

18th ANNUAL REPORT

NAME : Shukra Bullions Limited

**ADDRESS : Corporate Office
232, Pancharatna,
Opera House,
Mumbai-400004.**

**Registered Office
S-17, Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road,
Daman-396210. (U.T.)**

YEAR : 2011-2012

BOARD OF DIRECTORS

MR. CHANDRAKANT H SHAH
MRS. MAYURI C SHAH
MR. SAURABH C SHAH
MR. ANIL M. PATEL
MR. VINOD N SHAH
MR. RAMJI KHIMJI RAJPUT

CHAIRMAN & MANAGING DIRIECTOR
DIRECTOR
DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

AUDITORS

S K JHA & CO.
CHARTERED ACCOUNTANTS
204, ISCON PLAZA,
SATELLITE ROAD,
SATELLITE ,
AHMEDABAD- 380015.

BANKERS

ORIENTAL BANK OF COMMERCE
ICICI BANK LIMITED
THE FEDERAL BANK LIMITED

REGISTERED OFFICE

S-17,CHIRAG INDUSTRIAL COMPLEX,
39/40, GOLDEN INDUSTRIAL ESTATE,
SOMNATH ROAD,
DAMAN (U.T.)-396210.

CORPORATE OFFICE

232, PANCHRATNA,
OPERA HOUSE,
MUMBAI- 400004.
MAHARASHTRA

FACTORY :-

UNIT NO.158, PLOT NO. 158-D
SURAT SPECIAL ECONOMIC ZONE
SACHIN,SURAT-GUJARAT

REGISTRAR AND TRANSFER AGENT

BIG SHARE SERVICES PVT LIMITED
E-2, ANSA INDUSTRIAL ESTATE,
SAKI VIHAR ROAD,
SAKI NAKA, ANDHERI (EAST), MUMBAI

CONTENTS

- NOTICE
- DIRECTORS' REPORT
- MANAGEMENT DISCUSSION & ANALYSIS REPORT
- CORPORATE GOVERNANCE REPORT
- AUDITOR'S REPORT
- BALANCE SHEET
- STATEMENT OF PROFIT AND LOSS
- CASH FLOW STATEMENT
- NOTES ON ACCOUNTS

VENUE OF AGM AND OTHER DETAILS

DATE : SEPTEMBER 28TH, 2012

DAY : FRIDAY

TIME : 11:30 A. M.

VENUE : S-17, CHIRAG INDUSTRIAL COMPLEX
39/40, GOLDEN INDUSTRIAL ESTATE,
SOMNATH ROAD
DAMAN (U.T.) - 396210

BOOK CLOSURE DATE : From 24th September TO 28th September 2012

NOTICE :-

Notice is hereby given that the 18th Annual General Meeting of the Members of Shukra Bullions Limited will be held on Friday, 28th day of September, 2012 at 11:30 A..M. at Registered Office of the Company at Chirag Industrial Complex, 39/40 Somnath Road, Daman (U.T.) to transact the following business:-

ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the statement of profit and loss for the year ended on that date and the reports of the Board of Director's and Auditor's thereon.
2. To appoint a Director in place of Mr. Vinod N Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anil M Patel who retires by rotation and being eligible, offers himself for re-appointment.
4. Mr. Jayendra H Shah has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Jayendra H Shah for the work done in his tenure. Mr. Saurabh Shah has joined directorship at the company with effect from 17th March, 2012.
5. Mr. Nasirul Haque has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Nasirul Haque for the work done in his tenure. Mr. Ramji Khimji Rajput has joined directorship at the company with effect from 17th March, 2012.
6. To appoint auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

4

NOTES :-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. However proxy forms must be deposited at the registered office of the company not later than 48 hour before commencement of the meeting.
2. The Register of the Members and Share Transfer Books of the Company will remain closed from Monday 24th September, 2012 to Friday 28th September, 2012 (Both day inclusive).
3. Shareholder/Proxy holders are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
4. Members desiring any information as regard accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
5. Members are requested to bring their copy of this annual report to the meeting.

Registered Office:
Chirag Industrial Complex
39/40, Golden Industrial Estate
Somnath Road ,
Daman-U.T.
Date:- 30th August, 2012

For and on Behalf of the Board

Chandrakant H Shah
Chairman & Managing Director

DIRECTORS' REPORT

To
The Members

Your Directors take great pleasure in presenting the 18th Annual Report of the Company together with Audited Accounts for the year ended on March 31st, 2012.

