b>2.8 SHORT TERM PROVISIONS</b>				
Provisions for Employee Benefits- Bonus		<b>1580644</b>		1477491
<b>TOTAL</b>		<b>1580644</b>		1477491

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

NOTE NO 2.9 FIXED ASSETS :

(FIGURES IN ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2014	Additions / adjustments	Deductions/ adjustments	As at 31.03.2015	As at 01.04.2014	FOR THE YEAR	Deductions/ adjustments	Upto 31.03.2015	AS ON 31.03.2015	AS ON 31.03.2014
<b>Tangible Assets</b>										
Building	44936800	0	0	44936800	24863177	969015	0	25832192	19104608	19782546
Plant and Equipments	24286905	560813	0	24847718	14558588	891883	199640	15650111	9197607	9074226
Office Equipments	7947145	417865	0	8365010	5964452	887824	383940	7236216	1128794	2596719
Furniture and Fixtures	7199587	41161	0	7240748	4708044	337243	(12820)	5032467	2208281	2530592
Vehicles	8624168	0	0	8624168	5036070	588384	(99983)	5524471	3099701	3588097
<b>Total (a)</b>	<b>92994605</b>	<b>1019839</b>	<b>0</b>	<b>94014444</b>	<b>55130331</b>	<b>3674349</b>	<b>470777</b>	<b>59275457</b>	<b>34738987</b>	<b>37572176</b>
<b>Intangible Assets</b>										
Software	6807074	90524	0	6897598	2538906	1387082	0	3925988	2971610	4268168
<b>Total (b)</b>	<b>6807074</b>	<b>90524</b>	<b>0</b>	<b>6897598</b>	<b>2538906</b>	<b>1387082</b>	<b>0</b>	<b>3925988</b>	<b>2971610</b>	<b>4268168</b>
<b>Total (a +b)</b>	<b>99801680</b>	<b>1110363</b>	<b>0</b>	<b>100912042</b>	<b>57669237</b>	<b>5061431</b>	<b>470777</b>	<b>63201445</b>	<b>37710596</b>	<b>41840344</b>
Previous Year	95589159	8644673	4874180	99359651	54986639	7076285	4543616	57519308	41840345	39965299

Note : \*Motor Vehicles costing ₹ 64.83 lacs are in the name of the Directors of the Company.

	<b>31.03.2015</b>	<b>31.03.2014</b>
	(₹)	(₹)

**2.10 NON CURRENT INVESTMENTS****A ) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST**

Gujrat Fluoro Chemicals Ltd - 300 Shares of ₹ 10/- each	<b>32475</b>		32475	
Canara Bank -4100 shares of ₹ 10/- each	<b>143500</b>	<b>175975</b>	143500	175975
183000 fully paid Equity shares of ₹10/- each of German Garden Ltd.	<b>2021613</b>		<b>2021613</b>	
Less : Provision for Diminution in the value	<b>2021613</b>	<b>0</b>	<b>2021613</b>	<b>0</b>
(Total Provision for diminution in the value of Investment ₹ 20.22 lacs )				
(Market Value of quoted shares ₹ 20.65 Lacs, Previous Yr ₹ 14.70 Lacs)				
(Book value ₹ 1.76 Lacs , Previous year ₹1.76 Lacs )				
<b>TOTAL</b>		<b>175975</b>		<b>175975</b>

(Aggregate provision for diminution in the value of investment of ₹ 20.21 lacs for 183000 shares of German Garden)

	<b>31.03.2015</b>	<b>31.03.2014</b>
	(₹)	(₹)

**2.11 LONG TERM LOANS AND ADVANCES**

Un-secured , considered good		
Loans and advances to Employees	<b>701500</b>	1061500
Balances with Tax authorities	<b>12699704</b>	7710801
Capital advances-Advance against property	<b>29369200</b>	29369200
Other loans & advances	<b>9989292</b>	9933111
Rental Deposits	<b>12703230</b>	9203230
Other Security Deposits	<b>1152290</b>	1124647
	<b>66615216</b>	58402489

