

SHANTIVIJAY JEWELS LTD.



BEYOND EXCELLENCE

ANNUAL REPORT 2016-17



SHANTIVIJAY JEWELS LIMITED

BOARD OF DIRECTORS

PRADEEP KUMAR GODHA

(Chairman & Managing Director)

ANURAG GODHA

(Vice Chairman & Managing Director)

JAYANT B. SHAH

(Director)

REGISTERED OFFICE

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

Tel: 91 22 - 42182244

Fax: 91 22 - 28291360

Email: shantivijay@shantivijay.com

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

CIN: U3691036910MH1980PLC023289

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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.
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (East), Mumbai - 400 059

SHANTIVIJAY JEWELS LIMITED

NOTICE is hereby given that the 44th Annual General Meeting of the Members of SHANTIVIJAY JEWELS LIMITED will be held at Conference Hall, All India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai 400 058 on **Monday, September 4, 2017 at 3.00 p.m.** to transact the following ordinary business:

1. To consider and adopt:
 - (a) the audited financial statement of the Company for the financial year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2017.
2. To appoint a Director in place of Shri. Pradeep Kumar Godha (DIN: 00008194), who retires by rotation and, being eligible, offers himself for reappointment.
3. To ratify appointment of Auditors and to fix their remuneration and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, appointment of B. F. Chordia & Co., Chartered Accountants (Firm Regn. No. FRN:101914W) made as the Statutory Auditors of the Company in terms of resolution passed by the members at the 42nd Annual General Meeting held on September 14, 2015, be and is hereby ratified to hold office as such till the conclusion of the next Annual General Meeting and, on such remuneration and reimbursement of out of pocket expenses, as shall be decided/approved by the Board of Directors of the Company.”

Registered Office:

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

Mumbai 400 096.
Dated 23rd June, 2017

BY ORDER OF THE BOARD

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

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
A PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. excluding Saturdays upto the date of the Annual General Meeting.
3. **The members are requested to:**
 - (i) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited at 1st Floor, Bharat Tin Works Bldg., opp. Vasant Oasis, Makwana Road, Marol , Andheri East, Mumbai 400 059, in respect of their holdings in physical form.
 - (ii) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
 - (iii) Non-Resident Indian Members are requested to inform M/s. Bigshare Services Private Limited immediately of the change in their residential status on return to India for permanent settlement.
 - (iv) **Register your email address and change, if any, therein from time to time with Bigshare Services Private Limited for shares held in physical form and with their Depository Participants for shares held in demat form.**
 - (v) Send or address all their shares related matters/correspondence directly to M/s. Bigshare Services Private Limited.
 - (vi) Note that Section 72 of the Companies Act, 2013 provides for Nomination by the shareholders of the Company in the prescribed Form No. SH 13 for shares held in physical form. Blank forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.

- (vii) Send queries on accounts to the Company 10 days in advance of the Annual General Meeting so that the answers may be made available at the Annual General Meeting.
4. Corporate members are requested to send /bring a duly certified copy of the board resolution authorising their representatives to attend and vote at the Annual General Meeting.
 5. The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends as on the date of the 43rd Annual General Meeting (AGM) held on 9th September, 2016, on the website of the IEPF viz. www.iepf.gov.in and on the Website of the Company viz. www.shantivijay.com
 6. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses by sending an e-mail to the Company at investors@shantivijay.com.
 7. Copies of the Annual Report 2016-17 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent by the permitted mode.
 8. Members/Proxies should bring the duly filled Attendance slip enclosed herewith to attend the meeting.

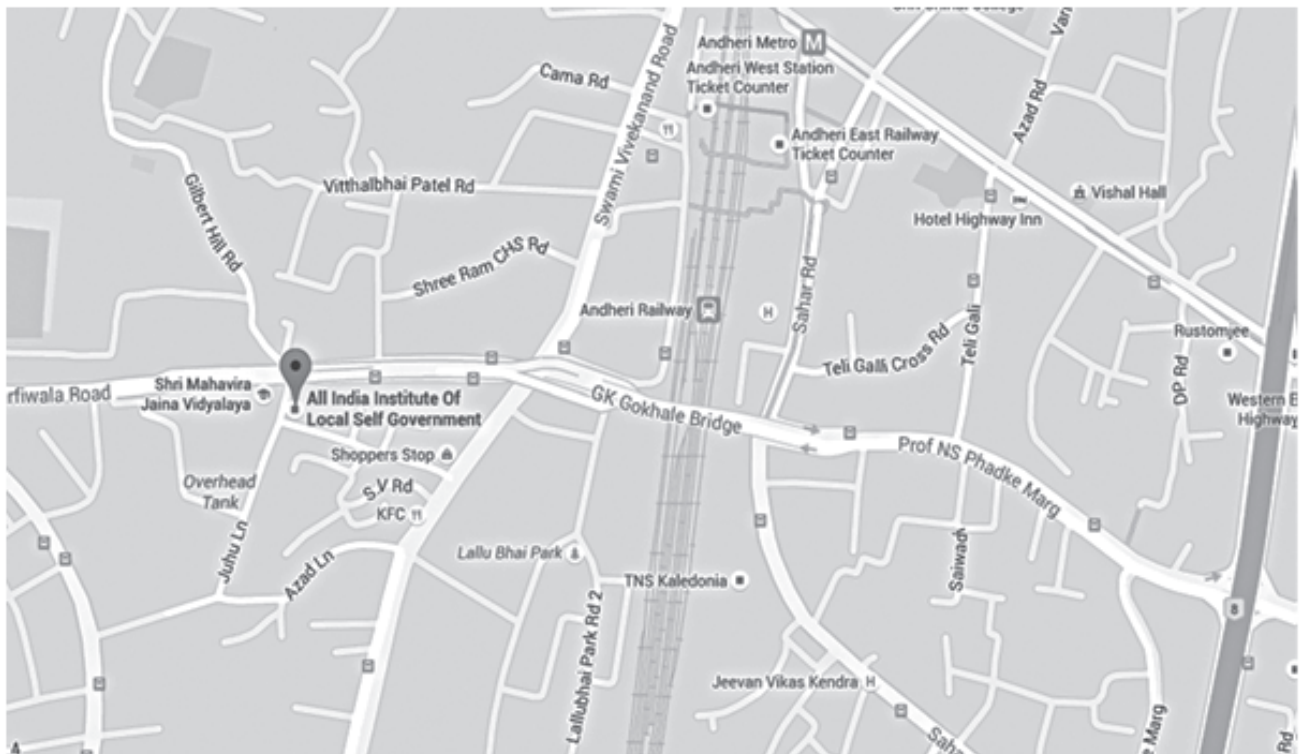
Registered Office:

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

Mumbai 400 096.
Dated 23rd June, 2017

BY ORDER OF THE BOARD

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

Route Map to the Venue of the Annual General Meeting

DIRECTORS' REPORT

TO THE MEMBERS,
SHANTIVIJAY JEWELS LIMITED

Your Directors present their 44th Annual Report and the Audited Statement of Accounts for the year ended March 31, 2017.

1. FINANCIAL RESULTS / STATE OF AFFAIRS

(₹ in Lakhs)

Particulars	Stand alone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Income from operations	7080.18	5969.67	9675.16	8811.42
Less : Expenses	7184.26	5912.91	9749.05	8652.87
Depreciation	41.52	44.33	46.38	49.06
Profit /(Loss) from operations before other income and finance costs	(145.60)	12.43	(120.27)	109.49
Add: Other Income	99.66	19.31	103.22	19.31
Profit/(Loss) from ordinary activities before finance costs	(45.94)	31.74	(17.05)	128.8
Less: Finance Cost	82.85	84.24	82.85	84.24
Profit/(Loss) from ordinary activities before tax	(128.79)	(52.5)	(99.89)	44.56
Less: Tax expenses	2.66	(0.05)	2.66	(0.05)
Net Profit/(Loss) for the period	(131.45)	(52.45)	(102.56)	44.61
Earnings Per Share (₹)	(4.38)	(1.75)	(3.42)	1.49

2. DIVIDEND / TRANSFER TO RESERVE(S)

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

3. DETAILS OF MEETINGS OF THE BOARD AND COMMITTEES

During the year, 7(Seven) Board meetings were held on 08.06.2016, 15.06.2016, 14.07.2016, 05.08.2016, 06.09.2016, 21.12.2016 and 31.01.2017. Details of attendance by each Director at the said Board meetings are as under:

Name of Director (s)	Board Meetings attended during FY 2016-17
Shri. Pradeep Kumar Godha	7
Shri. Anurag Godha	7
Shri. Jayant B. Shah	2

4. CHANGE IN THE NATURE OF BUSINESS

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

5. SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company has two subsidiary companies, namely, Shantivijay International Limited, Mauritius with its one step down subsidiary, Shantivijay Impex DMCC. There are no changes in subsidiaries. There are no joint venture or associate companies. In accordance with Section 129(3) of the Companies Act 2013, consolidated financial statements of the Company and all its subsidiaries are prepared, which form part of Annual Report. Further a statement containing salient features of the financial statement of our Subsidiaries in the prescribed format AOC-1 is included in the Report as **Annexure 'A'** and forms as integral part of this Report. The statement also provides the details of performance, financial position of each of the Subsidiaries.