Financial Results

PARTICULARS	2011-12	2010-11
	(Rs. in Lacs)	(Rs. in Lacs)
	AUDITED	AUDITED
Income From Operations	275.87	248.01
Other Income	0.07	0.00
Total Expenditure	274.56	242.65
Interest Cost	0.00	0.00
Profit before Depreciation (PBDT)	1.38	5.36
Depreciation	0.00	4.37
Profit before Tax	1.38	0.99
Provision for Taxation	0.52	0.52
Deferred Tax	(0.57)	0.41
Profit after Tax	1.43	0.06
Less : Proposed Dividend	0.00	0.00
Less : Transfer to G.R.	0.00	0.00
Balance Carried Forward to B/S	1.43	0.06

OPERATION

The company has set up a jewellery manufacturing unit for the exports at special economic zone at Sachin near Surat. Company is also engaged in trading of gems & jewellery item during the year.

During the year under review, the Company has achieved turnover of Rs. 2.76 Crore compared to Rs.2.48 Crore previous year.

CURRENT YEAR OUT LOOK

Company is negotiating for export orders with international buyers and management is hopeful to achieve higher turnover during the year.

DIVIDEND

No Dividend has been recommended by the Board as there was not sufficient profit in the company during the year.

DIRECTORS

Mr. Jayendra H Shah has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Jayendra H Shah for the work done in his tenure. Mr. Saurabh Shah has joined directorship at the company with effect from 17th March, 2012.

Mr. Nasirul Haque has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Nasirul Haque for the work done in his tenure. Mr. Ramji Khimji Rajput has joined directorship at the company with effect from 17th March, 2012.

In accordance with the provision of the Companies Act, 1956 Vinod N Shah independent director, retires by rotation and being eligible offers him for reappointment.

In accordance with the provision of the Companies Act, 1956 Anil M Patel independent director, retires by rotation and being eligible offers him for reappointment.

AUDITORS

M/s S K JHA & CO., Chartered Accountants, the company's Auditors retire at conclusion of the ensuing Annual General Meeting. They have signed their willingness to accept reappointment and have further confirmed their eligibility u/s 224(1B) of The Companies Act, 1956.

PUBLIC DEPOSITS

Your company has not accepted any fixed deposits within the meaning of section 58A from the public under the Companies Act, 1956 and the rules made there under.

AUDITOR'S REPORT

The auditors of the company has pointed out that the company has not made provision for depreciation amounting to Rs. 3,86,586. for assets at SEZ & Daman. The management of the company is of the opinion that same need not be provided as no manufacturing activities have been undertaken during the financial year.

Except above, observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There were no employees whose remuneration were in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

Information required under section 217(1) (e) of Companies Act.

i) **Conservation of energy**

In the opinion of the directors there is no need to take any measure in this regard. The company does not have any proposal for additional investment in this regard. The details of energy consumption are not required to be given.

ii) **Technology absorption**

No technology has been imported during the year.

iii) **Foreign Exchange Earnings & Outgo**

The Company mainline of business is the Manufacturing of Diamond Studded Gold Jewellery & Trading in Cut & Polished Diamonds.

a) Total Foreign Exchange Earned	: 7,54,784
b) Total Foreign Exchange Used	: NIL

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956, with respect to the Director's Responsibility Statement, it is hereby confirmed :

- i) That in the presentation of the annual accounts for the financial year ended 31st March 2012, the applicable accounting standards has been followed along with proper explanations relating to material departures :
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) That the directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the accounts for the financial year ended 31st March 2012 on a going concern basis.

LISTING

The Equity shares of the Company are listed at Bombay stock exchanges Limited. The Company has paid the Annual Listing fee to the above Stock Exchanges.

CORPORATE GOVERNANCE

The Company has been in compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

Report on Corporate Governance, Management Discussion and Analysis and Auditor's Report on compliance with the Corporate Governance Requirement have been included in the Annual Report in separate sections.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their warm appreciation and acknowledge with gratitude the assistance, co-operation and support extended to your Company by bankers, clients, employees as well as the investing community and look forward to their continued support.

Registered Office:
Chirag Industrial Complex
39/40, Golden Industrial Estate
Somnath Road ,
Daman-U.T.
Date:- 30th August, 2012

For and on Behalf of the Board

Chandrakant H Shah
Chairman & Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Particulars Required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

A. CONVERSION OF ENERGY

The Company's operations involve very low energy consumption, wherever possible measures have already been implemented. The measures set out above do not have any significant impact on the overall cost of the production.

