

SHANTIVIJAY JEWELS LTD.



ANNUAL REPORT 2012-2013



SHANTIVIJAY JEWELS LIMITED

BOARD OF DIRECTORS

PRADEEP KUMAR GODHA

(Chairman & Managing Director)

ANURAG GODHA

(Vice Chairman & Managing Director)

JEFFREY K. STERN

AMBUJ A. KASLIWAL

JAYANT B. SHAH

APURVA R. SHAH

TUSHAR A. MAVANI

REGISTERED OFFICE / WORKS

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

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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NOTICE

NOTICE is hereby given that the 40th 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 **Saturday, 21st September, 2013 at 03.00 p.m.** to transact the following ordinary business:

1. To receive, consider and adopt the Balance sheet as at 31st March, 2013 and the Statement Profit and Loss of for the year ended on that date and the Reports of the Directors and Auditors, thereon.
2. To appoint a Director in place of Shri. Tushar Mavani, who retires by rotation and, being eligible, offers himself for reappointment.

3. To appoint a Director in place of Shri. Jayant Shah, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

BY ORDER OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR

Registered Office:

G-37, Gem & Jewellery Complex,
Building No.III, SEEPZ,
Andheri (East), Mumbai 400 096.
Dated : 28th May, 2013

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 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 and the Explanatory Statement 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 Share Transfer Books and the Register of Members of the Company shall be closed from **Saturday, 14th September, 2013 to Saturday, 21st September, 2013** (both days inclusive).
4. **The members are requested to:**
 - (i) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. 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 M/s. Bigshare Services Private Limited for shares held in physical form and with their Depository Participants for shares held in demat form.**
- (v) Register their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) and Permanent Account Number (PAN) with their Depository Participants with whom they are maintaining their demat accounts, if holding shares in dematerialized form.
- (vi) Provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) along with their Folio Number and PAN to the Company's Registrars and Transfer Agents (RTA), M/s. Bigshare Services Private Limited, if holding shares in physical form.
- (vii) Send or address all their shares related matters/ correspondence directly to M/s. Bigshare Services Private Limited.
- (viii) Note that Section 109A of the Companies Act, 1956 provides for Nomination by the shareholders of the Company in the prescribed Form No. 2B for shares held in physical form. Bank 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.
- (ix) 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.
5. Our Registrar & Transfer Agent M/s. Bigshare Services Private Limited have provided Gen-Next Investor Module i'Boss the most advanced tool to interact with shareholders. Please login into i'Boss (www.bigshareonline.com) and help us to serve you better.
6. 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.

7. Brief resumes of Directors seeking re-election /re-appointment are as under:

Name of the Director	Shri. Tushar Mavani	Shri. Jayant Shah
Age (years)	47 years	65 years
Date of Appointment	30.06.2006	26.07.2002
Qualification	B.Com., L.L.B.	B. Com.
Expertise in specific functional areas	Mr. Tushar Mavani is partner of M/s. Amarchand & Mangaldas & Sureh A. Shroff & Co., Advocates & Solicitors since 9th June, 2009 and has been in practice since 1991.	Reputed & experienced businessman & good exposure to import/export business.
Chairmanship/ Directorship held in other public companies	Director in : 1. Kotak Mahindra Pension Fund Limited 2. Kotak Mahindra Trusteeship Services Limited	Director in : G Jewelcraft Limited
Membership held in Committees of such Boards of other public companies	Member in : Shareholders Grievances & Remuneration Committee of the Company	Nil

BY ORDER OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR

Registered Office:

G-37, Gem & Jewellery Complex,
Building No.III, SEEPZ,
Andheri (East), Mumbai 400 096.
Dated : 28th May, 2013

Financial Highlights (Consolidated)

(₹ in Lakhs)

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13
Revenue from Operations	7233.95	6119.37	7173.96	7165.02	8650.43
Profit Before Tax	281.72	51.28	234.87	337.91	335.57
Profit After Tax	207.38	8.05	208.54	295.63	280.95
Equity Capital	300.20	300.20	300.20	300.20	300.20
Reserves & Surplus	2949.68	2843.97	3043.32	3448.65	3824.22
Networth	3249.88	3144.17	3343.52	3748.85	4124.42
Borrowings	1207.74	1293.76	1527.49	1803.01	1728.44
Fixed Assets (Net Block)	304.70	294.09	368.92	448.64	399.65
Net working Capital	2393.24	2401.27	2445.27	2822.66	3181.21
Book Value per share	108.26	104.74	111.38	124.88	137.39
Earning per share (₹)	6.91	0.27	6.95	9.85	9.36
Dividend (%)	0	0	0	15	0

DIRECTORS' REPORT

TO THE MEMBERS OF SHANTIVIJAY JEWELS LIMITED

Your Directors present their 40th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2013

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Stand alone for the Company		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Income from operations	6332.37	5125.88	8650.43	7165.02
Less : Expenses	6237.39	4996.97	8381.66	6821.77
Depreciation	60.92	49.55	68.52	56.78
Profit from operations before other income and finance costs	34.06	79.36	200.25	286.47
Add : Other Income	203.63	144.03	202.38	142.89
Profit from ordinary activities before finance costs	237.69	223.39	402.63	429.36
Less: Finance Cost	67.07	91.45	67.07	91.45
Profit from ordinary activities before tax	170.62	131.94	335.56	337.91
Less: Tax expenses	54.61	42.28	54.61	42.28
Net profit from ordinary activities after tax	116.01	89.66	280.95	295.63
Net Profit for the period	116.01	89.66	280.95	295.63
Earning Per Share (₹)	3.86	2.99	9.36	9.85

DIVIDEND

With a view to conserve resources, your Directors have not recommended any dividend for the year under review.

OPERATIONS

During the year under review, Sales & Operating Income was ₹6332.37 lakhs as compared to ₹5125.88 lakhs in the previous year with increase of over 23%. Consolidated Sales & operating Income have been ₹8650.43 lakhs as compared to ₹7165.02 lakhs in the previous year with increase of over 20%. Consolidated Net Profit has been ₹280.95 lakhs as against ₹295.63 lakhs in the previous year with marginal decline of about 5%.

The Company has sustained its performance in spite of weak and uncertain global economic conditions on account of better sales efforts and well acceptance of quality products offered by the Company and controlled costs.

SUBSIDIARY COMPANIES

The Company has two subsidiary companies, namely, Shantivijay International Limited, Mauritius with its one step down subsidiary, Shantivijay Impex DMCC.

Pursuant to the provision of Section 212(8) of the Companies Act, 1956, the Ministry of Corporate Affairs, vide its circular dated February 8, 2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary companies with the balance sheet of the Company. A statement containing brief financial details of

the Company's subsidiaries for the financial year ended March 31, 2013 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company seeking such information at any point of time and are also available for inspection by any member of the Company at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the head/registered offices of the respective subsidiary companies. The Company shall furnish a copy of the details of annual accounts of subsidiaries to any member on demand.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Tushar Mavani and Mr. Jayant Shah retire by rotation and, being eligible, offer themselves for reappointment.

CORPORATE GOVERNANCE

Report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditor's Certificate.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report prescribed under the Listing Agreement is included as a part of the Annual Report.

DISCLOSURE OF PARTICULARS

Particulars required under Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of

Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, research & development, technology absorption, foreign exchange earnings and outgo are given in the annexure to this Report.

There are no particulars to be disclosed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended up to date.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, we hereby state:

- (i) That in the preparation of the annual accounts for the Year ended March 31, 2013 the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;
- (ii) That 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 profit of the Company for that year;
- (iii) That 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;

- (iv) That the Directors had prepared the annual accounts on a going concern basis.

COMPLIANCE CERTIFICATE

Compliance Certificate as required under Section 383A of the Companies Act, 1956 from Sunil M. Dedhia & Co., Company Secretaries, Mumbai is attached herewith.

AUDITORS

B. F. Chordia & Co., Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for reappointment. You are requested to appoint Auditors and fix their remuneration.

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/-
PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Dated: 28th May, 2013

ANNEXURE TO DIRECTORS' REPORT

Particulars required under the Companies (Disclosure of particular in the Report of Board of Directors) Rules, 1988.

A. Conservation of Energy

As the Company is not covered in the list of industries required to furnish details in the Form 'A' relating to conservation of energy, the same is not given.

B. Technology Absorption

Research and Development (R&D)

- | | |
|--|---|
| 1. Specific areas in which (R&D) carried by the Company. | - Manufacture of jewellery as per international standard.
- Conceptual designs.
- Improvement in process of gold/platinum refining. |
| 2. Benefits derived as a result of the above R&D. | - Precision of manufacturing.
- Improved quality of production.
- Minimization of loss.
- Achieved consistency in production quality.
- Production with remarkable decrease in processing loss & better surface finish. |
| 3. Future plan of action | - Import of equipments, instruments etc. for further improvement in production as well as quality control. |
| 4. Expenditure on R & D | - Nil |

Technology Absorption, Adaptation and Innovation

- | | |
|---|--|
| 1. Efforts, in brief, made towards technology absorption, adoption and innovation | - The Company keeps itself abreast of the technical developments and innovation 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. |
|---|--|

- | | |
|---|---|
| 2. Benefits derived as a result of the above e.g. product improvement, cost reduction product development, import substitution etc. | - As a result of above, the following benefits are achieved:
- Cost Reduction.
- Achievement in precision & quality.
- Use of indigenous equipment as import substitute. |
| 3. Imported Technology. | - The Company has not imported any technology. |

C. Foreign Exchange Earnings and Outgo

(₹ in Lakhs)

	2012-13	2011-12
Foreign Exchange earned	5867.17	4803.34
Foreign Exchange used:		
CIF value of Imports :		
- Raw materials	826.61	144.23
- Stores & consumable including spares	13.83	13.04
- Finished Goods	342.86	363.71
- Fixed Assets	12.80	10.00
Expenditure in foreign currency :		
- Travelling expenses	13.63	9.85
- Exhibition expenses & advance	11.31	21.92
- Bank Charges	1.32	1.88
- Membership & subscription	0.18	0.00
- Postage & Telephone	1.41	0.86
- Sales Commission	12.16	6.48
- Sales Promotion expenses	13.75	0.00
- Advertisement	0.00	0.30

FOR AND ON BEHALF OF THE BOARD

Sd/-
PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Dated : 28th May, 2013

REPORT ON CORPORATE GOVERNANCE

Your Company has complied in all material respects with the Corporate Governance Code as per Clause 49 of the Listing Agreement with the Stock Exchange. A Report on the Corporate Governance compliance is furnished below:

(1) Company's Philosophy on Corporate Governance

Good Corporate Governance helps enhancement of long term shareholder value and interest of other stakeholders. This is achieved through increased awareness for responsibility, transparency and professionalism and focus on effective control and management of the organization. The Board of Directors of the Company is committed to the consistent adherence to the corporate governance code and constant review of the Board processes, practices and the Management systems to maintain a greater degree of responsibility and accountability.