6. EXTRACT OF ANNUAL RETURN

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

7. DIRECTORS

In accordance with the provisions of the Companies Act, 2013, Shri. Pradeep Kumar Godha, Director, has offered to retire by rotation and, being eligible, offers himself for reappointment. The Board of Directors presently is comprised of Shri Pradeep Kumar Godha, Shri Anurag Godha and Shri Jayant Shah.

8. KEY MANAGERIAL PERSONNEL

Provisions of Section 203 are not applicable to the Company.

9. DEPOSITS

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

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

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

11. RELATED PARTY TRANSACTIONS

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

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' had prepared the annual accounts on a going concern basis; and

- e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Your Company's internal control systems commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

15. PARTICULARS OF EMPLOYEES

There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. STATUTORY AUDITOR & AUDITOR'S REPORT

In the 42nd Annual General Meeting (AGM) of the Company, B. F. Chordia & Co., Chartered Accountants, Mumbai (Firm Registration No.: 101914W), had been appointed as the Statutory Auditors of the Company until the conclusion of the 47th AGM of the Company. In terms of the provisions of the Companies Act, 2013, it is necessary to get the appointment ratified by the shareholders at every Annual General Meeting until the expiry of the period of original appointment. Members are requested to ratify the appointment of Auditors. There is no audit qualification, reservation, or adverse remark or disclaimer in the Auditor's Report for the year under review.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

18. DISCLOSURE ON WOMEN AT WORKPLACE

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

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) Conservation of energy-**

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

are taken for utilizing alternative sources of energy.

- (iii) Capital investment on energy conservation equipments: Nil.

(B) Technology absorption-

- (i) The efforts made towards technology absorption: The Company keeps itself abreast of the technical developments in Company's line of products world wide and tries to bring about improvements in the product for better yield, quality and cost effectiveness, etc.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: As a result of above, the following benefits are achieved:
- Cost Reduction
 - Achievement in precision & quality
 - Use of indigenous equipment as import substitute.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): The Company has not imported any technology
- (iv) The expenditure incurred on Research and Development: Nil.

(C) Foreign exchange earnings and Outgo-

(₹ in Lakhs)

	2016-17	2015-16
Foreign Exchange earned	6657.90	5547.21
Foreign Exchange used:	973.26	480.26

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

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

21. RISK MANAGEMENT POLICY

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

22. 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: 23rd June, 2017

DIN- 00008194

Annexure - 'A'

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(₹ In lacs)

Sr. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of share-holding
1	Shantivijay Jewels International Limited (Mauritius)	31.03.2017	US \$ 64.85	291.96	995.66	1289.61	1289.61	35.34	0	(10.57)	0	(10.57)	0	100%
2	Shantivijay Impex DMCC	31.03.2017	US \$ 64.85	35.34	1069.98	2639.95	2639.95	0	2680.54	36.73	0	36.73	0	100%

Part "B": Associates and Joint Ventures

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

FOR AND ON BEHALF OF THE BOARD

Sd/-

Pradeep Kumar Godha
Chairman & Managing Director
DIN - 00008194

Place: Mumbai
Dated: 23rd June, 2017

Annexure - 'B'

**Form No. MGT – 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on March 31, 2017**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules 2014]**I. REGISTRATION AND OTHER DETAILS :**

- (i) CIN : U36910MH1980PLC023289
(ii) Registration Date : 14/10/1980
(iii) Name of the Company : Shantivijay Jewels Limited
(iv) Category of the Company : Company Limited by shares
(v) Sub-Category of the Company : Indian Non Government Company
(vi) Address of the Registered office and contact details : G-37, Gem & Jewellery Complex, Building No.III,
Seepz, Andheri (East), Mumbai 400096.
+91 – 22 – 42182244
(vii) Whether listed Company : No
(viii) Name, address and Contact Details of Registrar and Transfer Agent : Bigshare Services Private Limited
1st Floor, Bharat Tin Works Bldg., Opp. Vasant Oasis,
Makwana Road, Marol , Andheri East, Mumbai 400 059
Tel: +91 22 6263 8200 / 6263 8299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)*i) Category-wise Share Holding*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	2813364	74400	2887764	96.19	2848935	74900	2923835	97.40	1.21
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other ...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	2813364	74400	2887764	96.19	2848935	74900	2923835	97.40	1.21
(2) Foreign									
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	2813364	74400	2887764	96.19	2848935	74900	2923835	97.40	1.21
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	40165	0	40165	1.34	4324	0	4324	0.14	(1.20)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	59137	14119	73256	2.44	59307	13619	72926	2.43	(0.01)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify) clearing member	0	0	0	0.00	100	0	100	0.00	0.00
i) Non Resident Indians (NRI)	15	800	815	0.02	15	800	815	0.02	0.00
Sub-Total (B) (2):-	99317	14919	114236	3.80	63746	14419	78165	2.60	0.00
Total Public Shareholding (B) = (B)(1) + B(2)	99317	14919	114236	3.80	63746	14419	78165	2.60	0.00
Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	2912681	89319	3002000	100	2912681	89349	3002000	100	0.00

SHANTIVIJAY JEWELS LIMITED

ii) Shareholding of Promoters –

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encum-bered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Rajrani Bimalchand Godha	823178	27.42	0.00	837607	27.90	0.00	0.48
2	Pradeepkumar Bimalchand Godha	480853	16.01	0.00	491674	16.38	0.00	0.37
3	Anurag Bimalchand Godha	477943	15.92	0.00	488764	16.28	0.00	0.36
4	Namita Anurag Godha	191295	6.37	0.00	191295	6.37	0.00	0.00
5	Sudha Pradeepkumar Godha	188795	6.29	0.00	188795	6.29	0.00	0.00
6	Anish Anurag Godha	151600	5.05	0.00	151600	5.05	0.00	0.00
7	Varun Pradeep Godha	147500	4.91	0.00	147500	4.91	0.00	0.00
8	Anuvi Godha	142400	4.74	0.00	142400	4.74	0.00	0.00
9	Varun Godha	121000	4.03	0.00	121000	4.03	0.00	0.00
10	A K Godha (HUF)	69000	2.30	0.00	69000	2.30	0.00	0.00
11	Pradeep Kumar Godha (HUF)	68700	2.29	0.00	68700	2.29	0.00	0.00
12	Anushree Mayur Doshi	25500	0.85	0.00	25500	0.85	0.00	0.00
	Total	2887764	96.19	0.00	2923835	97.40	0.00	1.21

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

Sr. No.	Name of Promoter	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. Shares	% of total shares of the company
1	Rajrani Bimalchand Godha	823178	27.42	01.04.2016			-	-
				29.04.2016	500	Transfer	823678	27.43
				10.03.2017	13929	Transfer	837607	27.90
		837607	27.90	31.03.2017				
2	Pradeepkumar Bimalchand Godha	480853	16.01	01.04.2016			-	-
				10.03.2017	10821	Transfer	491674	16.38
				31.03.2017				
		491674	16.38					
3	Anurag Bimalchand Godha	477943	15.92	01.04.2016			-	-
				10.03.2017	10821	Transfer	488764	16.28
				31.03.2017				
		488764	16.28					
4	Namita Anurag Godha	191295	6.37	01.04.2016	Nil	-	-	-
		191295	6.37	31.03.2017				
5	Sudha Pradeepkumar Godha	188795	6.29	01.04.2016	Nil	-	-	-
		188795	6.29	31.03.2017				
6	Anish Anurag Godha	151600	5.05	01.04.2016	Nil	-	-	-
		151600	5.05	31.03.2017				
7	Varun Pradeep Godha	147500	4.91	01.04.2016	Nil	-	-	-
		147500	4.91	31.03.2017				
8	Anuvi Godha	142400	4.74	01.04.2016	Nil	-	-	-
		142400	4.74	31.03.2017				
9	Varun Godha	121000	4.03	01.04.2016	Nil	-	-	-
		121000	4.03	31.03.2017				
10	A K Godha (HUF)	69000	2.30	01.04.2016	Nil	-	-	-
		69000	2.30	31.03.2017				
11	Pradeep Kumar Godha (HUF)	68700	2.29	01.04.2016	Nil	-	-	-
		68700	2.29	31.03.2017				
12	Anushree Mayur Doshi	25500	0.85	01.04.2016	Nil	-	-	-
		25500	0.85	31.03.2017				