B. TECHNOLOGY ABSORPTION

No technology has been imported during the year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company mainline of business is the Manufacturing of Diamond Studded Gold, Jewellery & Trading in Cut & Polished Diamonds.

Total Foreign Exchange Earned : 7,54,784

Total Foreign Exchange Used : NIL

For and on behalf of Board

Place : Mumbai
Date: 30th August, 2012

Chandrakant Shah
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

GEMS & JEWELLERY INDUSTRY OVERVIEW

The gems and jewellery industry can be classified into various sub segments like diamonds, colored stones, gold and silver jewellery pearls, etc. However, the two major segments in India are gold and diamonds India dominates the diamond processing trade with 11 out of 12 diamonds being cut and polished in India. India also dominates the gold and silver consumption globally. The industry holds prominent significance as it is a net exporter and provided employment to 1.3 million people directly and indirectly.

Gem and jewellery exports had a stellar run in financial year 2011-12, recording a 47% growth in value terms, against 16% growth of previous years.

The diamond exported increased by 55% during financial year 2011-12 while gold jewellery exports increased by 33%.

Gold and diamond exports in aggregate accounted for about 95% of India's gems and jewellery exports. The gem and jewellery sector in turn, contributed nearly 17% to the total Indian exports in financial 2011-12.

The reasons attributed for the growth are (1) The majority of working women in rural India do not invest in stocks and shares or use other investment instruments and they usually invest their surplus money in jewellery (2) The rural families allocate fixed budgets to buy jewellery for weddings and they buy jewellery at this time irrespective of whether gold prices are high or not. (iii) Rural markets are less affected by the global meltdown as they are agriculture-based.

India is the largest diamond cutting and polishing centre in the world the industry enjoys 60% value share, 82% carat share and 95% share of the world market in terms of number of pieces. In other words, nearly 9 out of 10 diamonds sold world wide are cut and polished in India.

Company Overview

Shukra Bullions Limited incorporated in 1995 is in the business of Gems & Jewellery Industry.

Shukra Bullions Limited is growing company in Diamond & Jewellery. The chief promoter of the Company is Shri Chandrakant H Shah having experience of more than 30 years in the industry.

The Company has set up a jewellery manufacturing unit for the export at Special Economic Zone at Sachin near Surat (Gujarat).

Company is negotiating for export orders with international buyers and management is hopeful to achieve higher export turnover during the year.

FINANCIAL ANNALYSIS

Income

The Company has recorded a Total Income of 27.587 Million (Previous year Rs. 24.802 Million) for the year ended March 31, 2012 primarily due to income from sale of gems & jewellery items. The Company also received other income of Rs. 0.007 (Previous year nil Million).

Expenditure

The Company has recorded a total expenditure (excluding depreciation) 27.456 Million (Previous year Rs. 24.265 Million) for the year ended March 31, 2012.

- Cost of goods Sold 27.017 Million (Previous year Rs.23.017 Million) .
- The Company also recorded other expenditure of Rs. 0.44 Million (Previous year Rs.1.25 Million). This is on account of administrative expenses and selling and administrative expenses.

Depreciation & amortization

For the year ended March 31, 2012 the Company has incurred depreciation charges of Rs. NIL (Previous year Rs. 0.44 Million) .

Differed tax Liability

The differed Tax Liability is Rs. 0.06 Million (Previous year 0.04 Million).

Net Profit before Taxes

Due to reasons discussed above, the Company has recorded net profit before taxes and extraordinary items of. Rs. 0.14 Million (Previous year Rs. 0.01Million) for the year ended 31st March 2012.

TAXES

The Provision for taxes for the year 0.05 (Previous Year 0.05 Million)

NET PROFIT

The Company has recorded Net Profit Rs. 0.14 Million (Previous year Rs. (0.06 Million).

SHARE CAPITAL

At present, the Company has only one class of share i.e. Equity share of face value of Rs. 10/- each. As on 31st March 2012 the issued subscribed and paid up capital was Rs. 5.015 Million divided in to 50,15,300 equity shares of Rs. 10/- each.