Mandatory Requirements:

(2) Board of Directors

The details of composition of the Board of Directors, which is in line with the stipulated requirements, and other relevant details are given below.

(3) Audit Committee

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The terms of reference inter alia include overseeing financial reporting process, reviewing periodic financial results, financial statements, internal control and internal audit systems, accounting policies and practices, related party transactions, performance of internal and statutory auditors, adequacy of internal audit function, discussions with internal and statutory auditors.

During the year 2012-13, four Audit Committee meetings were held on 11.05.2012, 03.08.2012, 02.11.2012 and 30.01.2013.

The composition of the Audit Committee and other relevant details are given below:

Name of Director	Category	Profession	No. of meetings attended
Shri. Ambuj Abhayakumarji Kasliwal, Chairman	Independent	Industrialist	2
Shri. Apurva Shah	Independent	Chartered Accountant	4
Shri. J. B. Shah	Independent	Business	3

Name of Director(s)	Category	No. of other directorship *	No. of Committee membership in all companies**		No. of Board Meetings attended	Attendance at last AGM
			Chairman	Member		
Shri. Pradeep Kumar Godha	Chairman & Managing Director	Nil	Nil	1	4	Yes
Shri. Anurag Godha	Vice- Chairman & Managing Director	Nil	Nil	1	4	Yes
Shri. Ambuj Abhayakumarji Kasliwal	Independent	5	Nil	Nil	2	No
Shri. Apurva R. Shah	Independent	4	1	4	4	Yes
Shri. Jayant B. Shah	Independent	1	Nil	1	3	Yes
Shri. Tushar Mavani	Independent	2	1	Nil	2	No
Mr. Jeffrey K. Stern	Non-Executive	Nil	Nil	Nil	Nil	No

* excludes directorships held in private limited and overseas companies.

** includes Audit Committee & Shareholders' Grievance Committee only.

Board meetings: During the year 2012-13, four meetings were held on 11.05.2012, 03.08.2012, 02.11.2012 and 30.01.2013. The last Annual General Meeting (AGM) was held on 20.07.2012.

(4) Shareholders' Grievance Committee

Terms of Reference of the Committee inter alia cover review / redressal of status of investor' complaints/grievances, review of performance of the Registrar & Share Transfer Agent and also to direct measures for improvements in investor services. During the year 2012-13, no Committee meeting was held since no complaint was received during the year. The composition of the Shareholders' Grievance Committee and other relevant details are given below:

Name of Director	Category
Shri. Tushar Mavani, Chairman	Independent
Shri. Pradeep Kumar Godha	Executive
Shri. Anurag Godha	Executive

Shareholders' Complaints: No Complaints received during the year. No complaints were pending at the beginning or end of the financial year.

Number of pending share transfers as on 31.03.2013 was NIL. No request for dematerialisation was pending for approval as on 31.03.2013.

Name & Designation of Compliance Officer:

Shri. Pradeep Kumar Godha, Chairman and Managing Director.

(5) Remuneration of Directors

The Remuneration payable to the Directors is considered and approved by the Remuneration Committee constituted in accordance with the Corporate Governance Code and the provisions of the Companies Act, 1956, having due regard to the relevant factors. Non-executive Directors are paid Sitting fees at the rate of ₹ 5000/- for each of the meetings of the Board or Committee thereof attended by them. The details of remuneration paid / payable to each Director for the year ended 31.03.2013 are as under:

(Figures in ₹)

Name of Director(s)	Inter se Relation	Sitting Fees	Salary	Perquisites/ Allowances	Total
Shri. Pradeep Godha	Brother of Anurag Godha	Nil	2700000	150013	2850013
Shri. Anurag Godha	Brother of Pradeep Godha	Nil	2700000	143069	2843069
Shri. Ambuj Abhayakumar Kasliwal	Nil	20000	Nil	Nil	20000
Shri. Apurva R. Shah	Nil	40000	Nil	Nil	40000
Shri. Jayant B. Shah	Nil	30000	Nil	Nil	30000
Shri. TusharMavani	Nil	10000	Nil	Nil	10000
Mr. Jeffrey K. Stern	Nil	Nil	Nil	Nil	Nil

All executive Directors are reappointed under contracts each for a period of three years with effect from 01.09.2011 and with termination notice period of 90 days. All the executive Directors

shall be entitled to compensation for loss of office in accordance with and subject to the provisions of the Companies Act, 1956 in case their offices are terminated before expiration and shall not have any other claim for damages against the Company. None of the Directors have been issued or entitled to any stock options.

The Non-executive Directors, apart from receiving Directors' remuneration by way of sitting fees, approved by the Board of Directors within the limit fixed and approved by the shareholders, do not have any other material pecuniary relationship or transactions with the Company. None of the non-executive Directors hold any shares in the Company.

(6) General Body Meetings

Details of last three Annual General Meetings are as under :

Year	Day, Date & Time	Venue	Special Resolutions passed for
2010	Tuesday, 10.08.2010 at 10.00 a.m.	G-37, Gem & Jewellery Complex, Building No. III, SEEPZ, Andheri (East), Mumbai 400 096	- Approval for issue of further shares/securities u/s 81(1A)
2011	Thursday,	-Do-	- Approval of reappointment of Shri Pradeep Godha as Managing Director for three years w.e.f. 01.09.2011 - Approval of reappointment of Shri Anurag Godha as Managing Director for three years w.e.f. 01.09.2011 - Approval for issue of further shares/securities u/s 81(1A)
2012	Friday, 20.07.2012 at 10.00 a.m.	N. J. Nair Conference Room, Indian Textile Accessories & Manufacturers' Association, Bhogilal Hargovindas Building, 4th floor, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai 400001	- Approval for issue of further shares/securities u/s 81(1A)

During the last year, the Company has not conducted any Postal Ballot.

(7) Disclosures

(a) The Code of Conduct for the Directors and the senior management of the Company has been laid down by the Board. The Code has been posted on the website of the Company. All the Board members and senior management of the Company have affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Managing Director is annexed hereto.

(b) The Company has continued to comply with the requirements of Stock Exchange, SEBI and other statutory authorities on all matters related to capital markets during the

last three years. No penalties or strictures have been imposed on the Company by the said authorities relating to the above.

(c) Transactions with related party are disclosed in Note No. 2.31 - Notes to Financial Statements in the Annual Report. There have been no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

(8) Means of Communication

The quarterly results were published in Free Press Journal (English Newspaper) and Navshakti (Marathi Newspaper).

These results, official news releases are available on the website of the Company (www.shantivijay.com) and BSE Ltd. (www.bseindia.com).

All data required to be filed electronically or otherwise pursuant to the Listing Agreement with the Stock Exchanges, such as annual report, quarterly financial statements, Shareholding pattern, report on corporate governance are being regularly filed with the BSE Limited.

(9) General Shareholders Information

1. 40th Annual General Meeting – Day, Date, Time and Venue

Day	Date	Time	Venue
Saturday	21.09.2013	03.00 p.m.	Conference Hall, All India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai 400 058

2. Financial Calendar

Financial Year	1st April to 31st March
Adoption of Quarterly Results	3 rd or 4 th week of the month following each calendar quarter
Dates of Book Closure (Both days inclusive)	Saturday, 14 th September, 2013 to Saturday, 21 st September, 2013 (both days inclusive)

3. Listing & Liquidity on Stock Exchanges Bombay Stock Exchange Limited
Stock Code: 530989
(included under S category)

Listing fees: The Company confirms that it has paid the annual listing fee to the BSE Ltd. where the shares of the Company are listed.

Dematerialisation status: Equity Shares of the Company are traded compulsorily in dematerialized form and available for trading in the depository systems of both NSDL and CDSL. Security Code No. with NSDL and CDSL is - ISIN INE 656D01015. As on 31st March, 2013, 29,12,681 Equity Shares representing 97.03% of the Paid-up Share Capital of the Company is held in dematerialized form.

4. Share Transfer Agents & Address for correspondence :
M/s Bigshare Services Private Limited
E-2 & 3, Ansa Industrial Estate, Sakinaka,
Andheri(E), Mumbai 400 072

The shareholders are requested to address all their

communications/ suggestions/ grievances/ queries to the Share Transfer Agents at the above address.

5. Compliance Officer : **Shri. Pradeep Kumar Godha,**
Chairman & Managing Director
G-37, Gem & Jewellery Complex,
Building No. III, SEEPZ,
Andheri (East), Mumbai 400 096
Tel.: 42182222 Fax : 28291360
E-mail : shantivijay@shantivijay.com

In accordance with the Clause 47(f) of the Listing agreement, the Company has created a specific investor grievance e-mail ID : investors@shantivijay.com

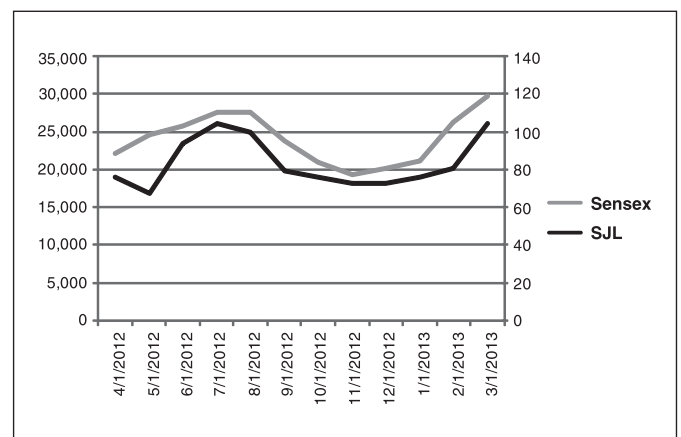
6. Share Transfer System

To expedite the transfer process in the physical segment, authority has been delegated to the Share Transfer Committee, which comprises of Shri. Pradeep Kumar Godha and Shri. Anurag Godha. Committee meets every fortnightly for approval of the transfer request, if any.

Reports on Share Transfer/transmission are placed before the Shareholders' Grievances Committee and the Board from time to time.