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

Sr. No.	Name of Shareholder	Shareholding		Date*	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Shantivijay Jewels Limited-Delisting Escrow Account-Hem Securities Ltd	35821	1.19	01.04.2016	(250)	Transfer	35571	1.18
		35571	1.18	10.03.2017	(35571)	Transfer	0	0
		0	0.00	31.03.2017	-	-	-	-
2	Arun Kumar Sancheti	6723	0.22	01.04.2016	-	-	-	-
		6723	0.22	31.03.2017	-	-	-	-
3	VSL Securities Private Limited	3595	0.12	01.04.2016	-	-	-	-
		3595	0.12	31.03.2017	-	-	-	-
4	Mamta Sancheti	2677	0.09	01.04.2016	-	-	-	-
		2677	0.09	31.03.2017	-	-	-	-
5	Arun Kumar Sancheti (HUF)	2153	0.07	01.04.2016	-	-	-	-
		2153	0.07	31.03.2017	-	-	-	-
6	Arun Kumar Sancheti	2090	0.07	01.04.2016	-	-	-	-
		2090	0.07	31.03.2017	-	-	-	-
7	Girdharlal Bhansali	1900	0.06	01.04.2016	-	-	-	-
		1900	0.06	31.03.2017	-	-	-	-
8	Seema Bhansali	1900	0.06	01.04.2016	-	-	-	-
		1900	0.06	31.03.2017	-	-	-	-
9	Snehalatha Singhi	1726	0.06	01.04.2016	-	-	-	-
		1726	0.06	31.03.2017	-	-	-	-
10	Mahesh Mittal	1436	0.05	01.04.2016	-	-	-	-
		1436	0.05	31.03.2017	-	-	-	-
11	Multani Devi Sancheti	1300	0.04	01.04.2016	-	-	-	-
		1300	0.04	31.03.2017	-	-	-	-

* indicates end date of week in which change occurred.

SHANTIVIJAY JEWELS LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/Key managerial Personnel	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2016)/ end of the year (31.03.2017)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Pradeepkumar Godha	480853	16.01	01.04.2016	-	-	-	-
		491674	16.38	10.03.2017 31.03.2017	10821	Transfer	491674	16.38
2	Anurag Godha	477943	15.92	01.04.2016	-	-	-	-
		488764	16.28	10.03.2017 31.03.2017	10821	Transfer	488764	16.28
3	Jayant B. Shah	-	-	-	-	-	-	-

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of financial year				
(i) Principal Amount	167724981	0	0	167724981
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	167724981	0	0	167724981
Change in Indebtedness during the financial year				
Addition	1108111106	0	0	1108111106
Reduction	1094331134	0	0	1094331134
Net Change	13779972	0	0	13779972
Indebtedness at the end of financial year				
(i) Principal Amount	181504953	0	0	181504953
(ii) Interest due but not paid	0	0	0	0
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	181504953	0	0	181504953

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		CMD	VCMD	
		Pradeep Kumar Godha	Anurag Godha	
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3600000	3600000	7200000
	b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	389689	364337	754026
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify..	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	3989689	3964337	7954026
	Ceiling as per the Act	10% of net profits of the Company or Minimum Remuneration as per Schedule V		

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
		Jayant Shah	
1.	Independent Directors		
	● Fee for attending board/ committee meetings	-	-
	● Commission	-	-
	● Others, please specify	-	-
	Total (1)	-	-
2.	Other Non-Executive Directors		
	● Fees for attending board / committee meetings	10000	10000
	● Commission	-	-
	● Others, please specify	-	-
	Total (2)	10000	10000
	Total (B) = (1+2)	10000	10000
	Total Managerial Remuneration (A+B)	7964026	
	Overall Ceiling as per the Act	11% of net profits of the Company	

SHANTIVIJAY JEWELS LIMITED

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

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

FOR AND ON BEHALF OF THE BOARD

Sd/-

Pradeep Kumar Godha
Chairman & Managing Director
DIN - 00008194

Place: Mumbai
Dated: 23rd June, 2017

Annexure - 'C'

Form AOC-2

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1.	Mrs Rajrani Godha Mother of KMPs/ MDs	Lease of shop premises for use as showroom-cum office for the company	5 (Five) years	- Monthly Rental ₹ 10,000/- p.m. w.e.f 01.10.2014 - Security Deposit ₹ 120 lacs - Other usual terms are common in any such lease agreement	- For use as Jewellery showroom & office for the company - Shop premises are also given by Lessor as collateral security to the bankers for credit facilities granted to the Company - ideal location for visibility, tap foreign tourists and also celebrity visitors.	30.09.2014	-	N.A.
2	Diamondere Pvt. Ltd.	Sales & Labour	One year	₹ 1,29,40,675/-	Access to online sales portal	15.06.2015	-	N.A.
3	Diamondere Pvt. Ltd.	Rent	One year	₹ 4,20,000/-	Access to online sales portal	29.05.2014	-	N.A.
4	Sudha Godha	Remuneration	Permanent	₹ 3,45,600/-	Sales support & administration	28.08.2007	-	N.A.
5	Namita Godha	Remuneration	Permanent	₹ 3,45,600/-	Sales support & administration	28.08.2007	-	N.A.
6	Deepika Godha	Remuneration	Permanent	₹ 2,51,520/-	Sales support & administration	01.02.2014	-	N.A.

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any	Amount paid as advances, if any.
(a)	(b)	(c)	(d)	(e)	(f)	
1	Shantivijay Impex DMCC Step-down subsidiary	Sales Purchases	One year One year	41,48,475 44,07,398	N. A. N. A.	Nil Nil

FOR AND ON BEHALF OF THE BOARD

Sd/-

Pradeep Kumar Godha
Chairman & Managing Director
DIN - 00008194

Place: Mumbai
Dated: 23rd June, 2017

Independent Auditor's Report

To
THE MEMBERS OF SHANTIVIJAY JEWELS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Shantivijay Jewels Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the Accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its Loss and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.23 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 2.24 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in Notification S.O 3407 (E) dated November 8, 2016 of the Ministry of Finance , during the period from November 8, 2016 to December 30, 2016. Based on the audit procedure performed and the representation provided to us by the management we report that disclosures are in accordance with the books of account maintained by the company and as produced to us by the management.

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

Sd/-
B. F. CHORDIA
PROPRIETOR

PLACE : MUMBAI
DATE : June 23rd 2017

MEMBERSHIP No.: 9026

Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of 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.
- (iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (a) According to information & explanations given to us during the year the company has not granted any loans, secured/ unsecured to the Companies, Firms & other parties covered by section 189 of the Companies Act, 2013.
- (b) During the year Company had not taken any fresh loans from such parties.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause 3(iv) of the Companies (Auditors Report) Order, 2016 ('the CARO 2016') is not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under section 148 (1) of the Act 2013. Company have made and maintained such records properly.

- (vii) a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, value added 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 except delay in payment of Excise duty.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and Custom duty have not been deposited by the Company on account of disputes:

Sr. No.	Name of the Statute	Nature of the dues	Forum where dispute is Pending	Amount (₹ in Lacs)
1	Indian Income Tax Act 1961.	Income Tax A.Y.2011-2012	ITAT	102.76
2	Indian Income Tax Act 1961.	Income Tax A.Y.2007-2008	CIT (A)	161.33
3	Indian Income Tax Act 1961.	Income Tax A.Y.2008-2009	CIT (A)	112.03
4	Indian Income Tax Act 1961.	Income Tax A.Y.2009-2010	CIT (A)	125.31
5	Indian Income Tax Act 1961.	Income Tax A.Y.2010-2011	CIT (A)	52.98
6	Indian Income Tax Act 1961.	Income Tax A.Y.2012-2013	CIT (A)	92.76
7	Indian Income Tax Act 1961.	Income Tax A.Y.2013-2014	CIT (A)	94.70
8	Customs excise & Service Tax Act	Custom Duty	Custom & Service tax Appellate Tribunal	4.51

- (viii) In our opinion and according to the information and explanations given to us, The Company has not defaulted in the repayment of loans to banks and government. The Company has not taken any borrowings from financial institutions and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

SHANTIVIJAY JEWELS LIMITED

- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us , the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

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

PLACE : MUMBAI
DATE : June 23rd 2017

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

We have audited the internal financial controls over financial reporting of Shantivijay Jewels Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

PLACE : MUMBAI
DATE : June 23rd 2017

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

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No	As at 31st March 2017 (₹)	As at 31st March 2016 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	212632225	225777153
2. Non-Current Liabilities			
(a) Long -term provisions	2.3	637067	337496
3. Current Liabilities			
(a) Short-term borrowings	2.4	181504953	167724981
(b) Trade payables	2.5	100471724	85727597
(c) Other current liabilities	2.6	1187738	917858
(d) Short-term provisions	2.7	1997480	1657233
Total		528451187	512162318
II. Assets			
1. Non-current assets			
(a) Fixed assets			
(i) Tangible assets	2.8	26213664	27176036
(ii) Intangible assets	2.8	2091917	2272326
(b) Non-current investments	2.9	19002385	19002385
(c) Deferred tax assets (net)		2795000	3061000
(d) Long term loans and advances	2.10	73018760	68911992
2. Current assets			
(a) Inventories	2.11	260723962	231839972
(b) Trade receivables	2.12	109861565	133914958
(c) Cash and cash equivalents	2.13	18575981	13118037
(d) Short-term loans and advances	2.14	13989949	12013495
(e) Other current assets	2.15	2178003	852117
Total		528451187	512162318
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS	1 & 2		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

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

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

Place : MUMBAI
Dated : 23rd June, 2017

For SHANTIVIJAY JEWELS LTD.