**2.12 OTHER NON CURRENT ASSETS**

Bank FDR	<b>15937</b>	15937
(Restricted bank balance with Maturity of more than one year from the reporting date)		
	<b>15937</b>	15937

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.13 INVENTORIES</b>		
(Raw materials and Finished goods are valued at lower of the cost or net realisable value & Consumables & tools are valued at cost.)		
Raw Materials	142964636	168113004
Finished Goods	265236743	228331644
Stores & Spares	1239282	1052329
Loose tools	1083585	722187
<b>TOTAL</b>	<b>410524246</b>	<b>398219164</b>
<b>2.14 TRADE RECEIVABLES</b>		
Un-secured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	22581561	38547270
Other debts considered good	175901636	170916873
<b>TOTAL</b>	<b>198483196</b>	<b>209464144</b>
<b>2.15 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	588521	508310
Balance with Bank		
In current and Deposit Account *	17013737	16504927
<b>TOTAL</b>	<b>17602257</b>	<b>17013237</b>
* Includes Unpaid Dividend A/c ₹ 17199/- (Pr. yr. ₹ 29428/-)		
<b>2.16 SHORT TERM LOANS AND ADVANCES</b>		
Un secured , considered good		
Interest accrued on FDR	113992	112474
Balances with Tax authorities	3912555	7894152
Advances to Employees and Contractors	725386	422272
Prepaid Expenses	2109990	2787513
Other Advances	10452414	4961883
<b>TOTAL</b>	<b>17314337</b>	<b>16178293</b>
<b>2.17 OTHER CURRENT ASSETS</b>		
Other Current Assets	214467	3796122
<b>TOTAL</b>	<b>214467</b>	<b>3796122</b>
<b>2.18 REVENUE FROM OPERATIONS</b>		
Sales-Jewellery	871805865	895081955
Sales-Diamond	112702687	116528280
Sales-P.stones &Others	3002421	553685
Services-Labour charges	119000	394000
<b>TOTAL</b>	<b>987629973</b>	<b>1012557920</b>

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)**

	31.03.2015 (₹)	31.03.2014 (₹)
<b>2.19 OTHER INCOME</b>		
Dividend - Long term Investments	29450	86700
Interest received #	1451817	1639550
Gain on Foreign currency transaction / translation	0	4875101
Excess prov for exp written back	6504	472328
Rent recd	3720000	3747851
<b>TOTAL</b>	<b>5207771</b>	<b>10821530</b>
#Interest received includes bank interest on deposit of ₹ 6.97 lacs (Pr. yr ₹ 8.85 lacs) and Interest on loans and advances of ₹ 7.55 lacs (Pr. Yr. ₹ 7.55 lacs)		
<b>2.20 MATERIALS</b>		
<b>1) COST OF MATERIALS CONSUMED</b>		
Gold	117420754	129875853
Diamond	371573599	353114854
Others	22948749	24240652
	<b>511943102</b>	<b>507231359</b>
<b>2) PURCHASE OF STOCK IN TRADE</b>		
Diamond & P/stones	111702701	112001297
<b>2.21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK - IN -TRADE</b>		
Opening Stock of Finished Goods	228331644	218672328
Opening Stock-in-trade	0	0
Add : Purchases of Finished Goods	348981575	301326115
	<b>577313219</b>	<b>519998443</b>
Less : Closing Stock-in -trade	0	0
Less : Closing Stock of Finished Goods	265236743	228331644
Less : Melting of Finished Goods	50929987	22027544
<b>TOTAL</b>	<b>261146489</b>	<b>269639254</b>
<b>2.22 EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Wages	18043806	17097068
Contribution to PF & Other Funds	2228003	1076492
Welfare Expenses	64812	49325
	<b>20336621</b>	<b>18222885</b>
Directors Remuneration	6881784	6523630
<b>TOTAL</b>	<b>27218405</b>	<b>24746515</b>
<b>2.23 FINANCIAL COSTS</b>		
Interest paid	6772409	7699069
Loss on foreign currency translation	1059264	0
<b>TOTAL</b>	<b>7831673</b>	<b>7699069</b>



CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)

	31.03.2015 (₹)		31.03.2014 (₹)
<b>2.24 OTHER EXPENSES</b>			
Consumable Stores, Spares & Tools	4234076		4116427
Labour Charges	25153216		23850802
Rent	4818100		4424478
Electricity Charges	3301160		3017117
Directors Sitting Fees	155000		276150
Professional & Technical Fees	3507869		4909283
Bank Charges	1172820		1591921
ECGC Premium charges	790028		888524
Rates & Taxes	142642		125804
<b>Repairs &amp; Maintenance :</b>			
Repairs & Maintenance to Machinery	1197051	1003170	
Others	1588408	1668120	2671290
Donations		762502	1013601
<b>Auditors Remuneration :</b>			
As Auditors	662097	615591	
For Taxation Services	100000	96000	
For consultancy & other services	110000	108000	
		872097	819591
Bad Debts written off	1948606		484950
Insurance	561864		575614
Commission & Discount	1759235		2672946
Loss on Foreign currency transaction / translation loss on Impairment of asset	2759343 0		127064
<b>Prior Period Items</b>			
Postage & Telephone	1000	10503	
Licence fees	7815	2083	
Sundry Expenses	14305	23120	12586
Other General Expenses		15875363	17079199
<b>TOTAL</b>		<b>70622500</b>	<b>68657346</b>
<b>2.25 TAX EXPENSES</b>			
<b>Current Tax:</b>			
Income Tax	0		4886000
Short provision of Income tax relating to earlier years	135777		11340
		135777	4897340
Deferred Taxes	134000		(230000)
<b>TOTAL</b>		<b>269777</b>	<b>4667340</b>
<b>2.26 CONTINGENT LAIBILITIES</b>			(₹ in lacs)
i) In respect of Income Tax matters contested by the company	2374.02		673.95
iii) In respect of Custom Duty matter	4.51		4.51
iv) Estimated Amount of Contracts remaining to be executed on Capital Accounts and not provided for in the accounts.	0.00		0.00

**CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015 (Contd.)****2.27 SEGMENT REPORTING**

Company is exclusively engaged in the Gems & Jewellery Business, which as per Accounting Standard AS-17 is considered the only primary reportable business segment.

**GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)**

COUNTRY	SALES		BALANCE ON	
	3/31/2015	3/31/2015	3/31/2014	3/31/2014
<b>EXPORTS</b>				
U.S.A.	3081.15	612.08	2488.08	421.76
EUROPE	2487.90	194.16	2616.81	337.20
MIDDLE EAST	2410.95	649.35	2795.96	534.16
OTHERS	1313.39	330.65	1880.64	636.66
LOCAL SALES	581.72	198.59	340.15	164.86
<b>TOTAL</b>	<b>9875.11</b>	<b>1984.83</b>	<b>10121.64</b>	<b>2094.64</b>

(₹ in lacs)

**2.28 RELATED PARTY TRANSACTIONS**

Related Party Disclosures have been set out below. The Related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of information available with the company.

**A) Wholly owned Subsidiary Companies**

- i) Shantivijay Jewels International Ltd -Mauritius
- ii) Shantvijay Impex DMCC (Subsidiary of Shantivijay Jewels International Ltd)

**B) Associate Companies**

- i) Precious Gems Pvt. Ltd.
- ii) Diamondere Pvt. Ltd.

**C) Key Management Personnel**

- Shree Pradeep Kumar Godha - Chairman & Managing Director  
Shree Anurag Godha - Vice Chairman & Managing Director

**D) Relatives of Key Management Personnel and Associates**

- Smt Rajrani Godha  
Smt Sudha Godha  
Smt Namita Godha  
Shree Varun Godha  
Smt Deepika Godha
- } Relatives of Directors