7. Market Price Data

Month	Bombay Stock Exchange		
	High (₹)	Low (₹)	Volume
Apr 12	88.50	76.05	315
May 12	98.55	67.55	4,166
Jun 12	102.90	93.65	168
Jul 12	110.00	104.55	14
Aug 12	110.00	100.00	55
Sep 12	95.05	79.30	165
Oct 12	83.75	76.00	99
Nov 12	77.00	73.00	80
Dec 12	80.45	72.85	121
Jan 13	84.00	76.00	4,997
Feb 13	105.00	80.90	685
Mar 13	119.00	104.50	1,093



SHANTIVIJAY JEWELS LIMITED

8. Shareholding Pattern as on 31.03.2013

Category	No. of Shares	%
Promoters – Indian	2794846	93.10
Non-promoters :		
Bodies Corporate	5469	0.18
NRIs/OCBs	60415	2.01
Public	141270	4.71
Foreign National	0	0.00
Total	3002000	100.00

Distribution of Shareholding as on 31.03.2013

Nominal Value of Shares (₹)	Shareholders		Shares	
	Number	%	Value (₹)	%
1-5000	549	88.98	504700	1.68
5001-10000	28	4.54	210740	0.70
10001-20000	16	2.59	232030	0.77
20001-30000	2	0.32	48900	0.16
30001-40000	5	0.81	173210	0.58
40001-100000	4	0.65	305960	1.02
100001 -99999999	13	2.11	28544460	95.09
TOTAL	617	100.00	30020000	100.00

9. Registered Office and Plant location

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

10. Outstanding Convertible Instruments

There are no outstanding convertible instruments convertible into equity shares.

Auditors' Certificate on Corporate Governance

To the Members of
Shantivijay Jewels Limited
Mumbai

We have examined the compliance of conditions of corporate governance by Shantivijay Jewels Limited for the year ended on 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has taken

11. CEO/CFO Certification

As required under Clause 49 of the Listing Agreement, a Certificate duly signed by Shri. Pradeep Kumar Godha Chairman & Managing Director (CEO) and Shri. Anurag Godha, Vice Chairman & Managing Director (CFO) was placed at the meeting of the Board of Directors held on 28.05.2013.

12. CEO's Certification

All the Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct laid down by the Board of Directors in terms of Clause 49 of the Listing Agreement made with the Stock Exchanges.

13. Unclaimed shares:

The Company does not have any unclaimed shares.

For and on behalf of the Board

Sd/-

Place: Mumbai
Date: 28th May, 2013

Pradeep Kumar Godha
Chairman & Managing Director

Non-Mandatory Requirements

Remuneration Committee

The Remuneration Committee comprised of Shri. Ambuj Abhayakumarji Kasliwal, Chairman of the Committee, Shri. Tushar Mavani, Shri. Apurva Shah and Shri. Jayant Shah all of which are independent Directors. During the year 2012-13, no meeting of Remuneration Committee was held. Terms of Reference of this Committee include mandate to review and recommend/approve remuneration payable to the Managerial Personnel.

steps to comply with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained for/by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future liability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **B.F. CHORDIA & CO.**
Chartered Accountants

Sd/-

(B.F. Chordia)
Proprietor

Place: Mumbai.
Date: 28th May, 2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Economic Overview & Industry Developments**

Global economy: Growth of the world economy weakened considerably during 2012 and is expected to remain subdued for the next two years. The global economy growth hovered around 3.2% in 2012, lower than 2011 (3.9%), on account of the eurozone crisis, inflation and market volatility. The United States, the largest economy globally, posted better numbers (2.3% in 2012 against 1.8% in 2011). The eurozone reported a negative growth of 0.4% and China's growth slowed from 9.3% to 7.8%. The global economy is expected to mend gradually in 2013, projected to grow at 3.3% in 2013 and at 4% in 2014. The emerging developing economies are expected to drive global growth in 2013 (around 5.25% in 2013 and 5.75% in 2014). (Source: IMF, World Economic Outlook, April 2013)

Indian economy: The Indian economy grew at a sluggish 5% in 2012-13, the lowest in the last ten years. The decline in the GDP growth was attributable to the continued global economic slow-down coupled with the poor performance in the domestic sectors - manufacturing, infrastructure, service and agriculture. High levels of inflation and the continued depreciation of rupee were clearly impacting the growth. The slowdown in growth significantly impacted the country's fiscal deficit and widened the Current Account Deficit. High interest rates and inflation resulted in reduction of disposable incomes of households contributing to the decline of growth in consumer durables and other discretionary spends.

India is expected to record 6.1% GDP growth in 2013-14 and the growth is expected to increase further to 6.7% in 2014-15 (Source: World Bank).

On account of general slowdown and lower GDP growth for India and Global uncertainties because of Euro Zone crisis the economic outlook remains unstable.

Global conditions and falling rupee value against US dollar and other foreign currencies has resulted in increased price of gold and diamonds. This has put a tremendous pressure both on overall market and on the competitive position.

Financial and Operational Performance

The Company has made Sales of ₹ 6332.37 lakhs as compared to ₹ 5125.88 lakhs in the previous year with increase of over 23%. Consolidated Sales & operating Income have been ₹ 8650.43 lakhs as compared to ₹ 7165.02 lakhs in the previous year with increase of over 20%. Operating Profit has been ₹ 34.06 lakhs as against ₹ 79.36 lakhs in the previous year, a decline of about 57% mainly due to increased raw material prices. However, due to controlled interest costs, Net profit of ₹ 116.01 lakhs was reported as against ₹ 89.66 in the previous year. Consolidated Net Profit has been ₹ 280.95 lakhs as against ₹ 295.63 lakhs in the previous year with marginal decline of about 5%.

The Company has sustained its performance in spite of weak and uncertain global economic conditions on account of better sales efforts and well acceptance of quality products offered by the Company and controlled costs.

Segment-Wise Performance

The Company is engaged in the Gems & Jewellery business, which as per Accounting Standard AS-17 can be considered as the single reportable business segment. Geographically, the Segment Reporting is as under :

	₹ in Lakhs
EXPORTS to:	
U.S.A.	2239.88
EUROPE	887.65
MIDDLE EAST	1550.64
OTHERS	1207.18
LOCAL SALES	431.04
Total	6316.39

Opportunities

The Company on account of its unit located in Special Economic Zone and Dubai is aptly placed to exploit the opportunities to tap demand from local customers and increasing number of visitors to Duty free shopping zones and world tourist traffic.

Threats

The Company is exposed to risk in exchange rate fluctuations as the Company is dependent on exports sales and import of raw material. However, the Company closely monitors and takes appropriate steps to reduce such risks with the help of expert and professional advices in this regard.

Competition which has always been a challenge is countered by better quality and designs, branding, catering to changing customer demands/styles and cost control measures.

Increasing prices of raw materials have affected and can affect the profit margins. However, the Company continuously thrives for improved production efficiency to counter this risk as far as possible.

Risk & Concern

Since the Company is essentially engaged in the business of export of jewellery, the Company is exposed to national and international political and economical events and uncertainties. Further, higher interest rates due to domestic inflationary conditions can also increase finance cost for the Company with increased volume growth.

Internal Control Systems and their Adequacy

The Company has appropriate and adequate Internal control System commensurate with its size and nature of business to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly complying with the applicable statutes. Financials and related aspects are reviewed by the Audit Committee with a view to achieve optimum resource utilization, veracity of accounts and compliance with various statutes.

Human Resource Development and Research Activities

The Company has well experienced, creative, talented and motivated staff to cater to the business demands in terms of better designs, quality and precision in manufacture with minimum possible loss and consistency to meet international standards. The Company focuses on development of employees' skill at all levels and supports them with safe, pollution free and favourable working conditions.

Constant efforts are made to upgrade processes, for conceptual designs and improvement in process of gold/platinum refining to improve efficiencies and meet changing international Standards/demands. As a result, the Company has been successful in sustaining its exports to developed markets and look forward towards developing new markets for sustained volumes.

Outlook

Going forward, the Company expects potentials for growth domestically as well as internationally. The Company expects to further consolidate and sustain volumes and improve profitability by winning the end consumer loyalty.

Cautionary Statement

Certain Statements in the "Management Discussion and Analysis" describing the Company's initiatives, expectations and estimates regarding future performance may be "forward looking statements". However, these statements are subject to certain future events and uncertainties, which could cause actual results to differ materially from those that may be indicated in such statements.

Compliance Certificate

To,
The Members of
SHANTIVIJAY JEWELS LIMITED
G-37, Gem & Jewellery Complex – III,
Seepz, Andheri(East)
Mumbai 400 096

I/We have examined the registers, records, books and papers of SHANTIVIJAY JEWELS LIMITED ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In my/our opinion and to the best of my/our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I/we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a public limited Company, no comments are required on compliance of conditions of a private company.
4. The Board of Directors duly met 4(four) times respectively on 11.05.2012, 03.08.2012, 02.11.2012 and 30.01.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. No circular resolution was passed during the financial year.
5. The Company closed its Register of Members from 14.07.2012 to 20.07.2012 and necessary compliance of Section 154 of the Act has been made. The Company has not issued any Debentures.
6. The annual general meeting for the financial year ended on 31st March, 2013 was duly held on 20th July, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced loan to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. The Company has obtained necessary approval from the members pursuant to Section 314 of the Act wherever applicable. The Company was not required to obtain any approvals from the Board of Directors or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company:
 - (i) has delivered all the certificates on lodgement thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act. No allotment of securities was made during the financial year.
 - (ii) has deposited the amount of dividend declared in a separate bank account on 20.07.2012 which is within five days from the date of declaration of such dividend.
 - (iii) paid/posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed/unpaid dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank, Mumbai on 19.08.2012.
 - (iv) has no unpaid dividend, application money due for refund, matured deposits, matured debentures or interest accrued thereon due for transfer to Investor Education and Protection Fund, and hence, no comments are required on transfer of such amounts.
 - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not made any fresh appointment of Managing Director/Whole time Director / Manager during the financial year.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrars or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any preference shares/debentures and hence no comments on redemption are required.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has complied with the provisions of Section 58A read with Companies (Acceptance of Deposits) Rules, 1975 in respect of interest free deposits/unsecured loans taken, amounting to ₹.Nil outstanding as on 31st March, 2013 and the Company has filed the copy of Statement in lieu of advertisement as required with the Registrar of Companies, Maharashtra on 21.07.2012. The Company has also duly filed Return of Deposits with the Registrar of Companies. Section 58AA did not apply to the Company.
24. The Company has not made any borrowings from public, financial institutions during the financial year ended 31st March, 2013. The

- amount borrowed by the Company from Directors/members and/or banks are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act has been passed in duly convened General Meeting in the past.
25. The Company has made investments in or given loans to other bodies corporate in compliance with the provisions of the Act, wherever applicable, and has made necessary entries in the Register kept for the purpose. The Company has not given guarantees or provided securities to other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. No prosecution was initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment imposed on the Company during the financial year for any offences under the Act.
32. The Company has not received any money as security from its employees during the year under certification.
33. Section 418 does not apply to the Company as the Company has not constituted any separate/recognized Provident Fund for its employees and hence no comments are required.