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

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

Sd/-
J.B. SHAH
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No	31.03.2017 (₹)	31.03.2016 (₹)
I. Revenue from operations	2.16	708018075	596966611
II. Other Income	2.17	9965995	1930992
III. Total Revenue (I +II)		717984070	598897603
IV. Expenses:			
Cost of materials consumed	2.18	605072650	479507692
Purchase of Stock-in-Trade	2.18	27336255	22139669
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.19	(13257676)	3348922
Employee benefit expense	2.20	31247633	27705747
Financial costs	2.21	8285175	8424047
Depreciation and amortization expense		4152147	4433704
Other expenses	2.22	68026814	58588609
Total Expenses		730862998	604148390
V. Loss before tax (III - IV)		(12878928)	(5250787)
VI. Tax expense:			
Deferred tax		266000	(5000)
VII. Loss for the period from continuing operations		(13144928)	(5245787)
VIII. Earning per equity share:			
Equity share of par value of ₹ 10/- each			
(1) Basic & Diluted		(4.38)	(1.75)
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
FRN: 101914W

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

Place : MUMBAI
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P. K. GODHA
(Chairman & M.D)

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

Sd/-
J.B. SHAH
(Director)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE NO -1

SIGNIFICANT ACCOUNTING POLICIES

Corporate Information :

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

a) System of Accounting:

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis unless otherwise stated hereinafter.
- ii) The Accounts are prepared under historical cost convention , as a going concern and generally in accordance with applicable Accounting standards.
- iii) **Use of Estimates**
The Preparation of financial statements require management to make certain estimates and assumptions that effect the amounts reported in financial statements and notes thereon. Difference in actual results & estimates are recognised in the period in which they materialize.

b) Fixed Assets and Depreciation :

i) Tangible Assets

- a) Fixed Assets are stated at their cost of acquisition less Depreciation. Additions to Fixed assets are net of Modvat Credit wherever applicable. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
- b) Effective 1 st April 2014, the company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practise of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

ii) Intangible Assets :

Computer Software :

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

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

c) Investments

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

d) Inventories

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

e) Sales / Revenue Recognition.

Sales are net of tax

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

f) Foreign Currency Transaction

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

g) Employee Benefits

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016 (Contd.)

Accrued leave Salary is estimated and provided on accrual basis. The expense is recognised at present value of amount payable to Employees. Total liability for Leave Salary outstanding at year end rate is ₹ 8.59 Lacs.

h) Purchases & Sales are accounted for net of Modvat credit.

i) **Taxation**

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

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

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

2. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2017

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

	31.03.2017 (₹)	31.03.2016 (₹)
2.1 SHARE CAPITAL		
Authorised- Equity shares of ₹ 10 par value 6000000 Equity Shares	60000000	60000000
Issued, Subscribed & Paid Up		
3002000 Equity Shares of ₹ 10/- par value fully paid	30020000	30020000
TOTAL	30020000	30020000

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

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

The details of shareholder holding more than 5 % shares as at March 31, 2017 is set out below :

Name of the shareholder	31.03.2017		31.03.2016	
	No of shares	%	No of shares	%
1 Rajrani Bimalchand Godha	837607	27.90	823178	27.42
2 Pradeepkumar Bimalchand Godha	491674	16.38	480853	16.02
3 Anurag Bimalchand Godha	488764	16.28	477943	15.92
4 Varun pradeep kumar Godha	268500	8.94	268500	8.94
5 Namita Anurag Godha	191295	6.37	191295	6.37
6 Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
7 Anish Anurag Godha	151600	5.05	151600	5.05

The reconciliation of the number of shares outstanding as at March 31,2017 and March 31, 2016 is set out below :

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	₹ 30020000/-	No. of Shares	₹ 30020000/-
Number of shares at the beginning and at the end	3002000		3002000	

2.2 RESERVE AND SURPLUS

Security Premium Reserve	46797952	46797952
Capital Reserve	20055422	20055422
General Reserve	108961350	108961350
Profit & Loss Account		
Opening Balane	49962429	55208216
Add : Trf from statement of profit & loss	(13144928)	(5245787)
	36817501	49962429
TOTAL	212632225	225777153

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.3 LONG TERM PROVISIONS		
Provision for Employee benefits-Gratuity	637067	337496
	<u>637067</u>	<u>337496</u>
2.4 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	111335571	111580342
DISCOUNTED BILLS (Secured)	70169382	56144639
(Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immovable property of Bharat Diamond Bourse and Rajrani Godha, personally guaranteed by whole time directors.)		
	<u>181504953</u>	<u>167724981</u>
2.5 TRADE PAYABLES		
Trade Payables	100471724	85727597
(Including ₹ 4.99 lacs Due to Directors pr year 8.66 lacs)	<u>100471724</u>	<u>85727597</u>
2.6 OTHER CURRENT LIABILITIES		
Advance from customers	192000	125150
Un-paid dividends *	17199	17199
Other Payables #	978539	775509
	<u>1187738</u>	<u>917858</u>
* This amount , due and outstanding, to be credited to Investor Education and Protection Fund.		
# Includes Statutory dues & securirty deposit		
2.7 SHORT TERM PROVISION		
Provisions for Employee Benefits- Bonus	1997480	1657233
	<u>1997480</u>	<u>1657233</u>

NOTE NO 2.8 FIXED ASSETS :

(FIGURES IN ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2016	Additions / adjustments	Deductions/ adjustments	As at 31.03.2017	As at 01.04.2016	For the Year	Deductions/ adjustments	Upto 31.03.2017	As on 31.03.2017	As on 31.03.2016
Tangible Assets										
Building	36154425	0	0	36154425	24167908	529889	0	24697797	11456628	11986517
Plant and Equipments	25308700	1343281	0	26651981	16537113	918533	0	17455646	9196335	8771587
Office Equipments	8623418	408425	0	9031843	7698772	417766	0	8116538	915305	924646
Furniture and Fixtures	5356435	35020	0	5391455	3455940	261262	0	3717202	1674253	1900495
*Vehicles	9140257	38000	0	9178257	5547466	659648	0	6207114	2971143	3592791
Total (a)	84583235	1824726	0	86407961	57407199	2787098	0	60194297	26213664	27176036
Intangible Assets										
Software	7765528	1184641	0	8950169	5493202	1365049	0	6858252	2091917	2971610
Total (b)	7765528	1184641	0	8950169	5493202	1365049	0	6858252	2091917	2971610
Total (a +b)	92348763	3009367	0	95358130	62900402	4152146	0	67052549	28305581	30147646
Previous Year	90245354	2883824	780415	92348763	59131007	4433704	664310	62900401	29448361	31114347

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

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.9 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
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 Diminution in the value	2021613	0
(Total Provision for diminution in the value of Investment ₹ 20.22 lacs) (Market Value of quoted shares ₹ 14.71 Lacs , Previous Yr ₹ 9.32 Lacs) (Book value ₹1.76 Lacs, Previous year ₹1.76 Lacs)		
TOTAL	19002385	19002385
2.10 LONG TERM LOANS AND ADVANCES		
Un-secured , considered good		
Loans and advances to Employees	433000	436000
Capital advances-Advance against property	29369200	29369200
Balances with Tax authorities	20612953	16418295
Other loans & advances	9134337	9134337
Rental Deposits	12703230	12703230
Other Security Deposits	766040	850930
TOTAL	73018760	68911992
2.11 INVENTORIES		
(Rawmaterials and Finished goods are valued at lower of the cost or net realisable value & Stores, Spares & Tools are valued at lower of the cost or net realisable value.)		
Raw Materials	187992118	172743015
Finished Goods	69536834	55974808
Stores & Spares	1929175	1992180
Loose tools	1265835	1129969
TOTAL	260723962	231839972
2.12 TRADE RECEIVABLES		
Un-secured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	15122391	27267772
Other debts considered good	94739174	106647186
TOTAL	109861565	133914958
2.13 CASH AND CASH EQUIVALENTS		
Cash on Hand **	380728	604812
Balance with Bank		
In current and Deposit Account *	9495253	12513225
Others		
Deposits with Financial Institution	8700000	0
	18575981	13118037