Details of Transactions are as below,

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT	OUTSTANDING	TRANSACTION AMOUNT	OUTSTANDING
				31.03.2015	31.03.2015	31.03.2014	31.03.2014
1	Diamondere P. Ltd.	Associate Company	Sales & Services Rent Purchase	15299783 0	4670150 DR	8912541 84000	3728721 DR 0
2	Pradeep Kumar Godha	Managing Director	Remuner+perks	3369006	530521 CR	2999318	209762 CR
3	Anurag Godha	Managing Director	Remuner+perks	3413184	434519CR	2876312	173244 CR
4	Rajrani Godha	Relative of Director	Remuneration + Bonus and rent paid Security deposit paid	85000 0	64904 CR 12000000 DR	36000 0	56088 CR 8500000 DR
5	Sudha Godha	Relative of Director	Remuneration +Bonus	223200	64421 CR	223200	62443 CR
6	Namita Godha	Relative of Director	Remuneration +Bonus	223200	165575 CR	223200	191340 CR
7	Varun Godha	Relative of Director	Remuneration +Bonus	0	210841 CR	237600	351941 CR
8	Deepika Godha	Relative of Director	Remuneration +Bonus	192000	0	32000	32000 CR
9	International Financial Services Ltd.	Company in which Director are interested	Remuneration	0	0	0	0

## SHANTIVIJAY JEWELS LIMITED

### Surety given to Company's banker by Third parties

1	Precious Gems P.Ltd	Associate Company	Surety given to Company bankers (without any charge)	Market value	25080000	11400000
2	Rajrani Godha	Wife of Director	—do—	Market value	41160000	29400000

### 2.29 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

(₹ in Lacs )

#### Basic & Diluted

	2015	2014
Profit after Tax as per Accounts	(29.49)	215.77
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) ₹	(0.98)	7.19

### 2.30 Additional information, as required under Schedule III to the Companies Act 2013 of enterprises consolidated as subsidiary :

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated Net Assets	Rupees in Lacs	As of % of consolidated profit or loss	Rupees in Lacs
<u>Parent</u>				
Shantivijay Jewels ltd	57%	2610.43	416	(122.78)
<u>Foreign Subsidiary</u>				
Shantivijay Jewels Intl ltd	23%	1057.60	36	(10.55)
Shantivijay Impex DMCC	20%	899.42	(352)	103.84
		4567.45		(29.49)

Since subsidiary company and its subsidiary are wholly owned companies there is no minority interest.

### 2.31 Figures of previous year has been regrouped and rearranged wherever necessary.

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

Sd/-  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

Place : MUMBAI  
Dated : 5th August, 2015

For SHANTIVIJAY JEWELS LTD.

Sd/-  
**P. K. GODHA**  
(Chairman & M.D)

Sd/-  
**A.KASLIWAL**  
Director

Sd/-  
**A. K. GODHA**  
(Vice Chairman & M.D)

Sd/-  
**A.R. SHAH**  
Director

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

	2015 (₹)	2014 (₹)
(Rupees in Thousands)		
<b>A. CASH FLOW FROM OPERATION ACTIVITIES :-</b>		
Net Loss before tax & extraordinary items	(2054)	25731
<b>Adjustments for :</b>		
Depreciation & Amortisation	5062	7153
Finance Cost	7832	7699
	<b>10840</b>	<b>40583</b>
<b>Adjustments for :</b>		
Interest/Dividend Received	(1481)	(1726)
<i>Operating Profit before working capital changes</i>	<b>9358</b>	<b>38857</b>
<b>Adjustments for :</b>		
Trade receivables	12537	(26920)
Inventories	(4514)	(10684)
Short term loans & advances	23765	(839)
Long term loans & advances	(3148)	(6964)
Other Current assets	3582	2327
	<b>41580</b>	<b>(4224)</b>
<b>Increase /( Decrease) in operating liabilities</b>		
Trade Payables	(7058)	15207
Other Current liabilities	(13857)	(833)
Other Long term liabilities	(440)	440
Long term provisions	154	(19)
Short term Provisions	(323)	855
<b>Cash generated from Operation</b>	<b>20055</b>	<b>11426</b>
Finance Cost	(7832)	(7699)
Taxes Paid	(5126)	(4431)
<b>Net cash (used in)/from Operating activities</b>	<b>7097</b>	<b>(704)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :-</b>		
Purchase of Fixed assets	(1110)	(8518)
Sale /Impairment of Fixed Assets.	0	204
Interest & Dividend Received	1481	1726
<i>Net cash /( used in)/from Investment activities</i>	<b>371</b>	<b>(6588)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :-</b>		
Decrease in Bank borrowings	(6885)	4162
<i>Net cash (used in)/from Finance activities</i>	<b>(6885)</b>	<b>4162</b>
<b>NET DECREASE IN CASH EQUIVALENTS (B+C+A)</b>	<b>582</b>	<b>(3131)</b>
Cash and Cash Equivalents		
Opening Balance	17021	20144
Closing Balance	<b>17603</b>	<b>17013</b>
	<b>582</b>	<b>(3131)</b>