For **SUNIL M. DEDHIA & CO.**
Company Secretaries

Sd/-
Sunil M. Dedhia
Proprietor
C. P. No. 2031

Place: Mumbai
Date: 28th May, 2013

SHANTIVIJAY JEWELS LIMITED

Annexure "A" annexed to and forming part of Compliance Certificate dated 28th May, 2013

REGISTERS AS MAINTAINED BY SHANTIVIJAY JEWELS LIMITED

1. Register of Members and Index of Members u/s 150 and 151
2. Registers and Returns u/s 163
3. Minutes Books u/s 193
4. Books of Accounts u/s 209
5. Register of Share Transfers
6. Register of Directors and Managing Directors u/s 303
7. Register of Directors Shareholdings u/s 307

8. Register of Contracts/Disclosures u/s 301
9. Register of Fixed Assets
10. Register of Deposits u/s 58A
11. Register of Investment/Loans u/s 372A

For **SUNIL M. DEDHIA & CO.**
Company Secretaries

Sd/-

Sunil M. Dedhia
Proprietor
C. P. No. 2031

Place: Mumbai
Date: 28th May, 2013

Annexure "B" annexed to and forming part of Compliance Certificate dated 28th May, 2013

Forms and Returns as filed by SHANTIVIJAY JEWELS LIMITED with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013.

Sr. No	Form No/ Return	Filed Under Section	For	Date of Filing	Whether Filed Within Prescribed Time Yes/No	If Delay In Filing Whether Requisite Additional Fees Paid Yes/No
1	Form 62	58A	Return of Deposit as on 31.03.2011	11.06.2012	Yes	N.A.
2	Form 23	192	For special resolutions passed at AGM dated 20.07.2012.	21.07.2012	Yes	N.A.
3	Form 62	58A	Filing of Statement in lieu of Advertisement	21.07.2012	Yes	N.A.
4	Form 5 INV	Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012	Statement of unclaimed and unpaid amounts as on 31.03.2011	31.07.2012	Yes	N.A.
5	Form 66	383A	Compliance Certificate for the financial year ended 31.03.2012	11.09.2012	No	Yes
6	Form 20B	159	For Annual Return as on 20.07.2012	12.09.2012	Yes	N.A.
7	Form 5 INV	Rule 3 of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012	Statement of unclaimed and unpaid amounts as on 31.03.2012	06.11.2012	Yes	N.A.
8	Form 23AC and 23ACA (XBRL)	220	For Balance Sheet As at 31.03.2012	06.12.2012	Yes	N.A.

For **SUNIL M. DEDHIA & CO.**
Company Secretaries

Sd/-

Sunil M. Dedhia
Proprietor
C. P. No. 2031

Place: Mumbai
Date: 28th May, 2013

Independent Auditor's Report to the Members

To the Members of 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 March 31, 2013, and 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 Responsibility for the Financial Statement

Management is responsible for

- a) 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act").
- b) This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read

with notes thereon 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, 2013;
- b) in the case of the Statement of Profit & Loss, of the profit 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.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, 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 Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) We have been informed that the Central Government has not issued any notification as to the levy of cess.

For **B.F.CHORDIA & CO**
Chartered Accountants
FRN:101914W

B.F.Chordia

Proprietor

Membership No.:9026

Place : Mumbai
Date : 28th May, 2013

The Annexure referred to in paragraph 1 of Our Report of even date to the members of Shantivijay Jewels Limited on the accounts of the company for the year ended 31st March, 2013.

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.
- (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.

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 301 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 301 of the Companies Act, 1956.
- (b) During the year Company had not taken any fresh loans from such parties, one old interest free, unsecured loan has been repaid during the year, maximum amount involved ₹ 5.62 lacs.

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. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) According to the information and explanations given to us, during the year company has not entered into any transaction exceeding ₹ 5 lacs with such parties.
- 6. During the year company have not accepted any fresh deposits from the public. Old deposits are in compliance with Provisions of Section 58A, 58AA or any other relevant provisions of the Act. No order has been passed by CLB, National law tribunal or RBI or any other court or Tribunal.
- 7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
- 8. 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.
- 9. (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 31st of March, 2013 for a period of more than six months from the date they became payable except Service Tax of ₹23.05 lacs is not paid by the party & unquantified penalty for 2000-2001.
- (b) According to the information and explanations given to us, the disputed statutory dues aggregating to ₹ 4.51 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	Customs excise & Service Tax Act	Custom Duty	Custom & Service tax Appellate Tribunal	4.51

- 10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- 11. 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.

12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditors' Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to the information & explanations given to us during the year company have not traded in shares, securities, mutual funds.
15. 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.
16. Term loan taken during the year is applied for the purpose for which the loan has been obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year.
21. 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

B. F. Chordia
Proprietor

Place : Mumbai
Date : 28th May 2013

Membership No.: 9026

SHANTIVIJAY JEWELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March 2013 (₹)	As at 31st March 2012 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	234063964	222463166
2. Non-Current Liabilities			
(a) Long-term borrowings	2.3	418587	796262
(b) Other Long term liabilities	2.4	0	1320602
(c) Long -term provisions	2.5	200365	0
3. Current Liabilities			
(a) Short-term borrowings	2.6	172425214	179505097
(b) Trade payables	2.7	46840266	36017538
(c) Other current liabilities	2.8	5313293	1601369
(d) Short-term provisions	2.9	1379159	7592142
Total		490660848	479316176
II. Assets			
1. Non-current assets			
(a) <i>Fixed assets</i>			
(i) Tangible assets	2.10	29803735	35060313
(ii) Intangible assets	2.10	3280379	1143670
(iii) Intangible assets under development		0	1500000
(b) Non-current investments	2.11	19002385	19502385
(c) Deferred tax assets (net)		2960000	2751000
(d) Long term loans and advances	2.12	51360180	45595977
(e) Other non-current assets	2.13	15937	415937
2. Current assets			
(a) Inventories	2.14	203039500	176692637
(b) Trade receivables	2.15	142995650	162194422
(c) Cash and cash equivalents	2.16	17151997	13794977
(d) Short-term loans and advances	2.17	14928215	17006917
(e) Other current assets	2.18	6122870	3657941
Total		490660848	479316176
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

Sd/-
B. F. Chordia
Proprietor

Place : Mumbai
Dated : 28th May, 2013

For **SHANTIVIJAY JEWELS LTD.**

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

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

Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	31.03.2013 (₹)	31.03.2012 (₹)
I. Revenue from operations	2.19	633236852	512588357
II. Other Income	2.20	20363396	14403481
III. Total Revenue (I +II)		653600248	526991838
IV. EXPENSES:			
Cost of materials consumed	2.21	481821551	376970815
Purchase of Stock-in-Trade	2.21	75106021	56288654
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.22	(11192013)	(743884)
Employee benefit expense	2.23	22598863	18754836
Financial costs	2.24	6706869	9145462
Depreciation and amortization expense		6091560	4955558
Other expenses	2.25	55405110	48426120
Total Expenses		636537960	513797561
V. Profit before tax (III - IV)		17062288	13194277
VI. Tax expense:	2.26		
(1) Current tax		5670490	4281692
(2) Deferred tax		(209000)	(54000)
VII. Profit for the period from continuing operations		11600798	8966585
VIII. Earning per equity share:			
Equity share of par value of ₹ 10/- each			
(1) Basic & Diluted		3.86	2.99
Number of shares used in computing earning per share			
(1) Basic & Diluted		3002000	3002000
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

Sd/-
B. F. Chordia
Proprietor

Place : Mumbai
Dated : 28th May, 2013

For **SHANTIVIJAY JEWELS LTD.**

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

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

Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE No. 1

1. SIGNIFICANT ACCOUNTING POLICIES

Corporate Information :

Shantivijay Jewels Limited is located in Special Economic Zone Mumbai having its showroom in Trident Hotel, Mumbai. 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) 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.

c) 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.

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 / tools, Rubber Moulds is not valued and is charged to revenue.

e) Sales / Revenue Recognition.

Sales are net of tax adjusted for gain / loss on export realisation, year end restatement and corresponding forward exchange contracts. 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. Incase 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013**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.

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 ₹ 5.20 Lacs.

h) Purchases are accounted for net of Modvat credit.**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) 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.

NOTE No. 2

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

	31.03.2013 (₹)	31.03.2012 (₹)
2.1 SHARE CAPITAL		
Authorised		
Authorised-Equity shares of ₹ 10 par value 6000000 Equity Shares	<u>60000000</u>	<u>60000000</u>
Issued, Subscribed & Paid Up		
3002000 Equity Shares of ₹ 10/- par value fully paid	<u>30020000</u>	<u>30020000</u>
TOTAL	<u>30020000</u>	<u>30020000</u>

(1) Refer to note 2.34 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, 2013 is set out below :

Name of the shareholder	31.03.2013	%	31.03.2012	%
	No of shares		No of shares	
Rajrani Bimalchand Godha	785954	26.18	785954	26.18
Pradeepkumar Bimalchand Godha	453006	15.09	453006	15.09
Anurag Bimalchand Godha	450096	14.99	450096	14.99
Namita Anurag Godha	191295	6.37	191295	6.37
Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
Anish Anurag Godha	151600	5.05	151600	5.05

The reconciliation of the number of shares outstanding as at March 31, 2013 and March 31, 2012 is set out below :

Particulars	As at 31.03.2013	As at 31.03.2012
	No. of Shares	No. of Shares
Number of shares at the beginning and at the end	<u>3002000</u>	<u>3002000</u>
	₹ 30020000/-	₹ 30020000/-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	As at 31.03.2013	As at 31.03.2012
2.2 RESERVE AND SURPLUS		
Security Premium Reserve	46797952	46797952
Capital Reserve	20055422	20055422
General Reserve		
Opening Balance	109432127	108983798
Add : Trf from statement of profit & loss	0	448329
Profit & Loss Account		
Opening Balance	46177665	42892796
Add : Trf from statement of profit & loss	11600798	8966585
	57778463	51859381
Less : Transfer to General Reserve	0	448329
Less : Proposed Dividend	0	4503000
Less : Dividend Tax	0	730387
TOTAL	234063964	222463166
2.3 LONG TERM BORROWINGS (SECURED)		
Term loan from Bank (loan in the name of the Director) (Secured by Hypothecation of Motor Car) (Terms of repayment 35 Months (outstanding EMI 9 months at ₹48,670/-)	418587	796262
	418587	796262
2.4 OTHER LONG TERM LIABILITIES		
Deposit received from Nirmal life style ltd.	0	1320602
	0	1320602
2.5 LONG TERM PROVISIONS		
Provision for Employee benefits-Gratuity	200365	0
	200365	0
2.6 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	123989155	122173956
DISCOUNTED BILLS (Secured)	48436059	56768791
(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 & their relatives.)		
Unsecured Borrowings- Loans payable on demand from related party	0	562350
	172425214	179505097
2.7 TRADE PAYABLES		
Trade Payables	46840266	36017538
	46840266	36017538
2.8 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note no 2.3)	507186	584040
Advance from customers	0	260000
Un-paid dividends *	29421	12222
Other Payables #	4776686	745107
(Including ₹ 23.77 lacs Due to Directors pr year 17.43 lacs)	5313293	1601369