* a) Includes Un paid Dividend A/c ₹ 17199/- (Pr.yr ₹ 17199/-)

b) Bank FDR of ₹ 15937/- with maturity of more than one year

** c) Please refer note 2.33 for details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 31/12/2016.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.14 SHORT TERM LOANS AND ADVANCES		
Un- secured, considered good		
Balances with Tax authorities	11365088	9317153
Advances to Employees and Contractors	712871	330638
Prepaid Expenses	1181491	1095956
Other Advances	730499	1269748
	<u>13989949</u>	<u>12013495</u>
2.15 OTHER CURRENT ASSETS		
Interest accrued on FDR	616020	579220
Other Current Assets	1561983	272897
	<u>2178003</u>	<u>852117</u>
2.16 REVENUE FROM OPERATIONS		
Sales -Jewellery	679777864	573746932
Sales- Diamond	26853402	20548798
Sales- P.stones &Others	1172809	2337235
Services-Labour charges	214000	333646
TOTAL	<u>708018075</u>	<u>596966611</u>
2.17 OTHER INCOME		
Dividend - Long term Investments	11000	54050
Interest received #	1438951	1432942
Gain on Foregin currency transaction / translation	7992141	0
Service tax refund	103903	0
Rent recd	420000	444000
TOTAL	<u>9965995</u>	<u>1930992</u>
# Interest received includes Interest on bank deposit & others of ₹ 6.77 lacs (Pr.yr 6.82 lacs) and Interest on loans and advances of ₹7.31 lacs (Pr. Yr .7.51 lacs)		
2.18 MATERIALS		
1) COST OF MATERAILS CONSUMED		
Gold	147234497	111902898
Diamond	402096052	336685006
Others	55742101	30919788
	<u>605072650</u>	<u>479507692</u>
2) PURCHASE OF STOCK IN TRADE		
Diamond & P/stones	27336255	22139669
2.19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK - IN -TRADE		
Opening Stock of Finished Goods	55974808	59323730
Add : Purchases of Finished Goods	18206290	4248551
	<u>74181098</u>	<u>63572281</u>
Less : Closing Stock of Finished Goods	69536834	55974808
Less : Melting of Finished Goods	17901940	4248551
TOTAL	<u>(13257676)</u>	<u>3348922</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.20 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	20544489	17796604
Contribution to PF & Other Funds	2691987	2318312
Welfare Expenses	70608	77629
	<u>23307084</u>	<u>20192545</u>
Directors Remuneration (Including ₹ 7,40,549 /- for perks)	<u>7940549</u>	<u>7513202</u>
TOTAL	<u><u>31247633</u></u>	<u><u>27705747</u></u>
2.21 FINANCIAL COSTS		
Interest paid	<u>8285175</u>	<u>8424047</u>
TOTAL	<u><u>8285175</u></u>	<u><u>8424047</u></u>
2.22 OTHER EXPENSES		
Consumable Stores, Spares & Tools	3791483	2691438
Labour Charges	29975911	27795896
Rent	3283749	3153553
Electricity Charges	2891929	3000699
Directors Sitting Fees	10000	30000
Professional & Technical Fees	2758283	2255754
Bank Charges	1410940	1047979
ECGC Premium charges	859511	890316
Rates & Taxes	2395455	135139
Repairs & Maintenance :		
Repairs & Maintenance to Machinery	556347	527220
Buildling	1500	2750
Others	<u>1604263</u>	<u>1684801</u>
Donations	514201	520002
Auditors Remuneration :		
As Auditors	664000	580000
For Taxation Services	<u>136000</u>	<u>120000</u>
	<u>800000</u>	<u>700000</u>
Insurance	576312	554957
Commission & Discount	2189612	1954474
Loss on Foreign currency transaction / translation	0	118856
Loss on Sale of Car	0	27216
Other General Expenses	12133958	11468658
Prior Period Items		
Property Taxes	2254360	0
Repairs & maint- others	0	6343
Service Tax	0	20627
Interest on PT	1100	0
Insurance	4077	0
Refreshments	396	0
Professional fees	11427	0
Membership & Subscription	2000	0
Bank Charrges	0	618
Freight & forwarding	<u>0</u>	<u>1313</u>
	<u>2273360</u>	<u>28901</u>
TOTAL	<u><u>68026814</u></u>	<u><u>58588609</u></u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

	31.03.2017	31.03.2016
	(₹ in Lacs)	(₹ in Lacs)
2.23 CONTINGENT LIABILITIES		
i) In respect of Income Tax matters contested by the company	741.85	741.85
ii) In respect of Custom Duty matter	4.51	4.51

2.24. FINANCIAL AND DERIVATIVE INSTRUMENT :-

- The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
- Foreign Currency exposure that is not hedged by forward exchange contract as on 31-03-2017 ₹ 141.94 Lacs on account of Imports & others (Pr. Yr 140.22 Lacs) and ₹806.15 lacs on account of Export of goods. (Previous Year ₹ 1096.85 lacs)

2.25 a) CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & STORES

A) RAW MATERIALS CONSUMED	(₹ in Lacs)	%	(₹ in Lacs)	%
Indigenous	5613.56	89%	4552.03	91%
Imported	710.53	11%	464.44	9%
B) STORES & TOOLS CONSUMED				
Indigenous	20.05	53%	18.14	67%
Imported	17.86	47%	8.78	33%
b) CIF VALUE OF IMPORTS (Including Inter Unit Purchases)	(₹ in Lacs)		(₹ in Lacs)	
Raw Materials	757.04		405.41	
Stores & Consumables & Spares	3.97		4.84	
Finished Goods	178.69		42.30	
Fixed Assets	11.40		0.71	
TOTAL	951.09		453.26	
c) EARNINGS IN FOREIGN EXCHANGE				
FOB Value of Exports	6657.90		5547.21	
d) EXPENDITURE IN FOREIGN CURRENCY	(₹ in Lacs)		(₹ in Lacs)	
Travelling Expenses	10.56		15.10	
Exhibition Expenses & Advances	10.79		10.25	
Bank Charges	0.63		0.72	
Membership & subscription	0.13		0.80	
Postage & Telephone	0.06		0.13	
TOTAL	22.17		27.00	

2.26 SEGMENT REPORTING

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

GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)

COUNTRY	(₹ in Lacs)			
	SALES 31/03/2017	BALANCE ON 31/03/2017	SALES 31/03/2016	BALANCE ON 31/03/2016
EXPORTS				
U.S.A.	4419.97	681.88	3391.25	460.92
EUROPE	1067.68	0.67	930.19	105.94
MIDDLE EAST	1028.83	119.35	1015.48	529.99
OTHERS	150.65	5.19	216.93	0.93
LOCAL SALES	410.92	291.53	412.49	241.37
TOTAL	7078.04	1098.62	5966.33	1339.15

(Contd.)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.27 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

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

D) Relatives of Key Management Personnel and Associates

Smt Rajrani Godha
Smt Sudha Godha
Smt Namita Godha
Shri Varun Godha
Smt Deepika Godha

} Relatives of Directors

Details of Transactions are as below:

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2017	OUTSTANDING 31.03.2017	TRANSACTION AMOUNT 31.03.2016	OUTSTANDING 31.03.2016
1	Shantivijay Impex DMCC	Subsidiary of Wholly owned subsidiary	Sales Purchases	4148475 4407398	0 2594592 CR	0	0
2	Diamondere P Ltd	Associate Company	Sales & Labour Rent	12940675 420000	6855158 DR	9615028 420000	5965683 DR
3	Pradeep Kumar Godha	Managing Director	Remuner+perks	3989689	268457 CR	3720896	455338 CR
4	Anurag Godha	Managing Director	Remuner+perks	3964337	130320 CR	3792306	410508 CR
5	Rajrani Godha — Do —	Relative of Director — Do —	Rent paid Security deposit paid	120000 0	114810 CR 12000000 DR	120000 0	66500 CR 12000000 DR
6	Sudha Godha	Relative of Director	Remuneration +Bonus	345600	17155 CR	277200	158985 CR
7	Namita Godha	Relative of Director	Remuneration +Bonus	345600	312392 CR	277200	322392 CR
8	Varun Godha	Relative of Director	No Transaction	0	12955 CR	0	46914 CR
9	Deepika Godha	Relative of Director	Remuneration +Bonus	251520	0 CR	192000	0 CR

Surety given to Company's banker by Third parties

1	Rajrani Godha	Relative of Director	Surety given to Company bankers (without any charge)	Market value	41160000	41160000
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2.28 LEASE DISCLOSURES

Company have not entered into any Lease Agreement.

2.29 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

Basic & Diluted	(₹ in Lacs)	
	31.03.2017	31.03.2016
Loss after Tax as per Accounts	(131.45)	(52.46)
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) ₹	(4.38)	(1.75)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (Contd.)