HUMAN RESOURCES

The Company believes investing in people though creating an environment where people are valued as individuals and are given equal opportunities for achieving professional and personal goals

CERTIFICATE

In accordance with Clause 49 sub Clause I(D) of the listing agreement with the stock exchanges. I hereby declare that all the Directors and the senior management personal of the Company have affirmed compliance to the code to conduct for the financial year ended 31st March 2012

Chandrakant H Shah
Chairman & Managing Director
Date : 30th August, 2012

CORPORATE GOVERNANCE

PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is concerned with creation of long term value of shareholders while also balancing interest of other stakeholders' viz. Employees, Creditors, Government and the society at large. Corporate governance is crucial as it builds confidence and trust, which eventually leads to a more stable and sustained resources flows and long-term partnership with its investors and other stakeholders.

The Corporate Governance framework will encourage efficient use of resources and ensuring accountability for these resources. Its importance lays in the contribution it makes to the overall growth and direction of the business, management accountability and transparency and above all, equitable treatment for its stakeholders.

In Sum, Corporate Governance reinforces the concept of "Your Company" and emphasis that the chairman and Board of Directors are your fiduciaries and trustees, engaged in pushing the business forward and maximizing value for you, the shareholders.

CORPORATE GOVERNANCE

Your Company believes in adopting the best corporate governance practices and protecting rights and interest of stakeholders. We further believe that the shareholders have the right to know complete information on the Board of Directors and the management, their interest in the organisation as well as governance practice to be followed by them.

The report on corporate governance is divided into five parts:

- I. Board of Directors**
- II. Remuneration of Directors**
- III. Committees of the Board**
- IV. Shareholder Information**
- V. Other Disclosures**

I. BOARD OF DIRECTORS

A. The details of the Board of directors of the Company are given below:

Name	Date of appointment	Category	No. of other directorship
Chandrakant H. Shah	14.02.1995	Chairman & MD	2
Mayuri C. Shah	14.02.1995	Director	2
Saurabh Shah	17.03.2012	Director	3
Anil M. Patel	31.12.2005	Independent Director	2
Vinod Shah	31.12.2005	Independent Director	2
Ramji Khimji Rajput	17.03.2012	Independent Director	3

B. RESPONSIBILITIES

The Board of Directors' responsibilities include review of:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Business risk analysis and control
- Senior executive appointment
- Compliance with statutory / regulatory requirements and review of major legal issues
- Adoption of quarterly results/ annual results
- Transaction pertaining to purchase disposal of property, major provisions and write offs.

C. BOARD MEETINGS

The meetings of the Board of Directors' are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure, etc. is circulated to all the directors. It also highlights important matters discussed at the audit committee, shareholders grievance committee and at the sub-committee of Directors. **Five** Board meetings were held on 23.04.2011, 22.07.2011, 07.08.2011, 22.10.2011, and 23.01.2012 during the period under review.

Name of the Directors	No. of Board Meeting Attended	Attendance at last A.G.M.
Chandrakant H. Shah	5	YES
Mayuri C. Shah	5	YES
Jayendra H. Shah	5	YES
Anil M. Patel	5	YES
Vinod Shah	5	YES
Nasir Haque	5	NO

II. REMUNERATION OF DIRECTORS

Director	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
1. Mr. Chandrakant Shah	NIL	NIL	NIL
2. Mr. Mayuri Shah	NIL	NIL	NIL
3. Mr. Jayendra Shah	NIL	NIL	NIL
4. Mr. Anil Patel	NIL	NIL	NIL
5. Mr. Nasir Haque	NIL	NIL	NIL
6. Mr. Vinod Shah	NIL	NIL	NIL

III. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The Audit Committee of the Board of Directors was formed by the Board on 31/12/2005 and the Committee comprises of **three** members. The functions of the committee are as specified in Clause 49 of the Listing Agreement entered with Stock Exchanges in which the Company's shares are listed. There were **Five** meetings held on 23.04.2011, 22.07.2011, 07.08.2011, 22.10.2011, and 23.01.2012 during the period under review. The attendances of members for the meetings are as follows:

Name of the Member	Designation	No. of meeting attended
Mr. Anil M. Patel	Chairman	5
Mr. Nasir Haque	Member	5
Mr. Vinod Shah	Member	5

B. REMUNERATION COMMITTEE

Remuneration Committee was constituted on 31/12/2005 and it reviews and approves the annual salaries, performance commission, service agreements and other employment conditions for directors.

Name of the Member	Meeting Attended
Mr. Anil M. Patel	5
Mr. Nasir Haque	5
Mr. Vinod Shah	5

REMUNERATION POLICY

The Directors are paid remuneration as per the Agreement entered between them and the Company. This Agreement is placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of Directors comprises of salary, commission, perquisites and allowances, contributions to provident fund, super-annuation and gratuity. The non-executive directors do not draw any remuneration from the Company.