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

Includes Statutory dues & security deposit

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

2.9 SHORT TERM PROVISION	<u>As at 31.03.2013</u>	<u>As at 31.03.2012</u>
Provision for Income Tax	39760	1317357
Proposed Dividend	0	4503000
Provision for tax on Dividend	0	730387
Provisions for Employee Benefits- Bonus	1339399	1041398
	<u>1379159</u>	<u>7592142</u>

2.10 FIXED ASSETS

(FIGURES IN ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	AT COST ON 01.04.2012	ADDITIONS DURING THE YEAR	SALE/ TRANSFER	TOTAL	UPTO 01.04.2012	FOR THE YEAR 31.03.2013	ADJ. ON SALE/ TRANSFER	UPTO 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
Tangible Assets										
Building	39211085	7322	5359924	33858483	21126601	1524488	843503	21807586	12050896	18084484
Plant & Machinery	20546733	2972315	1050841	22468207	15098250	854192	785380	15167062	7301145	5448483
Elec. Installation	2429348	53113	—	2482461	1146507	193041	—	1339548	1142913	1282841
Motor Vehicles	8270115	974202	620149	8624168	2964642	1386041	568098	3782585	4841583	5305473
Office Equipments	8296349	702051	—	8998400	5515637	845229	—	6360866	2637538	2780712
Furniture & Fixtures	4406575	68334	—	4474909	2248256	396993	—	2645249	1829660	2158320
Total (a)	83160205	4777337	7030914	80906628	48099893	5199984	2196981	51102896	29803735	35060313
Intangible Assets										
Software	1429587	3028283	—	4457870	285917	891574	—	1177491	3280379	1143670
Total (b)	1429587	3028283	—	4457870	285917	891574	—	1177491	3280379	1143670
Total (a +b)	84589792	7805620	7030914	85364498	48385810	6091558	2196981	52280387	33084114	36203983
Previous Year	74451632	11466044	1327884	84589792	44475960	4955558	1045708	48385810	36203983	29975671

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

2.11 NON CURRENT INVESTMENTS	<u>31.03.2013</u>	<u>31.03.2012</u>
	(₹)	(₹)
A) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST		
Gujrat Fluorochemicals Ltd. - 300 Shares of ₹ 10/- each	32475	32475
Canara Bank - 4100 shares of ₹ 10/- each	143500	175975
	<u>176775</u>	<u>143500</u>
UN QUOTED		
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 of German Garden Ltd.	2021613	2021613
Less : Provision for Dimunition in the value (Total Provision for dimunition in the value of Investment ₹ 20.22 lacs)	2021613	0
	<u>0</u>	<u>2021613</u>
B) INVESTMENTS IN MUTUAL FUNDS-UNQUOTED		
SBI MF-Magnum Global fund - 15375 Units of ₹ 10/- each (Market Value of quoted shares ₹ 16.66 Lacs, Previous Yr ₹ 21.22 Lacs) (Book value ₹1.76 Lacs, Previous year ₹1.76 Lacs)	0	500000
TOTAL	<u>19002385</u>	<u>19502385</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.12 LONG TERM LOANS AND ADVANCES		
Un-secured, considered good:		
Loans and advances to Employees	755500	790000
Capital advances-Advance against property	22622173	17585480
Balances with Tax authorities	8278900	7633900
Other loans & advances	9794857	9798397
Rental Deposits	9203230	9203230
Other Security Deposits	705520	584970
	<u>51360180</u>	<u>45595977</u>
2.13 OTHER NON CURRENT ASSETS		
Bank FDR (Restricted bank balance with Maturity of more than one year from the reporting date)	15937	415937
	<u>15937</u>	<u>415937</u>
2.14 INVENTORIES		
(Raw materials and Finished goods are valued at lower of the cost or net realisable value & Consumables & tools are valued at cost)		
Raw Materials	148407335	134540887
Finished Goods	52018709	40311169
Stores & Spares	1567156	1235624
Loose tools	1046300	570430
Stock-in -Trade	0	34527
TOTAL	<u>203039500</u>	<u>176692637</u>
2.15 TRADE RECEIVABLES		
Un-secured considered good:		
Debts outstanding for a period exceeding six months from the date they were due for payment	14043091	14641719
Other debts considered good	128952559	147552704
	<u>142995650</u>	<u>162194422</u>
2.16 CASH AND CASH EQUIVALENTS		
Cash on Hand	387698	203732
Balance with Bank In current and Deposit Account	16764299	13591245
	<u>17151997</u>	<u>13794977</u>
Un-paid Dividend A/c.	29428	12229
2.17 SHORT TERM LOANS AND ADVANCES		
Un secured, considered good:		
Interest accrued on FDR	399291	380363
Balances with Tax authorities	9863311	12271161
Advances to Employees and Contractors	1011043	1825692
Prepaid Expenses	1647810	1344077
Other Advances	2006760	1185624
	<u>14928215</u>	<u>17006917</u>
2.18 OTHER CURRENT ASSETS		
Other Current Assets	6122870	3657941
	<u>6122870</u>	<u>3657941</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.19 REVENUE FROM OPERATIONS		
Sales - Jewellery	554025810	454045158
Sales - Diamond	77543358	58306530
Sales - P. stones & Others	69734	137769
Services - Labour charges	1597951	98900
TOTAL	633236852	512588357
2.20 OTHER INCOME		
Dividend - Long term Investments	54850	512362
Interest received #	1742817	1175401
Gain on Foreign currency transaction/translation	9490808	6566707
Sales tax refund	115066	0
Profit on sale of Asset	2578777	0
Excess prov for exp written back	3324	49227
Rent recd	6374784	6099784
Misc Income	2970	0
TOTAL	20363396	14403481
# Bank Interest on deposit	1001527	437557
Interest on Loans & advances	741290	737844
	1742817	1175401
2.21 MATERIALS		
1) COST OF MATERIALS CONSUMED		
Gold	137500225	105056309
Diamond	330224477	261327669
Others	14096849	10586837
	481821551	376970815
2) PURCHASE OF STOCK IN TRADE		
Diamond & P/stones	75106021	56288654
2.22 Changes in inventories of finished goods, work in progress and stock-in-trade		
Opening Stock of Finished Goods	40311169	38641515
Opening Stock-in-trade	34527	36497
Add : Purchases of Finished Goods	34812562	37325846
	75158258	76003858
Less : Closing Stock-in-trade	0	34527
Less : Closing Stock of Finished Goods	52018709	40311169
Less : Melting of Finished Goods	34331562	36402046
TOTAL	(11192013)	(743884)
2.23 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	14903865	11802640
Contribution to PF & Other Funds	1374578	1020420
Welfare Expenses	39338	77845
	16317781	12900905
Directors Remuneration	6281082	5853931
TOTAL	22598863	18754836
2.24 FINANCIAL COSTS		
Interest paid	6611500	7320529
Loss on foreign currency translation	95369	1824933
	6706869	9145462

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)		31.03.2012 (₹)
2.25 OTHER EXPENSES			
Consumable Stores, Spares & Tools	3196453		2916275
Labour Charges	23674697		20514151
Rent	2639223		1597324
Electricity Charges	2482371		1868371
Directors Sitting Fees	100000		135000
Professional & Technical Fees	2777972		1499368
Bank Charges	1480139		1442754
ECGC Premium charges	736884		867987
Rates & Taxes	76212		76212
Repairs & Maintenance :			
Repairs & Maintenance to Machinery	629391	591328	
Others	1299887	993884	1585212
Donations	536502		1006501
Auditors Remuneration :			
As Auditors	330000	280000	
For Taxation Services	80000	65000	
For consultancy & other services	90000	80000	
	500000		425000
Insurance	884156		888184
Commission & Discount	3013444		2515868
Loss on Sale of Fixed Asset	167682		95509
Loss on Sale of Long Term Investments	38825		0
Other General Expenses	11030866		10965953
Prior Period Items			
Postage & Telephone	1287	2693	
Sundry Expenses	0	18949	
Gratuity	74423	0	
Entertainment Exp	0	4809	
Exhibition Expenses	48884	0	
ESIC-Non Employees	10472	0	
Electricity Expenses	5340	0	26451
TOTAL	55405110		48426120
2.26 TAX EXPENSES			
Current Tax:			
Income Tax	5586000		4343821
Short Provision of Income Tax relating to earlier year	84490		(62129)
	5670490		4281692
Deferred Taxes	(209000)		(54000)
	5461490		4227692

Contd...