2.30 ACCOUNTING FOR DEFERRED TAX

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

Major components of Deferred Tax Liability is arising on account of timing difference as under :

Deferred Tax Assets	Upto 31/03/2017	(₹ in Lacs) Upto 31/03/2016
Assets		
Difference between Book & Tax Depreciation	29.92	31.71
Less : Provision for Gratuity	1.97	1.09
Net Deferred tax assets	27.95	30.62
Deferred Tax Liability Provision required	(2.66)	0.05

2.31 The Profit & Loss A/c includes exchange difference of ₹ 79.92 lacs (Credit) (Pr Year ₹ NIL) and ₹ Nil (Debit) (Pr year ₹ 1.19 lacs Dr)

2.32 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.

2.33 Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is as under:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	397274	397274
(+) Permitted receipts	-	300000	300000
(-) Permitted payments	-	268598	268598
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	428676	428676

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

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

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

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

Place : MUMBAI
Dated : 23rd June, 2017

For SHANTIVIJAY JEWELS LTD.

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

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

Sd/-
J.B. SHAH
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 (₹)	(₹ in Thousands) 2016 (₹)
A. CASH FLOW FROM OPERATION ACTIVITIES :-		
Net Loss before tax & extraordinary items	(12879)	(5251)
Add: Adjustments for :		
Depreciation & Amortisation	4152	4434
Finance Cost	8285	8424
	(442)	7607
Adjustments for :		
Interest/Dividend Received	(1450)	(1487)
<i>Operating Loss before working capital changes</i>	(1892)	6120
Adjustments for :		
(Increase)/ Decrease in operating assets		
Inventories	(28884)	(27229)
Trade receivables	24053	22193
Short term loans & advances	(1976)	(6054)
Other non-current assets	0	0
Long term loans & advances	(12)	824
Other Current assets	(1326)	(545)
	(10037)	(4691)
Increase /(Decrease) in operating liabilities		
Trade Payables	14805	20951
Other Current liabilities	309	46
Other long term liabilities	0	0
Long term provisions	300	2
Short term Provisions	340	77
Cash generated from Operation	5717	16385
Finance Cost	(8285)	(8424)
Taxes Paid	(4195)	(3719)
Net cash (used in)/ from Operating activities	(6763)	4242
B. CASH FLOW FROM INVESTING ACTIVITIES :-		
Purchase of Fixed assets	(3009)	(2884)
Sale /Impairment of Fixed Assets.	0	116
Interest & Dividend Received	1450	1487
<i>Net cash(used in)/from Investment activities</i>	(1559)	(1281)
C. CASH FLOW FROM FINANCING ACTIVITIES :-		
Increase in Bank borrowings	13780	(2395)
<i>Net cash used in Finance activities</i>	13780	(2395)
NET DECREASE IN CASH EQUIVALENTS (B+C+A)	5458	567
Cash and Cash Equivalents		
Opening Balance	13118	12551
Closing Balance	18576	13118
	5458	567

() Indicates deductions.

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B. F. Chordia & Co.
Chartered Accountants

FRN: 101914W

Sd/-

B. F. Chordia

Proprietor

Membership No. 9026

Place : MUMBAI

Dated : 23rd June, 2017

For SHANTIVIJAY JEWELS LTD.

Sd/-

P. K. GODHA

(Chairman & M.D)

Sd/-

A. K. GODHA

(Vice Chairman & M.D)

Sd/-

J.B. SHAH

(Director)

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, 2017, 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 (herein after refer to as the Consolidated Financial Statements).

Management's Responsibility for the Consolidated Financial Statements

2) The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Grouping accordance with the accounting principles generally accepted in India, including the Accounting Standards specified Under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and Fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3) Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

4) we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5) We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

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

7) We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our unqualified audit opinion on the Consolidated Financial Statements.

Opinion

8) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated Loss and their consolidated cash flows for the year ended on that date.

Other Matters

9) 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 ₹ 2,642.80 lakhs as at March 31, 2017 and total revenues of ₹ 2,680.54 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.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

10) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

a. We have sought and, obtained all the information and explanations which to the best of our knowledge and

- belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified Under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the Directors of the Company, as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of the subsidiaries, none of the Directors of the Group Companies is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act,
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure ' and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us,
- i. The Consolidated Financial Statements disclose the compact of pending litigations on the consolidated financial position of the Group Refer Note 2.23 to the consolidated financial Statements.
 - ii. The Group does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the consolidated financial statements as regards its holding and dealings in Specified Bank Notes as defined in Notification S.O 3407 (E) dated November 8, 2016 of the Ministry of Finance, during the period from November8, 2016 to December 30, 2016 of the Group entities as applicable. Based on the audit procedure performed and the representation provided to us by the management we report that disclosures are in accordance with the books of account maintained by those entities for the purpose of preparation of the consolidated financial statement and as produced to us by the management of the respective Group entities.

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

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

PLACE : MUMBAI
DATE : June 23rd, 2017

Annexure to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

- 1) In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2017, We have audited the internal financial controls over financial reporting of Shantivijay Jewels Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- 2) The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

- 3) Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- 4) Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

- 5) We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

- 6) A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that
 - (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
 - (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
 - (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

- 7) Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8) In our opinion, the Holding Company and its subsidiary companies, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9) Our aforesaid reports under Section 143(3) (1) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it related to the subsidiaries, is based on the corresponding reports of the auditors of such companies.

For B. F. CHORDIA & CO
Chartered Accountants

FRN : 101914w

Sd/-

B. F. CHORDIA

Proprietor

Membership No . : 9026

PLACE : MUMBAI

DATE : June 23rd, 2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No	As at 31st March 2017 (₹)	As at 31st March 2016 (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	30020000	30020000
(b) Reserves and Surplus	2.2	428878572	444275383
(2) Non-Current Liabilities			
(a) Long -term provisions	2.3	637067	337496
(3) Current Liabilities			
(a) Short-term borrowings	2.4	181504953	167724981
(b) Trade payables	2.5	125894517	101464558
(c) Other current liabilities	2.6	1689768	1653299
(d) Short-term provisions	2.7	1997480	1657233
Total		<u>770622356</u>	<u>747132950</u>
II. Assets			
(1) Non-current assets			
<i>(a) Fixed assets</i>			
(i) Tangible assets	2.8	32173049	33743796
(ii) Intangible assets	2.8	2091917	2272326
(b) Non-current investments	2.9	175975	175975
(c) Deferred tax assets (net)		2795000	3061000
(d) Long term loans and advances	2.10	73661439	69568530
(2) Current assets			
(a) Inventories	2.11	410079671	405312070
(b) Trade receivables	2.12	201818894	193305632
(c) Cash and cash equivalents	2.13	24492568	19546076
(d) Short-term loans and advances	2.14	21155840	19295430
(e) Other current assets	2.15	2178003	852117
Total		<u>770622356</u>	<u>747132950</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON FINANCIAL STATEMENTS 1 & 2

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

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

For SHANTIVIJAY JEWELS LTD.

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

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

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

Sd/-
J.B.SHAH
Director

Place : MUMBAI
Dated : 23rd June, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Note No	31.03.2017 (₹)	31.03.2016 (₹)
I. Revenue from operations	2.16	967515783	881142116
II. Other Income	2.17	10322550	1930992
III. Total Revenue (I +II)		977838333	883073108
IV. Expenses:			
Cost of materials consumed	2.18	605072650	479507692
Purchase of Stock-in-Trade	2.18	27336255	22139669
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.19	234277419	269013737
Employee benefit expense	2.20	33155839	29327172
Financial costs	2.21	8285175	8424047
Depreciation and amortization expense		4637554	4906105
Other expenses	2.22	75062425	65298586
Total Expenses		987827316	878617011
V. Loss before tax (III - IV)		(9988983)	4456096
VI. Tax expense:			
Deferred tax		266000	(5000)
VII. Loss for the period from continuing operations		(10254983)	4461096
VIII. Earning per equity share:			
Equity share of par value of Rs. 10/- each			
(1) Basic & Diluted		(3.42)	1.49
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
FRN: 101914W

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

Place : MUMBAI
Dated : 23rd June, 2017

For SHANTIVIJAY JEWELS LTD.

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

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

Sd/-
J.B.SHAH
Director

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE NO - 1

SIGNIFICANT ACCOUNTING POLICIES

Corporate Information :

Shantivijay Jewels Ltd. is located in Special Economic Zone Mumbai having its showroom in Trident Hotel , Mumbai and factory at MIDC, Andheri . Company is engaged in Manufacturing and exports of wide range of studded gold jewellery and Diamond and Pstones. 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	County of Incorporation	% of Voting Power held as at 31.03.2017
a) Shantivijay Jewels International Ltd.	Mauritius	100%
b) Shantivijay Impex DMCC	Dubai	100%

(Wholly owned subsidiary of Shantivijay Jewels International Ltd.)