C. SHARE TRANSFER COMMITTEE

The Share Transfer Committee consists of **Three** members. The Committee meets on a regular basis to approve transfer of shares, transmission of shares, splitting, consolidation and dematerialization of shares. The shares in Physical form sent for transfer in physical form are processed and registered by the Company within 30 days of receipt of documents, if found in order.

D. SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE

The Investor Grievances Committee was constituted on 31/12/2005 to specifically look into the redress of shareholder and investor complaints like transfer of shares, non-receipt of dividends, non-receipt of Annual Report, etc. During the period under consideration **Five** meetings were held. The constitution of the Committee and the presence of members for the meetings are as follows:

Name of the Member	No. of meeting attended
Jayendra H.Shah	5
Nasir Haque	5
Vinod Shah	5

No. of shareholders complaints/ communication : NIL
Received during the year

No. of complaints not resolved to : NIL
The satisfaction of shareholders

No. of pending share transfers : NIL

IV. SHAREHOLDER INFORMATION

1. ANNUAL GENERAL MEETING

Date and Time : 28th September,2012 at 11.30 PM

Venue : Chirag Industrial Complex,
Golden Industrial Estate,
Somnath Road Daman 396210

2. Book Closure Date: 24th September,2012 to 28th September,2012

3. REGISTERED OFFICE:S-17 Chirag Industrial Complex,
Golden Industrial Estate,
Somnath Road Daman 396210

4. Listing of Equity Shares on Bombay Stock Exchange.

5. Stock code : 531506

6. ISIN No. INE 561E01015

7. Stock Price Date:

MONTH	HIGH	LOW
APRIL, 2011	Not Traded	Not Traded
MAY, 2011	Not Traded	Not Traded
JUNE, 2011	Not Traded	Not Traded
JULY, 2011	Not Traded	Not Traded
AUGUST 2011	Not Traded	Not Traded
SEPTEMBER 2011	Not Traded	Not Traded
OCTOBER 2011	Not Traded	Not Traded
NOVEMBER 2011	Not Traded	Not Traded
DECEMBER 2011	Not Traded	Not Traded
JANUARY 2012	Not Traded	Not Traded
FEBRUARY 2012	Not Traded	Not Traded
MARCH 2012	15.25	10.80

Registrar & Transfer Agents: BIG SHARE SERVICES PRIVATE LIMITED
E-2 Ansa Industrial Complex,
Saki Vihar Road, Saki Naka,
Andheri (East),
Mumbai-400 072
Contact Person Mr. Ansar Shaikh
Tel: 28470652, 28470653,40430265

8. Distribution of shareholding as on 31st March, 2012

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
Upto 500	1310	94.38	5,86,700	11.70
501-1000	21	1.51	19,700	0.39
1001-2000	13	0.94	20,300	0.40
2001-3000	11	0.79	28,400	0.57
3001-4000	4	0.29	14,400	0.28
4001-5000	2	0.14	9,500	0.19
5001-10000	13	0.94	94,100	1.88
10001& above	14	1.01	42,42,200	84.59
Total	1388	100.00	50,15,300	100.00

9. Category of Shareholdings as on 31stMarch, 2012

Category	No. of Shares	% of total shares
REGULAR	23,20,300	46.26
DIRECTORS	12,49,600	24.92
RELATIVE/ FRIEND OF DIRECTORS	400	0.01
MUTUAL FUND	2,50,000	4.98
GROUP COMPANIES	1195,000	23.83
TOTAL	50,15,300	100.00

10. Demat Position as on 31st March,2012

Total No.of Shares	Held in Demat Form	Percentage (%)	Held in Physical Form	Percentage (%)
50,15,300	3931200	78.38%	10,84,100	21.62%

11. Financial Release Dates for 2011-12

Quarter	Release Date (Tentative and subject to change)
1 st Quarter ending 30 th June	End of July.
2 nd Quarter ending 30 th September	End of October.
3 rd Quarter ending 31 st December	End of January.
4 th Quarter ending 31 st March	End of April.