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹ in lacs)	31.03.2012 (₹ in lacs)		
2.27 CONTINGENT LIABILITIES				
i) In respect of Income Tax matters contested by the company	0.00	2.52		
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.	9.94	15.00		
2.28. FINANCIAL AND DERIVATIVE INSTRUMENT : -				
1) Forward exchange contract entered into by the company for hedging currency related risks and outstanding as on 31-03-2013 ₹ Nil (Previous Year ₹ 258.52 Lacs)				
2) The Company uses Foreign Currency forward contracts to hedge its risks against Foreign Currency.				
3) Foreign Currency exposure that is not hedged by forward exchange contract as on 31-03-2013 ₹ 74.75 Lacs on account of Imports & others (Pr. Yr 26.69 Lacs) and ₹1109.37 lacs on account of Export of goods. (Previous Year ₹ 1286.82 lacs)				
2.29 a) CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & STORES				
A) RAW MATERIALS CONSUMED	(₹ in Lacs)	%	(₹ in Lacs)	%
Indigenous	4627.36	83%	3263.69	86%
Imported	942.26	17%	509.87	14%
B) STORES & TOOLS CONSUMED				
Indigenous	15.95	55%	15.04	52%
Imported	13.23	45%	13.82	48%
b) CIF VALUE OF IMPORTS				
(Including Inter Unit Purchases)	(₹ in Lacs)		(₹ in Lacs)	
Raw Materials	826.61		144.23	
Stores & Consumables & Spares	13.83		13.04	
Finished Goods	342.86		363.71	
Fixed Assets	12.80		10	
	<u>1196.09</u>		<u>530.99</u>	
c) EARNINGS IN FOREIGN EXCHANGE				
FOB Value of Exports	<u>5867.17</u>		<u>4803.34</u>	
d) EXPENDITURE IN FOREIGN CURRENCY				
	(₹ in Lacs)		(₹ in Lacs)	
Travelling Expenses	13.63		9.85	
Exhibition Expenses & Advances	11.31		21.92	
Bank Charges	1.32		1.88	
Membership & Subscription	0.18		0	
Postage & Telephone	1.41		0.86	
Sales Commission	12.16		6.48	
Sales Promotion Expenses	13.75		0	
Advertisement	0.00		0.30	
	<u>53.76</u>		<u>41.30</u>	

2.30 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)
GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)

COUNTRY	SALES	BALANCE ON	SALES	BALANCE ON
	31.03.2013	31.03.2013	31.03.2012	31.03.2012
(₹ in Lacs)				
EXPORTS				
U.S.A.	2239.88	255.54	2259.92	586.79
EUROPE	887.65	91.61	1130.39	198.84
MIDDLE EAST	1550.64	186.94	679.08	322.99
OTHERS	1207.18	726.56	745.87	441.33
LOCAL SALES	431.04	169.29	309.63	72.00
	6316.39	1429.96	5124.89	1621.94

2.31 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) Shantivijay Impex DMCC (Subsidiary of Shantivijay Jewels International Ltd)

B) Associate Companies

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

C) Key Management Personnel & Relatives

- Shree Pradeep Kumar Godha - Chairman & Managing Director
 Shree Anurag Godha - Vice Chairman & Managing Director
 Smt Rajrani Godha
 Smt Sudha Godha
 Smt Namita Godha
 Shri Varun Godha
- } Relatives of Directors

Details of Transactions are as below,

(Figures in ₹)

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT	OUTSTANDING	TRANSACTION AMOUNT	OUTSTANDING
				31.03.2013	31.03.2013	31.03.2012	31.03.2012
1	Shantivijay Impex DMCC	Subsidiary of Wholly owned subsidiary	Sales	11880172	4022148 DR	18857902	8624245 DR
2	Diamondere Pvt. Ltd.	Associate Company	Sales & Services, Rent	3989305	3921565 DR	580780	580780 DR
3	Pradeep Kumar Godha	Managing Director	Remuner+perks	2850013	1000872 CR	2588900	986278 CR
4	Anurag Godha	Managing Director	Remuner+perks	2843069	4783 CR	2677031	756987 CR
5	Rajrani Godha	Relative of Director	Remuneration+Bonus and rent paid	203400	166134 CR	217680	74588 CR
			Advance recd	0	0 CR	0	562350 CR
			Security deposit paid	0	8500000 DR	0	8500000 DR
6	Sudha Godha	Relative of Director	Remuneration+Bonus	223200	163623 CR	223970	81522 CR
7	Namita Godha	Relative of Director	Remuneration+Bonus	223200	131601 CR	223970	66461 CR
			Sale of Jewellery	0	0	0	0
8	Varun Godha	Relative of Director	Remuneration+Bonus	237600	1375652 CR	135000	135000 CR

Contd...

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

Surety given to Company's banker by Third parties				31.03.2013	31.03.2012
1	Precious Gems P. Ltd	Associate Company	Surety given to Company bankers (without any charge)	25080000	11400000
2	Rajrani Godha	Mother of Director	—do—	41160000	29400000

2.32. LEASE DISCLOSURES

The Company has entered into Four Lease Agreements and had given premises on lease for 33 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 ₹ 173.98 Lacs. Lease income ₹ 60.75 Lacs is recognised on straight-line basis in the Profit & Loss Account. Depreciation ₹ 9.26 Lacs provided during the year at rates for which similar Assets are depreciated.

Future lease rental receivable within the period of one year ₹ NIL (Previous Year ₹ 60.75 Lacs).

2.33. EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

(₹ in Lacs)

Basic & Diluted	31.03.2013	31.03.2012
Profit after Tax as per Accounts	116.01	89.67
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) ₹	3.86	2.99

2.34. ACCOUNTING FOR DEFERRED TAX

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

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

Deferred Tax Assets

(₹ in Lacs)

Assets	Upto 31/3/2013	Upto 31/3/2012
Difference between Book & Tax Depreciation	30.25	27.51
Less : Provision for Gratuity	0.65	0.00
Net Deferred tax assets	29.60	27.51
Deferred Tax Assets Provision required	2.09	0.54

2.35. The Profit & Loss A/c includes exchange difference of ₹100.22 Lacs (Credit) and ₹ 6.27 lacs (Debit) Previous Year ₹ 37.55 lacs (Debit).

2.36. 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.

2.37. 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

Sd/-
B. F. Chordia
Proprietor

Place : Mumbai
Dated : 28th May, 2013

For **SHANTIVIJAY JEWELS LTD.**

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

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

Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2013 ₹	(₹ in Thousands) 2012 ₹
A. CASH FLOW FROM OPERATION ACTIVITIES :-		
Net Profit before tax & extraordinary items	17062	13194
Add: Adjustments for :		
Depreciation & Amortisation	6092	4956
Finance Cost	6707	9145
	29861	27295
Adjustments for :		
Interest/Dividend Received	(1798)	(1688)
Profit on cancellation of property	1883	0
Loss on sale of Assets/Investments	207	96
Profit on sale of Assets	(695)	0
<i>Operating Profit before working capital changes</i>	29457	25703
Adjustments for :		
(Increase)/Decrease in operating assets		
Inventories	(26347)	(26498)
Trade receivables	19199	(18221)
Short term loans & advances	2079	(4480)
Long term loans & advances	(5119)	(6813)
Other Current assets	(2465)	(1974)
Other non-current assets	400	(416)
	17204	(32699)
Increase /(Decrease) in operating liabilities		
Trade Payables	10823	26445
Other Current liabilities	3712	(1699)
other long term liabilities	(1321)	0
Long term provisions	200	0
Short term Provisions	(6213)	2359
Cash generated from Operation	24405	(5595)
Finance Cost	(6707)	(9145)
Taxes Paid	(6315)	(2630)
Net cash (used in)/ from Operating activities	11383	(17370)
B. CASH FLOW FROM INVESTING ACTIVITIES :-		
Purchase of Fixed assets	(6306)	(12966)
Investments	461	10079
Sale of Fixed Assets.	5362	187
Profit on cancellation of property	(1883)	0
Interest & Dividend Received	1798	1688
Net cash(used in)/from Investment activities	(568)	(1013)
C. CASH FLOW FROM FINANCING ACTIVITIES :-		
Decrease in Bank borrowings	(7458)	27552
Net cash used in Finance activities	(7458)	27552
NET INCREASE IN CASH EQUIVALENTS (B+C+A)	3357	9169
Cash and Cash Equivalents		
Opening Balance	13795	4626
Closing Balance	17152	13795
	3357	9169

IN TERMS OF OUR ATTACHED
REPORT OF EVEN DATE

B. F. Chordia & Co.

Chartered Accountants

Sd/-

B. F. Chordia

Proprietor

Place : Mumbai

Dated : 28th May, 2013

For SHANTIVIJAY JEWELS LTD.

Sd/-

P. K. GODHA (Chairman & M.D)

Sd/-

A. K. GODHA (Vice Chairman & M.D)

Sd/-

Directors

A. KASLIWAL

A. R. SHAH

J. B. SHAH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Shantivijay Jewels Limited.

Report on the Consolidated Financial Statements

1. 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, 2013, 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

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

5. 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, 2013;
 - (b) in the case of the consolidated statement of Profit and Loss Account, of the profit 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.

Other Matters

6. 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 ₹1686.39 lakhs as at March 31, 2013 and total revenues of ₹2436.87 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, insofar as it relates to the amounts included in respect of the Subsidiary Companies, is based solely on the report of the other auditors.

For **B.F.CHORDIA & CO**
Chartered Accountants
Registration No. 101914W

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

Place: Mumbai
Date: 28th May, 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31 st March, 2013 (₹)	As at 31 st March, 2012 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	382422354	344865089
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	418587	796262
(b) Other Long term liabilities	2.4	0	1320602
(c) Long -term provisions	2.5	200365	0
(3) Current Liabilities			
(a) Short-term borrowings	2.6	172425214	179505097
(b) Trade payables	2.7	88224044	63945932
(c) Other current liabilities	2.8	5665407	10617821
(d) Short-term provisions	2.9	1379159	7592142
Total		680755131	638662945
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.10	36684919	42220112
(ii) Intangible assets	2.10	3280379	1143670
(iii) Intangible assets under development		0	1500000
(b) Non-current investments	2.11	175975	675975
(c) Deferred tax assets (net)		2960000	2751000
(d) Long term loans and advances	2.12	51822647	46029390
(e) Other non-current assets	2.13	15937	415937
(2) Current assets			
(a) Inventories	2.14	369693119	318257529
(b) Trade receivables	2.15	174804815	187947259
(c) Cash and cash equivalents	2.16	19863446	16577159
(d) Short-term loans and advances	2.17	15331024	17036973
(e) Other current assets	2.18	6122870	4107941
Total		680755131	638662945
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

Sd/-
B. F. Chordia
Proprietor

Place : Mumbai
Dated : 28th May, 2013

For **SHANTIVIJAY JEWELS LTD**

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

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

Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Notes No.	31.03.2013 (₹)	31.03.2012 (₹)
I. Revenue from operations	2.19	865043455	716501847
II. Other Income	2.20	20237981	14288609
III. Total Revenue (I + II)		885281436	730790456
IV. EXPENSES:			
Cost of materials consumed	2.21	481821551	376970815
Purchase of Stock-in-Trade	2.21	75106021	56288654
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.22	195352681	174092788
Employee benefit expense	2.23	23766774	19704163
Financial costs	2.24	6706869	9145462
Depreciation and amortization expense		6851940	5678333
Other expenses	2.25	62118760	55119576
Total Expenses		851724594	696999791
V. Profit before tax (III - IV)		33556842	33790665
VI. Tax expense:			
(1) Current tax	2.26	5670490	4281692
(2) Deferred tax		(209000)	(54000)
VII. Profit for the period from continuing operations		28095352	29562973
VIII. Earning per equity share:			
Equity share of par value of ₹ 10/- each			
(1) Basic & Diluted		9.36	9.85
Number of shares used in computing earning per share			
(1) Basic & Diluted		3002000	3002000
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

Sd/-
B. F. Chordia
Proprietor

Place : Mumbai
Dated : 28th May, 2013

For **SHANTIVIJAY JEWELS LTD**

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

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

Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2013

NOTE No. 1

1. SIGNIFICANT ACCOUNTING POLICIES

Corporate Information :

Shantivijay Jewels Limited is located in Special Economic Zone, Mumbai having its showroom in Trident Hotel, Mumbai. 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,

Name of the Company	Country of Incorporation	% of Voting Power held as at 31.03.2013
a) Shantivijay Jewels International Ltd	Mauritius	100%
b) Shantivijay Impex DMCC (Wholly owned subsidiary of Shantivijay Jewels International Ltd)	Dubai	100%

c) Exchange Adjustments

In case 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 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) 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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

- (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 / tools, 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 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. 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 expense is recognised at present value of amount payable to Employees. Total liability for Leave Salary outstanding at year end rate is ₹5.20 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.