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 Deprecation. Additions to Fixed assets are net of Modvat Credit wherever applicable. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
 - b) Effective 1st April 2014, the company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practise of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- ii) **Intangible Assets :**
Computer Software : Intangible Assets are stated at cost of acquisition less accumulated amortization.
Computer Software is amortized over a period of Five Years in equal installments.

e) Investments

Long term Investments are valued at cost with an appropriate provision for permanent diminution in value.
Current investments are stated at lower of the cost or quoted / fair value.

f) Inventories

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

g) Foreign Currency Transaction

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

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)**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 / ESIC 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 Rs. 8.59 Lacs.

i) Taxation

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

j) Other Significant Accounting Policies

These are set out in the Notes to Accounts under Significant Accounting Policies for Financial statements of the Company and its Subsidiaries.

2. CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

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

	31.03.2017 (₹)	31.03.2016 (₹)
2.1 SHARE CAPITAL		
Authorised- Equity shares of ₹ 10 par value 6000000 Equity Shares	60000000	60000000
Issued, Subscribed & Paid Up		
3002000 Equity Shares of ₹ 10/- par value fully paid	30020000	30020000
TOTAL	30020000	30020000

(1) 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, 2017 is set out below :

Name of the shareholder	31.03.2017		31.03.2016	
	No of shares	%	No of shares	%
1 Rajrani Bimalchand Godha	837607	27.90	823178	27.42
2 Pradeepkumar Bimalchand Godha	491674	16.38	480853	16.02
3 Anurag Bimalchand Godha	488764	16.28	477943	15.92
4 Varun pradeep kumar Godha	268500	8.94	268500	8.94
5 Namita Anurag Godha	191295	6.37	191295	6.37
6 Sudha Pradeepkumar Godha	188795	6.29	188795	6.29
7 Anish Anurag Godha	151600	5.05	151600	5.05

The reconciliation of the number of shares outstanding as at March 31, 2017 and March 31, 2016 is set out below :

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of Shares		No. of Shares	
Number of shares at the beginning and at the end	3002000		3002000	
	₹ 30020000/-		₹ 30020000/-	

2.2 RESERVE AND SURPLUS

Security Premium Reserve	46797952	46797952
Capital Reserve	20055422	20055422
General Reserve	108961350	108961350
Exchange Translation reserve	61639932	66781761
Profit & Loss Account		
Opening Balance	201678898	197217802
Add : Trf from statement of profit & loss	(10254983)	4461096
	191423915	201678898
TOTAL	428878572	444275383

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.3 LONG TERM PROVISIONS		
Provision for Employee benefits-Gratuity	<u>637067</u>	<u>337496</u>
	<u>637067</u>	<u>337496</u>
2.4 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	<u>111335571</u>	<u>111580342</u>
DISCOUNTED BILLS (Secured)	<u>70169382</u>	<u>56144639</u>
(Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immoveable property of Bharat Diamond Bourse and Rajrani Godha, personally guaranteed by whole time directors.)		
	<u>181504953</u>	<u>167724981</u>
2.5 TRADE PAYABLES		
Trade Payables	<u>125894517</u>	<u>101464558</u>
(Including ₹ 4.99 lacs Due to Directors pr year ₹ 8.66 lacs)	<u>125894517</u>	<u>101464558</u>
2.6 OTHER CURRENT LIABILITIES		
Advance from customers	<u>192000</u>	<u>403201</u>
Un-paid dividends *	<u>17199</u>	<u>17199</u>
Other Payables #	<u>1480569</u>	<u>1232899</u>
	<u>1689768</u>	<u>1653299</u>
* This amount , due and outstanding, to be credited to Investor Education and Protection Fund.		
# Includes Statutory dues & security deposit		
2.7 SHORT TERM PROVISION		
Provisions for Employee Benefits- Bonus	<u>1997480</u>	<u>1657233</u>
	<u>1997480</u>	<u>1657233</u>

NOTE NO 2.8 FIXED ASSETS :
(FIGURES IN RUPEES)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2016	Additions / adjustments	Deductions/ adjustments	As at 31.03.2017	As at 01.04.2016	FOR THE YEAR	Deductions/ adjustments	Upto 31.03.2017	AS ON 31.03.2017	AS ON 31.03.2016
Tangible Assets										
Building	45266315	0	0	45266315	26901644	985555	0	27887199	17379116	19104608
Plant and Equipments	25308700	1343281	0	26651981	16537113	918533	0	17455646	9196335	9197607
Office Equipments	8623418	408425	0	9031843	7698772	417766	0	8116538	915305	1128794
Furniture and Fixtures	7365074	35020	0	7400094	5414324	274620	0	5688944	1711150	2208281
Vehicles*	9140257	38000	0	9178257	5547466	659648	0	6207114	2971147	3099701
Total (a)	95703763	1824726	0	97528489	62099319	3256122	0	65355440	32173049	34738987
Intangible Assets										
Software	7765528	1184641	0	8950169	5493202	1365049	0	6858252	2091917	2971610
Total (b)	7765528	1184641	0	8950169	5493202	1365049	0	6858252	2091917	2971610
Total (a + b)	103469292	3009367	0	106478658	67592521	4621171	0	72213692	34264966	37710597
Previous Year	101552044	2938613	780415	103710241	63445671	4912759	664310	67694119	36016121	37710597

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

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.9 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
	175975	175975
183000 fully paid Equity shares of ₹10/- each of German Garden Ltd.	2021613	2021613
Less : Provision for Diminution in the value	2021613	0
	0	2021613
(Total Provision for diminution in the value of Investment ₹ 20.22 lacs)		
(Market Value of quoted shares ₹ 14.71 Lacs, Previous Yr ₹ 9.32 Lacs)		
(Book value ₹ 1.76 Lacs, Previous year ₹1.76 Lacs)		
TOTAL	175975	175975
(Aggregate provision for diminution in the value of investment of ₹ 20.21 lacs for 183000 shares of German Garden)		
2.10 LONG TERM LOANS AND ADVANCES		
Un-secured, considered good		
Loans and advances to Employees	433000	436000
Balances with Tax authorities	20612953	16418295
Capital advances-Advance against property	29369200	29369200
Other loans & advances	9335227	9339580
Rental Deposits	12703230	12703230
Other Security Deposits	1207829	1302225
	73661439	69568530
2.11 INVENTORIES		
(Raw materials and Finished goods are valued at lower of the cost or net realisable value & Stores, Spares & Tools are valued at lower of the cost or net realisable value.)		
Raw Materials	187992118	172743015
Finished Goods	218892543	229446906
Stores & Spares	1929175	1992180
Loose tools	1265835	1129969
TOTAL	410079671	405312070
2.12 TRADE RECEIVABLES		
Un-secured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	72671900	63620803
Other debts considered good	129146994	129684829
	201818894	193305632
2.13 CASH AND CASH EQUIVALENTS		
Cash on Hand**	432863	651518
Balance with Bank		
In current and Deposit Account *	15359705	18894558
Others		
Deposits with Financial Institution	8700000	0
	24492568	19546076

* a) Includes Un paid Dividend A/c ₹ 17199/- (Pr. yr ₹ 17199/-)

b) Bank FDR of ₹ 15937/- with maturity of more than one year

** c) Please refer note 2.28 for details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 31/12/2016.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

	31.03.2017 (₹)	31.03.2016 (₹)
2.14 SHORT TERM LOANS AND ADVANCES		
Un secured, considered good		
Balances with Tax authorities	11365088	9317153
Advances to Employees and Contractors	712871	330638
Prepaid Expenses	2156760	2053136
Other Advances	6921121	7594503
	<u>21155840</u>	<u>19295430</u>
2.15 OTHER CURRENT ASSETS		
Interest accrued on FDR	616020	579220
Other Current Assets	1561983	272897
	<u>2178003</u>	<u>852117</u>
2.16 REVENUE FROM OPERATIONS		
Sales -Jewellery	939275572	857922437
Sales- Diamond	26853402	20548798
Sales- P.stones &Others	1172809	2337235
Services-Labour charges	214000	333646
TOTAL	<u>967515783</u>	<u>881142116</u>
2.17 OTHER INCOME		
Dividend - Long term Investments	11000	54050
Interest received #	1438951	1432942
Gain on Foreign currency transaction / translation	7992141	0
Service tax refund	103903	0
Rent recd	420000	444000
Profit on Investment	356555	0
TOTAL	<u>10322550</u>	<u>1930992</u>
# Interest received includes Interest on bank deposit & others of ₹ 6.77 lacs (Pr. yr ₹ 6.82 lacs) and Interest on loans and advances of ₹ 7.31 lacs (Pr. Yr .7.51 lacs)		
2.18 MATERIALS		
1) COST OF MATERIALS CONSUMED		
Gold	147234497	111902898
Diamond	402096052	336685006
Others	55742101	30919788
	<u>605072650</u>	<u>479507692</u>
2) PURCHASE OF STOCK IN TRADE		
Diamond & P/stones	27336255	22139669
2.19 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK - IN -TRADE		
Opening Stock of Finished Goods	229446906	265236743
Add : Purchases of Finished Goods	241624996	237472451
	<u>471071902</u>	<u>502709194</u>
Less : Closing Stock of Finished Goods	218892543	229446906
Less : Melting of Finished Goods	17901940	4248551
TOTAL	<u>234277419</u>	<u>269013737</u>