V. OTHER DISCLOSURES

1. Details of Annual / Extraordinary General Meetings

Location and time of General Meetings held in last 3 years:

Year	AGM/EGM	Location	Time	Date
2008-09	AGM	Chirag Ind. Complex	3.30 p.m.	29/09/2009
2009-10	AGM	Chirag Ind. Complex	3.30 p.m.	29/09/2010
2010-11	AGM	Chirag ind. Complex	3.30 p.m.	29/09/2011
2011-12	EGM	Chirag ind. Complex	11:30 a.m.	03/01/2012

For, 2011-2012, Company does not have any proposal for postal ballot.

To the Members of

SHUKRA BULLIONS LIMITED

We have examined the compliance of conditions of Corporate Governance by Shukra Bullions Limited, for the year ended on 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations there of adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

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

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

For, S K Jha & Co.
(Chartered Accountants)
FRN.: 126173W

Place : Mumbai
Date: 28th May, 2012

Satyendra k Jha
(Partner)
Membership No. 100106

AUDITOR'S REPORT

To the members of
SHUKRA BULLIONS LIMITED

We have audited the attached Balance Sheet of SHUKRA BULLIONS LIMITED as at 31st March, 2012, the Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account, as required by the law, have been kept by the company, so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956
 - e) In our opinion, and based on information and explanation given to us, none of the Directors are disqualified as on 31st March, 2012 from being appointed as Directors in term of section 274(1)(g) of The Companies Act, 1956.

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In so far as it relates to Balance Sheet, of the state of affairs of the company as at 31st March, 2012;

(ii) In so far as it relates to the Profit & Loss Account, the profit of the company for the year ended on that date subject to the following comment.

“The company has not provided for provision for depreciation amounting to RS. 386586/- on the assets of SEZ Unit and Daman Unit against the accounting policy regularly followed by the company.”

(iii) In so far as it relates to the cash flow statement, of the cash flow of the company for the year ended on that date.

For S K Jha & Co.
(Chartered Accountants)
FRN: 126173W

Place : Mumbai
Date: 28th May, 2012

Satyendra K Jha
(Partner)
Membership No. 100106

22

ANNEXURE REFERRED IN PARAGRAPH 2 OF THE AUDITOR'S REPORT ON THE ACCOUNTS OF M/S. SHUKRA BULLIONS LIMITED FOR THE YEAR ENDING 2012

As required by the Companies (Auditor's report) Order, 2003 issued by the central Government of India in terms of section 227(4-A) of the Companies Act, 1956, we report that:

- 1 In respect of fixed assets:
 - (A) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (B) As explained to us, all the fixed assets have been physically verified by the management during the year at reasonable intervals, which in our opinion, is reasonable having regard to the size of the company and the nature of assets. No material discrepancies were noticed on such physical verification.
 - (C) In our opinion the Company has not disposed off any substantial/major part of fixed assets during the year and the going concern status of the company is not affected.
- 2 In respect of its inventories:
 - (A) As explained to us, the inventory has been physically verified by the management at regular intervals during the year.
 - (B) In our opinion and according to the information and explanations given to us, the procedures followed by the management for physical verification of inventory are reasonable and adequate in relation to size of the company and nature of its business.
 - (C) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company has maintained proper records of inventory. And there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- 3 In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:
 - (A) The company has not granted any secured or unsecured loan, to parties covered under register maintained under section 301 of the Act. Hence the provisions of clause (III) (b), (c), (d) of paragraph 4 of the order are not applicable.
 - (B) During the year, the company has accepted unsecured short term loans amounting to Rs. 10,00,000/- from one party covered under section 301 of the Act. The loan is interest free. Based on the information and explanation given to us, the terms and conditions of loans taken from such parties covered in the register maintained under section 301 of the Act are not prima facie prejudicial to the interest of the company.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and

nature of its business with regard to purchase of inventory and fixed assets and with regard for the sale of goods and services. During the course of audit, no major weakness has been noticed in the internal control.

- 5 In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956.
 - (A) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements, which needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (B) In our opinion and explanation given to us, the transactions exceeding the value of 5 lakh in respect of any party during the year have been made at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time where such prices are available.
- 6 In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public and therefore, the provisions of Clause (XI) of paragraph 4 of the order are not applicable to the company.
- 7 In our opinion, the company has internal audit system commensurate with its size and nature of its business.
- 8 To the best of our knowledge the Central Government has not prescribed the maintenance of cost records U/s 209(1) (d) of the company act, 1956 for any of the products of the company.
- 9 In respect of statutory dues:
 - (A) According to the information and explanations given to us, the company was generally regular in depositing undisputed statutory dues including Employees Provident Fund, Employees State Insurance Fund, Income Tax, Sales Tax, Wealth Tax, Service tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authority during the year.
 - (B) According to the records examined by us and the information and explanations given to us, there are no disputed amounts due in respect of income tax, wealth tax, sales tax, service tax, excise duty, Employees provident fund, Employee state insurance fund and other statutory dues at the end of the year.
- 10 In our opinion, Company has not incurred cash losses during the financial year covered by audit.
- 11 Based on our audit procedures and on the basis of information and explanations given by the management, in our opinion, the provisions of clause (XI) of the paragraph 4 of the order are not applicable to the Company.
- 12 In our opinion and according to information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other security.