NOTE No. 2

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

	31.03.2013 (₹)	31.03.2012 (₹)
2.1 SHARE CAPITAL		
Authorised- Equity shares of ₹10 par value 6000000 Equity Shares	<u>60000000</u>	<u>60000000</u>
Issued, Subscribed & Paid Up		
3002000 Equity Shares of ₹10/- par value fully paid	<u>30020000</u>	<u>30020000</u>
TOTAL	<u>30020000</u>	<u>30020000</u>

Refer to note 2.30 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, 2013 is set out below :

Name of the shareholder	31.03.2013	%	31.03.2012	%
	No of shares		No of shares	
Rajrani Bimalchand Godha	785954	26.18	785954	26.18
Pradeepkumar Bimalchand Godha	453006	15.09	453006	15.09
Anurag Bimalchand Godha	450096	14.99	450096	14.99
Namita Anurag Godha	191295	6.37	191295	6.37
Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
Anish Anurag Godha	151600	5.05	151600	5.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

The reconciliation of the number of shares outstanding as at March 31, 2013 and March 31, 2012 is set out below :

Particulars	As at 31.03.2013 No. of Shares	As at 31.03.2012 No. of Shares
Number of shares at the beginning and at the end	3002000 ₹ 30020000/-	3002000 ₹ 30020000/-
2.2 RESERVE AND SURPLUS		
Security Premium Reserve	46797952	46797952
Capital Reserve	20055422	20055422
General Reserve		
Opening Balance	109432127	108983798
Add : Transfer from statement of Profit & Loss	0	448329
Exchange Translation reserve	27547199	18085285
Profit & Loss Account		
Opening Balane	150494303	126613046
Add : Transfer from statement of Profit & Loss	28095352	29562973
	178589655	156176019
Less : Transfer to General Reserve	0	448329
Less : Proposed Dividend	0	4503000
Less : Dividend Tax	0	730387
TOTAL	382422354	344865089
2.3 LONG TERM BORROWINGS (SECURED)		
Term loan from Bank (loan in the name of the Director) (Secured by Hypothecation of Motor Car) (Terms of repayment 35 Months (outstanding EMI 21 months at ₹ 48,670/-)	418587	796262
TOTAL	418587	796262
2.4 OTHER LONG TERM LIABILITIES		
Deposit received from Nirmal life style Ltd.	0	1320602
TOTAL	0	1320602
2.5 LONG TERM PROVISIONS		
Provision for Employee benefits - Gratuity	200365	0
TOTAL	200365	0
2.6 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	123989155	122173956
DISCOUNTED BILLS (Secured)	48436059	56768791
(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 guranteed by whole time directors & their relatives.)		
Unsecured Borrowings - Loans payable on demand from related party	0	562350
TOTAL	172425214	179505097
2.7 TRADE PAYABLES		
Trade Payables	88224044	63945932
TOTAL	88224044	63945932
2.8 OTHER CURRENT LIABILITIES		
Current maturities of long term debt (refer note no. 2.3)	507186	584040
Advance from customers	0	8896454
Un-paid dividends*	29421	12222
Other Payables #	5128800	1125105
(Including ₹ 23.77 lacs Due to Directors per year 17.43 lacs)		
TOTAL	5665407	10617821

* These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

Includes Statutory dues & security deposit.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.9 SHORT TERM PROVISIONS		
Provision for Income Tax	39760	1317357
Proposed Dividend	0	4503000
Provision for tax Dividend	0	730387
Provisions for Employee Benefits- Bonus	1339399	1041398
TOTAL	1379159	7592142

2.10 FIXED ASSETS

(Figures in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AT COST ON 01.04.2012	ADDITION DURING THE YEAR	SALE/ TRANSFER	TOTAL	UPTO 01.04.2012	FOR THE YEAR 31.03.2013	ADJ ON SALE / TRANSFER	UPTO 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
1) Tangible Assets										
Building	46838402	7322	5359924	41485800	21892620	1902583	843503	22951700	18534100	24517809
Plant & Machinery	20546733	2972315	1050841	22468207	15098250	854192	785380	15167062	7301145	5448483
Elec. Installation	2429348	53113	—	2482461	1146507	193041	—	1339548	1142913	1282841
Motor Vehicles	8270115	974202	620149	8624168	2964642	1386041	568098	3782585	4841583	5305473
Office Equipments	8296349	702051	—	8998400	5515637	845229	—	6360866	2637538	2780712
Furniture & Fixtures	6043063	68334	—	6111397	3104478	779280	—	3883758	2227640	2884793
Total (a)	92424010	4777337	7030914	90170433	49722134	5960366	2196981	53485519	36684919	42220112
2) Intangible Assets										
Software	1429587	3028283	—	4457870	285917	891574	—	1177491	3280379	1143670
Total (b)	1429587	3028283	—	4457870	285917	891574	—	1177491	3280379	1143670
Total (a + b)	93853598	7805620	7030914	94628303	50008051	6851940	2196981	54663010	39965298	43363782
Previous Year	83092258	11507249	1327884	93271622	45275215	5678333	1045708	49907840	43363782	36891893

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

	31.03.2013 (₹)	31.03.2012 (₹)
2.11 NON CURRENT INVESTMENTS		
A) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST		
Gujrat Fluorochemicals Ltd - 300 Shares of ₹ 10/- each	32475	32475
Canara Bank - 4100 shares of ₹ 10/- each	143500	143500
183000 fully paid Equity shares of ₹ 10/- each of German Garden Ltd.	2021613	2021613
Less : Provision for Diminution in the value (Total Provision for diminution in the value of Investment ₹ 20.22 lacs)	2021613	2021613
	0	0
B) INVESTMENTS IN MUTUAL FUNDS - UN QUOTED		
SBI MF-Magnum Global fund - 15375 Units of ₹ 10/- each (Market Value of quoted shares ₹ 16.66 Lacs, Previous Yr ₹ 21.22 Lacs) (Book value ₹ 1.76 Lacs, Previous year ₹ 1.76 Lacs)	0	500000
TOTAL	175975	675975

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

2.12 LONG TERM LOANS AND ADVANCES

Un-secured, considered good		
Loans and advances to Employees	755500	790000
Balances with Tax authorities	8278900	7633900
Capital advances - Advance against property	22622173	17585480
Other loans & advances	9918615	9914381
Rental Deposits	9203230	9203230
Other Security Deposits	1044227	902399
TOTAL	51822647	46029390

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.13 OTHER NON CURRENT ASSETS		
Bank FDR (Restricted bank balance with Maturity of more than one year from the reporting date)	15937	415937
TOTAL	15937	415937
2.14 INVENTORIES		
(Raw materials and Finished goods are valued at lower of the cost or net realisable value & Consumables & tools are valued at cost.)		
Raw Materials	148407335	134540887
Finished Goods	218672328	181876061
Stores & Spares	1567156	1235624
Loose tools	1046300	570430
Stock-in-trade	0	34527
TOTAL	369693119	318257529
2.15 TRADE RECEIVABLES		
Un-secured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	40641811	30711967
Other debts considered good	134163005	157235290
TOTAL	174804815	187947259
2.16 CASH AND CASH EQUIVLALENTS		
Cash on Hand	429765	250939
Balance with Bank*		
In current and Deposit Account	19433681	16326220
TOTAL	19863446	16577159
*Includes Unpaid Dividend A/c.	29428	12229
2.17 SHORT TERM LOANS AND ADVANCES		
Un secured, considered good		
Interest accrued on FDR	399291	380363
Balances with Tax authorities	9863311	12271161
Advances to Employees and Contractors	1011043	1895025
Prepaid Expenses	2000304	1712680
Other Advances	2057077	777744
TOTAL	15331024	17036973
2.18 OTHER CURRENT ASSETS		
Other Current Assets	6122870	4107941
TOTAL	6122870	4107941
2.19 REVENUE FROM OPERATIONS		
Sales - Jewellery	785832413	657958648
Sales - Diamond	77543358	58306530
Sales - Precious Stones & Others	69734	137769
Services - Labour charges	1597951	98900
TOTAL	865043455	716501847

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.20 OTHER INCOME		
Dividend - Long term Investments	54850	512362
Interest received #	1742817	1175401
Gain on Foregin currency transaction / translation	9365393	6451835
Profit on sale of Asset	2578777	0
Sales Tax refund	115066	0
Excess prov for exp written back	3324	49227
Rent recd	6374784	6099784
Misc Income	2970	0
TOTAL	20237981	14288609
# Bank Interest on deposit	1001527	437557
Interest on Loans & advances	741290	737844
TOTAL	1742817	1175401
2.21 MATERIALS		
1) COST OF MATERAILS CONSUMED		
Gold	137500225	105056309
Diamond	330224477	261327669
Others	14096849	10586837
	481821551	376970815
2) PURCHASE OF STOCK IN TRADE		
Diamond & P/stones	75106021	56288654
2.22 Changes in inventories of finished goods, work in progress and stock-in-trade		
Opening Stock of Finished Goods	181876061	149394215
Opening Stock-in-trade	34527	36497
Add : Purchases of Finished Goods	266445983	242974710
	448356571	392405422
Less : Closing Stock-in-trade	0	34527
Less : Closing Stock of Finished Goods	218672328	181876061
Less : Melting of Finished Goods	34331562	36402046
TOTAL	195352681	174092788
2.23 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	15935751	12632854
Contribution to PF & Other Funds	1374578	1020420
Welfare Expenses	39338	77845
	17349667	13731119
Directors Remuneration	6417107	5973044
TOTAL	23766774	19704163