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

	31.03.2017 (₹)		31.03.2016 (₹)
2.20 EMPLOYEE BENEFIT EXPENSES			
Salaries & Wages	22321897		19418029
Contribution to PF & Other Funds	2691987		2318312
Welfare Expenses	201405		77629
	<u>25215290</u>		<u>21813970</u>
Directors Remuneration	7940549		7513202
TOTAL	<u><u>33155839</u></u>		<u><u>29327172</u></u>
2.21 FINANCIAL COSTS			
Interest paid	8285175		8424047
	<u>8285175</u>		<u>8424047</u>
2.22 OTHER EXPENSES			
Consumable Stores, Spares & Tools	3791483		2691438
Labour Charges	29975911		27795896
Rent	5646155		5386075
Electricity Charges	3106010		3207664
Directors Sitting Fees	10000		30000
Professional & Technical Fees	3747552		2986470
Bank Charges	1458655		1078292
ECGC Premium charges	859511		890316
Rates & Taxes	2395455		135139
Repairs & Maintenance :			
Repairs & Maintenance to Machinery	556347		527220
Building	1500		2750
Others	1950081	2507928	2004591
Donations		514201	520002
Auditors Remuneration :			
As Auditors	907744		817279
For Taxation Services	136000		120000
		<u>1043744</u>	<u>937279</u>
Bad Debts written off	0		617107
Insurance	644898		568284
Commission & Discount	2189612		1954474
Loss on Foreign currency transaction / translation	23958		154200
loss on Sale of Car	0		27216
Prior Period Items			
Property Taxes	2254360		0
Interest on PT	1100		0
Insurance	4077		0
Refreshments	396		0
Professional fees	11427		0
Membership & Subscription	2000		0
Repairs & maint- others	0		6343
Service Tax	0		20627
Bank Charges	0		618
Freight & forwarding	0	2273360	1313
Other General Expenses		<u>14873992</u>	<u>13755273</u>
TOTAL		<u><u>75062425</u></u>	<u><u>65298586</u></u>
2.23 CONTINGENT LIABILITIES			(Rupees in lacs)
i) In respect of Income Tax matters contested by the company		741.85	741.85
ii) In respect of Custom Duty matter		4.51	4.51

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017 (Contd.)

31.03.2017
(₹) 31.03.2016
(₹)

2.24 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)

(Rupees in lacs)

COUNTRY	SALES 31-03-2017	BALANCE ON 31-03-2017	SALES 31-03-2016	BALANCE ON 31-03-2016
EXPORTS				
U.S.A.	4464.60	739.55	3560.12	579.66
EUROPE	2751.77	106.44	2294.33	256.40
MIDDLE EAST	1806.90	843.55	1836.29	540.01
OTHERS	238.83	37.11	699.51	315.62
LOCAL SALES	410.92	291.53	412.49	241.37
	9673.02	2018.19	8802.74	1933.06

2.25 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

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

D) Relatives of Key Management Personnel and Associates

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

Details of Transactions are as below,

SR. NO	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2017	OUTSTANDING 31.03.2017	TRANSACTION AMOUNT 31.03.2016	OUTSTANDING 31.03.2016
1	Diamondere P. Ltd.	Associate Company	Sales & Services Rent	12940675 420000	5965683 DR	9615028 420000	5965683 DR
2	Pradeep Kumar Godha	Managing Director	Remuner+perks	3989689	268457 CR	3720896	455338 CR
3	Anurag Godha	Managing Director	Remuner+perks	3964337	130320 CR	3792306	410508 CR
4	Rajrani Godha	Relative of Director	Remuneration+Bonus and rent paid Security deposit paid	120000 0	114810 CR 12000000 DR	120000 0	66500 CR 12000000 DR
5	Sudha Godha	Relative of Director	Remuneration +Bonus	345600	17155 CR	277200	158985 CR
6	Namita Godha	Relative of Director	Remuneration +Bonus	345600	312392 CR	277200	322392 CR
7	Varun Godha	Relative of Director		0	12955 CR	0	46914 CR
8	Deepika Godha	Relative of Director	Remuneration+Bonus	251520	0	192000	0 CR

(Contd.)

Surety given to Company's banker by Third parties

1	Rajrani Godha	Relative of Director	Surety given to Company bankers (without any charge)	Market value	41160000	41160000
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2.26 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

Basic & Diluted

	2017	2016
	(Rupees in Lacs)	
Profit after Tax as per Accounts	(102.55)	44.61
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) Rs.	(3.42)	1.49

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

Name of the Enterprise	Net Assets i.e total assets minus total liabilities		Share in Profit or loss	
	As % of consolidated Net Assets	Rupees in Lacs	As of % of consolidated profit or loss	Rupees in Lacs
Parent				
Shantivijay Jewels Ltd.	50%	2426.52	74	76.39
Foreign Subsidiary				
Shantivijay Jewels Intl Ltd.	27%	1287.63	-10	(10.57)
Shantivijay Impex DMCC	23%	1105.32	36	36.73
		4819.47		102.55

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

2.28 Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is as under:

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	-	397274	397274
(+) Permitted receipts	-	300000	300000
(-) Permitted payments	-	268598	268598
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	428676	428676

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

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

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

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

For SHANTIVIJAY JEWELS LTD.

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

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

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

Sd/-
J.B.SHAH
Director

Place : MUMBAI
Dated : 23rd June, 2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	2017	(₹ in Thousands) 2016
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Loss before tax & extraordinary items	(10351)	4078
Adjustments for :		
Depreciation & Amortisation	4621	4913
Finance Cost	8285	8424
	2555	17415
Adjustments for :		
Interest/Dividend Received	(1450)	(1487)
<i>Operating Profit before working capital changes</i>	1105	15928
Adjustments for :		
Trade receivables	(12368)	7720
Inventories	(8193)	18162
Short term loans & advances	(2287)	(27328)
Long term loans & advances	(12)	824
Other Current assets	(1326)	(545)
	(23081)	14762
Increase /(Decrease) in operating liabilities		
Trade Payables	27419	(7896)
Other Current liabilities	309	10910
Other Long term liabilities	0	0
Long term provisions	300	2
Short term Provisions	394	(281)
Cash generated from Operation	5342	17498
Finance Cost	(8285)	(8424)
Taxes Paid	(4195)	(3719)
Net cash (used in)/from Operating activities	(7138)	5355
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed assets	(3009)	(2939)
Sale /Impairment of Fixed Assets.	0	116
Interest & Dividend Received	1450	1487
Net cash /(used in)/from Investment activities	(1559)	(1336)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Bank borrowings	13780	(2395)
Net cash (used in)/from Finance activities	13780	(2395)
NET DECREASE IN CASH EQUIVALENTS (B+C+A)	5083	1624
Cash and Cash Equivalents		
Opening Balance	19410	17922
Closing Balance	24493	19546
	5083	1624

() 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
FRN: 101914W

For SHANTIVIJAY JEWELS LTD.

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

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

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

Place : MUMBAI
Dated : 23rd June, 2017

Sd/-
J.B.SHAH
Director

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

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



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

Tel: +91 – 22 – 42182244 **Fax:** +91-22-28291360/42182211

Email: shantivijay@shantivijay.com • **Website:** www.shantivijay.com

CIN-U36910MH1980PLC023289

44th Annual General Meeting – Monday, September 4, 2017

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

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

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ or failing him;
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ or failing him; (Contd.)

(Tear Here)

- (Tear Here) -



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

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

CIN-U36910MH1980PLC023289

44th Annual General Meeting – Monday, September 4, 2017

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 44th 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 Monday, 4th September, 2017 at 3.00 P.M.

Name of the Member in BLOCK Letters Member's Signature

Name of the Proxy in BLOCK Letters Member's Signature

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

3. Name: _____
 Address: _____
 E-mail Id: _____
 Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company, to be held on Monday, 4th September, 2017 at 3.00 p.m. at Conference Hall, All India Institute of Local Self-Govt, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai - 400058, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Optional*	
		For	Against
1	Adoption of Financial Statements (Standalone and Consolidated) for the year ended 31 st March, 2017.		
2	To appoint a Director in place of Shri. Pradeep Kumar Godha, who retires by rotation and, being eligible, offers himself for reappointment.		
3	To ratify appointment of Auditors and to fix their remuneration.		

Signed this _____ day of _____ 2017

Signature of Proxy holder(s) _____

Affix
Re. 1/-
Revenue
Stamp

Signature of shareholder _____

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
- A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Bank. Further, a Member holding more than ten percent, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
 * it is optional to put a '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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