( ) Indicates deductions.

Note : Difference in the opening balance of cash &amp; cash equivalent is due to exchange translation difference.

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

**B. F. Chordia & Co.**  
Chartered Accountants  
FRN: 101914W

**Sd/-**  
**B. F. Chordia**  
Proprietor  
Membership No. 9026

**Place : MUMBAI**  
**Dated : 5th August, 2015**

For SHANTIVIJAY JEWELS LTD.

**Sd/-**  
**P. K. GODHA**  
(Chairman & M.D)

**Sd/-**  
**A. K. GODHA**  
(Vice Chairman & M.D)

**Sd/-**  
**A.KASLIWAL**  
Director

**Sd/-**  
**A.R. SHAH**  
Director



**Proxy Form  
Form No. MGT-11**

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



**Regd. Office / Factory:** G-37, Gems & Jewellery Complex III, SEEPZ, Andheri(E) Mumbai – 400 096. INDIA  
**Tel:** +91 – 22 – 42182244 **Fax:** +91-22-28291360/42182211  
**Email:** shantivijay@shantivijay.com • **Website:** www.shantivijay.com  
**CIN-** L36910MH1980PLC023289

**42nd Annual General Meeting – 14th September, 2015**

Name of the member(s) :																					
Registered address :																					
E-mail Id :																					
Folio No/ Client Id: DP ID :	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him;

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him;

(Contd.)

- (Tear Here) -



**Regd. Office / Factory:** G-37, Gems & Jewellery Complex III, SEEPZ, Andheri (E) Mumbai – 400 096. INDIA

**Tel:** +91 – 22 – 42182244 **Fax:** +91-22-28291360/42182211 **Email:** shantivijay@shantivijay.com • **Website:** www.shantivijay.com  
**CIN-** L36910MH1980PLC023289

**42nd Annual General Meeting – 14th September, 2015**

**ADMISSION SLIP**

Folio No./Client ID

I certify that I am a registered shareholders/proxy for the registered shareholders of the Company.

I hereby record my presence at the 42nd Annual General Meeting of the Company being held at Conference Hall, all India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai 400 058 on 14th September, 2015 at 3.00 P.M.

\_\_\_\_\_  
Name of the Member in BLOCK Letters

\_\_\_\_\_  
Member's Signature

\_\_\_\_\_  
Name of the Proxy in BLOCK Letters

\_\_\_\_\_  
Member's Signature

Note Please fill the attendance slip and hand it over at the ENTRANCE OF THE HALL.

3. Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_  
 Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company, to be held on Monday, 14<sup>th</sup> September, 2015 at 3.00 p.m. at Conference Hall, All India Institute of Local Self-Govt, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai-400058, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Optional*	
		For	Against
1	Adoption of Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2015.		
2	To appoint a Director in place of Shri. Pradeep Kumar Godha, who retires by rotation and, being eligible, offers himself for reappointment.		
3	To appoint Auditors and to fix their remuneration.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature of Proxy holder(s) \_\_\_\_\_

Affix Re. 1/- Revenue Stamp
--------------------------------------

Signature of shareholder \_\_\_\_\_

**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.**
- A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Bank. Further, a Member holding more than ten percent, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.  
 \* it is optional to put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

----- (Tear Here) -----