- 13 In our opinion the company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore, the provisions of clause (XIII) of the paragraph 4 of the order are not applicable to the company.
- 14 The company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (XIV) of the paragraph 4 of the order are not applicable.
- 15 As per information and explanation given to us, the company has not given any guarantees for loans taken by other from banks and financial institutions.
- 16 In our opinion and according to information and explanation given to us, the Company has not availed of any term loans during the year. There were no term loans outstanding as at the beginning and as at end of the year.
- 17 According to the information and explanations given to us and on examination of balance sheet, funds raised on short term basis have, prima facie, not been used during the year for long term investment and vice versa.
- 18 The company has not made any preferential allotment to parties and companies covered under register maintained under Section 301 of the Companies Act, 1956, during the year.
- 19 The Clause (XIX) of the paragraph 4 of the order is not applicable, as the company has not issued any debentures during the year.
- 20 The Company has not raised money by any public issues during the year and hence the question of disclosure and verification of end use of such money does not arise.
- 21 In our opinion and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

For, S. K. Jha & Co.
(Chartered Accountants)
FRN: 126173W

Place:- Mumbai
Date: - 28th-May-2012

Satyendra K. Jha
(Partner)
M. No.: 100106

SHUKRA BULLIONS LIMITED
BALANCE SHEET AS AT 31st MARCH, 2012

Particulars		Note No.	As at 31/03/2012 ₹	As at 31/03/2011 ₹
I.	<u>EQUITY AND LIABILITIES</u>			
1	Shareholders' funds			
	(a) Share capital	2.1	50,130,500	50,130,500
	(b) Reserves and surplus	2.2	512,627	369,572
2	Non-current liabilities			
	(a) Deferred tax liabilities (Net)		40,906	97,506
3	Current liabilities			
	(a) Short-term borrowings	2.3	1,120,000	7,295,988
	(b) Trade payables	2.4	10,206,294	27,117,284
	(c) Other current liabilities	2.5	29,000	44,120
	(d) Short-term provisions	2.6	52,000	52,000
	TOTAL		62,091,327	85,106,970
II.	<u>ASSETS</u>			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	2.7	2,562,648	2,562,648
	(b) Non-current investments	2.8	42,841,050	42,841,050
2	Current assets			
	(a) Inventories	2.9	5,954,861	6,647,529
	(b) Trade receivables	2.10	520,000	23,201,223
	(c) Cash and cash equivalents	2.11	8,912,768	815,520
	(d) Short-term loans and advances	2.12	500,000	9,039,000
	(e) Other current assets	2.13	800,000	-
	TOTAL		62,091,327	85,106,970
	See accompanying notes forming part of the financial statements			

As per our Report of Even Date Attached

For S. K. Jha & Co.
Chartered Accountants
ICAI Registration No. 126173W

For and on behalf of Board of Directors
Shukra Bullions Limited

Satyendra K. Jha
Partner

M.No. 100106
Date : 28-May-2012
Place : Mumbai

C&M Director

Director

Date : 28-May-2012
Place : Mumbai

SHUKRA BULLIONS LIMITED

Profit and loss statement for the year ended 31st March, 2012

Particulars		Note No.	For the Year ended on 31/03/2012 ₹	For the Year ended on 31/03/2011 ₹
I.	Revenue from operations	2.14	27,587,603	24,801,816
II.	Other income	2.15	7,366	-
III.	Total Revenue (I + II)		27,594,969	24,801,816
IV.	Expenses:			
(a)	Purchases of Stock-in-Trade		26,324,771	22,992,603
(b)	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.16	692,668	24,578
(c)	Employee benefits expense	2.17	148,500	296,675
(d)	Depreciation and amortization expense	2.7	-	437,464
(e)	Other expenses	2.18	290,575	951,245
	Total expenses (IV)		27,456,514	24,702,565
V.	Profit before exceptional and extraordinary items and tax (III-IV)		138,455	99,251
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V- VI)		138,455	99,251
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		138,455	99,251
X	Tax expense:			
	(1) Current tax		52,000	52,000
	(2) Deferred tax		(56,600)	40,906
XI	Profit (Loss) for the period from continuing operations (IX-X)		143,055	6,345
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from discontinuing operations(after tax)(XII-XIII)		-	-
XV	Profit (Loss) for the period (XI + XIV)		143,055	6,345
XVI	Earnings per equity share:			
	(1) Basic		0.03	0.00
	(2) Diluted		0.03	0.00