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)		31.03.2012 (₹)
2.24 FINANCIAL COSTS			
Interest paid	6611500		7320529
Loss on foreign currency translation	95369		1824933
TOTAL	6706869		9145462
2.25 OTHER EXPENSES			
Consumable Stores, Spares & Tools	3196453		2916275
Labour Charges	23674697		20514151
Rent	3835155		2707834
Electricity Charges	2587546		1980670
Directors Sitting Fees	100000		135000
Professional & Technical Fees	3136207		1685374
Bank Charges	1512622		1494544
ECGC Premium charges	736884		867987
Rates & Taxes	76212		76212
Repairs & Maintenance :			
Repairs & Maintenance to Machinery	629391		591328
Others	1410448	2039839	1007177
Donations		536502	1006501
Auditors Remuneration :			
As Auditors	527617		469484
For Taxation Services	80000		65000
For consultancy & other services	90000		80000
		697617	614484
Insurance	884156		888184
Commission & Discount	3013444		2706448
Loss on Sale of Fixed asset	167682		95509
Loss on sale of long term investments	38825		0
Prior Period Items			
Postage & Telephone	1287		2693
Sundry expenses	0		18949
Gratuity	74423		0
Entertainment exp	0		4809
Exhibition Expenses	48884		0
ESIC- Non employees	10472		0
Electricity expenses	5340	140406	0
Other General Expenses		15744513	15805447
TOTAL		62118760	55119576
2.26 TAX EXPENSES			
Current Tax:			
Income Tax		5586000	4343821
Short provision of Income tax relating to earlier years		84490	(62129)
		5670490	4281692
Deferred Taxes		(209000)	(54000)
TOTAL		5461490	4227692

Contd...

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

	31.03.2013 (₹)	31.03.2012 (₹)
2.27 CONTINGENT LAIBILITIES		
i) In respect of Income Tax matters contested by the company	0.00	2.52
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.	9.94	15.00

2.28 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)

(₹ in Lacs)

COUNTRY	SALES	BALANCE ON	SALES	BALANCE ON
	31.03.2013	31.03.2013	31.03.2012	31.03.2012
EXPORTS				
U.S.A.	2483.14	368.64	2513.23	625.93
EUROPE	1952.07	193.93	2142.03	342.79
MIDDLE EAST	2386.93	175.80	1229.26	259.5
OTHERS	1381.27	840.37	969.88	579.25
LOCAL SALES	431.04	169.29	309.63	72.00
	<u>8634.46</u>	<u>1748.05</u>	<u>7164.03</u>	<u>1879.47</u>

2.29. 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 & Relatives

Shree Pradeep Kumar Godha - Chairman & Managing Director

Shree Anurag Godha - Vice Chairman & Managing Director

Smt Rajrani Godha

Smt Sudha Godha

Smt Namita Godha

Shri Varun Godha

Relatives of Directors

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013 (Contd.)

Details of Transactions are as below,

(Figures in ₹)

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2013	OUTSTANDING 31.03.2013	TRANSACTION AMOUNT 31.03.2012	OUTSTANDING 31.03.2012
1	Diamondere Pvt Ltd.	Associate Company	Sales & services, Rent	3989305	3921565 DR	580780	580780 DR
2	Pradeep Kumar Godha	Managing Director	Remuner+perks	2850013	1000872 CR	2588900	986278 CR
3	Anurag Godha	Managing Director	Remuner+perks	2843069	4783 CR	2677031	756987 CR
4	Rajrani Godha	Relative of Director	Remuneration +Bonus and rent paid Advance recd Security deposit paid	203400 0 0	166134 CR 0 CR 8500000 DR	217680 0 0	74588 CR 562350 CR 8500000 DR
5	Sudha Godha	Relative of Director	Remuneration+Bonus	223200	163623 CR	223970	81522 CR
6	Namita Godha	Relative of Director	Remuneration+Bonus Sale of Jewellery	223200 0	131601 CR 0	223970 0	66461 CR 02
7	Varun Godha	Relative of Director	Remuneration+Bonus	237600	1375652 CR	135000	135000 CR
8	International Financial Services Ltd	Company in which Director are interested	Remuneration	136025	0	119113	0
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

2.30 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

	2013	(₹ in Lacs) 2012
Basic & Diluted		
Profit after Tax as per Accounts	280.95	295.63
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares (₹)	10	10
EPS (Basic & Diluted) ₹	9.36	9.85

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

 Sd/-
B. F. Chordia
Proprietor

 Place : Mumbai
Dated : 28th May, 2013

 For **SHANTIVIJAY JEWELS LTD**

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

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

 Sd/-
Directors
A. KASLIWAL
A. R. SHAH
J. B. SHAH

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	2013 ₹	2012 ₹
(₹ in Thousands)		
A. CASH FLOW FROM OPERATION ACTIVITIES :-		
Net Profit before tax & extraordinary items	34426	34811
Adjustments for :		
Depreciation & Amortisation	6851	5727
Finance Cost	6707	9145
	47984	49683
Adjustments for :		
Interest/Dividend Received	(1798)	(1688)
Profit on cancellation of property	1883	0
Loss on sale of Assets/Investments	207	96
Profit on sale of Assets	(695)	0
<i>Operating Profit before working capital changes</i>	47580	48091
Adjustments for :		
Trade receivables	20049	(3029)
Inventories	(42820)	(41237)
Short term loans & advances	2188	(4625)
Long term loans & advances	(5119)	(6813)
Other Current assets	(2465)	(1974)
Other non-current assets	400	(416)
	19813	(10003)
Increase/(Decrease) in operating liabilities		
Trade Payables	17226	336
Other Current liabilities	(5503)	2860
Other Long term liabilities	(1321)	0
Long term provisions	200	0
Short term Provisions	(6266)	2273
Cash generated from Operation	24149	(4534)
Finance Cost	(6707)	(9145)
Taxes Paid	(6315)	(2630)
Net cash (used in)/from Operating activities	11127	(16309)
B. CASH FLOW FROM INVESTING ACTIVITIES :-		
Purchase of Fixed assets	(6306)	(13007)
Investments	461	10079
Sale of Fixed Assets	5362	187
Profit on cancellation of property	(1883)	0
Interest & Dividend Received	1798	1688
Net cash/(used in)/from Investment activities	(568)	(1053)
C. CASH FLOW FROM FINANCING ACTIVITIES :-		
Decrease in Bank borrowings	(7458)	27552
Net cash (used in)/from Finance activities	(7458)	27552
NET INCREASE IN CASH EQUIVALENTS (B+C-A)	3100	10190
Cash and Cash Equivalents		
Opening Balance	16764	6387
Closing Balance	19863	16577
	3100	10190

() Indicates deductions.

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

IN TERMS OF OUR ATTACHED
REPORT OF EVEN DATE**B. F. Chordia & Co.**

Chartered Accountants

Sd/-

B. F. Chordia

Proprietor

Place : Mumbai

Dated : 28th May, 2013For **SHANTIVIJAY JEWELS LTD.**

Sd/-

P. K. GODHA (Chairman & M.D)

Sd/-

A. K. GODHA (Vice Chairman & M.D)

Sd/-

Directors

A. KASLIWAL**A. R. SHAH****J. B. SHAH**

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANIES

Name of Subsidiary Company	Shantivijay Jewels International Limited (Mauritius)	Shantivijay Impex DMCC
The financial year of the Subsidiary companies ended on	31 st March, 2013	31 st March, 2013
Date From which they become subsidiary Companies	22 nd May, 1998	15 th June, 2005
a. Number of shares held by Shantivijay Jewels Limited with its nominees in the subsidiaries at the end of the financial year of the subsidiary companies	450250 Ordinary Shares of US \$ 1/- each fully paid- up.	54496 200 Ordinary shares of AED 1000/- each fully paid up.
b. Extent of interest of holding company at the end of the financial year of the subsidiary companies	100%	100%
The net aggregate amount of the subsidiary companies Profit/(Loss) so far as it concerns the members of the holding Company.		
a. Not dealt with in the holding Company's accounts		
i) For the financial year ended 31st March,2013	US\$ (12740/-) (equivalent to ₹.(693183/-)	US \$ 332628/- (equivalent to ₹ 18098289/-
ii) For the previous financial years of the subsidiary companies since they became the holding Company's subsidiaries	US\$1612996/- (equivalent to ₹ 82053107/-	US \$ 723704/- (equivalent to ₹ 36814822/-
b. Dealt within holding Company's accounts:		
i) for the financial year ended 31st March 2013	NIL	NIL
ii) For the financial years of the subsidiary companies since they became the holding company's subsidiaries	NIL	NIL

For **SHANTIVIJAY JEWELS LTD.**

Sd/-

P. K. GODHA (Chairman & M.D)

Sd/-

A. K. GODHA (Vice Chairman & M.D)

Sd/-

Directors

A.KASLIWAL

A.R.SHAH

J.B.SHAH

Place : Mumbai

Dated : 28th May, 2013

FINANCIAL DETAILS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31 ST MARCH 2013

(₹ in Lacs)

Particulars	Shantivijay Jewels International Ltd (Mauritius)	Shantivijay Impex DMCC
Share Capital	244.40	29.58
Reserves & Surplus	868.62	573.38
Total Assets	1113.01	1683.99
Total Liabilities	1113.01	1683.99
Details of Investments	29.58	0.00
Turnover (Including other Income)	0.00	2436.87
Profit before Tax	(6.93)	180.98
Provision for Tax	0.00	0.00
Profit after Tax	(6.93)	180.98
Proposed Dividend	0.00	0.00

SHANTI VIJAY JEWELS LIMITED

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

FORTIETH ANNUAL GENERAL MEETING 21ST SEPTEMBER, 2013

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 FORTIETH 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 Saturday 21st Sep., 2013 at 3.00 P.M.

Name of the Member in BLOCK Letters

Member's Signature

Name of the Proxy in BLOCK Letters

Proxy's Signature

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

(Tear Here)

SHANTI VIJAY JEWELS LIMITED

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

FORTIETH ANNUAL GENERAL MEETING 21ST SEPTEMBER, 2013

FORM OF PROXY

Folio No./Client ID

I/We _____
of _____ in the district of _____
being a member/members of SHANTIVIJAY JEWELS LIMITED, hereby appoint _____
of _____ in the district of _____
of failing him/her _____
of _____ in the district of _____

as my/our proxy to vote for me/us on my/our behalf at the FORTIETH ANNUAL GENERAL MEETING of the Company to be held on Saturday 21st Sep., 2013 and at any adjournment thereof.

Place

Date

Affix
Re. 1/-
Revenue
Stamp

Signed _____

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

(Tear Here)