As per our Report of Even Date Attached

For, S. K. Jha & Co.
Chartered Accountants

ICAI Registration No. 126173W

For and on behalf of Board of Directors
Shukra Bullions Limited

Satyendra K. Jha
Partner

M.No. 100106

Date : 28-May-2012

Place : Mumbai

C&M Director

Director

Date : 28-May-2012

Place : Mumbai

SHUKRA BULLIONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

	Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
(A)	Cash flow from Operating Activities		
	Profit/ (Loss) before extraordinary items and tax	138,455	99,251
	<u>Adjustments for:-</u>		
	Depreciation and Amortisation	-	437,464
	Cash flow before changes in Working Capital	138,455	536,715
	<u>Changes In Working Capital</u>		
	Trade Payables	(16,910,990)	11,220,362
	Other Current Liabilities	(15,120)	24,266
	Inventories	692,668	24,578
	Trade Receivables	22,681,223	(20,613,263)
	Other Current Assets	(800,000)	-
	Cash Flow after changes in Working Capital	5,786,236	(8,807,342)
	Less: Taxes Paid	(52,000)	-
	Net Cash Flow from Operating Activities (A)	5,734,236	(8,807,342)
(B)	Cash flow from Investing Activities		
	Proceeds from Sale of Fixes Asset	-	12,367
	Proceeds from Sale of Investment(net of newly acquired)	-	10,543,152
	Proceeds from Short Term Loans and Advances(net of given)	8,539,000	(8,314,000)
	Net Cash Flow from Investing Activities (B)	8,539,000	2,241,519
(C)	Cash flow from Financing Activities		
	Proceeds from Calls in Arrears	-	3,500
	Proceeds from Short Term Borrowings(net of repayment)	(6,175,988)	7,295,988
	Net Cash Flow from Financing Activities (C)	(6,175,988)	7,299,488
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	8,097,248	733,665
	Cash and Cash Equivalents at the Beginning of the Period	815,520	81,855
	Cash and Cash Equivalents at the Ending of the Period	8,912,768	815,520

As per our Report of Even Date Attached
For, S. K. Jha & Co.
Chartered Accountants
ICAI Registration No. 126173W

For and on behalf of Board of Directors
Shukra Bullions Limited

Satyendra K. Jha
Partner
M.No. 100106
Date : 28-May-2012
Place : Mumbai

C&M Director Director

Date : 28-May-2012
Place : Mumbai

7 2

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Company Overview

Shukra Bullions Limited was incorporated as a public limited company on February 14, 1995. The company is engaged in the manufacturing of diamond studded gold jewellery and trading of cut and polished diamond. Earlier known as Shukra Capitals Limited, it acquired its present name on September 09, 1997. Company is having well developed land and building and plant and machinery at the special economic zone (SEZ) near Surat in Gujarat for the manufacturing project. Polished diamonds are sold in the domestic markets.

The registered office of the company is located at Chirag Industrial Complex, 39/40, Gold Industrial Estate, Somnath Road, Daman & Diu-396210 (UT). The corporate office of the company is situated at Opera House, Mumbai.

1. Significant Accounting Policies :

1.1 Basis of preparation of financial statements :-

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the Accrual basis. Accounting Policies not specifically referred to otherwise be consistent and in consonance with generally accepted accounting principles.

1.2 Use of estimates:-

The preparation of the financial statements are in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liability as at the date of financial statements and reported amounts of income and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in notes to the financial statement.

1.3 Revenue Recognition :-

Revenue is primarily derived from sale of Gems and Jewellery items. In appropriate circumstances, revenue is recognized when the significant risks and rewards of ownership of the goods are transferred to the customers and no significant uncertainty as to determination or realization exists. Expenses and Income considered payable and receivable respectively are accounting for on accrual basis except retirement benefits which cannot be determined with certainty during the year.

1.4 Fixed Assets :-

Fixed assets are stated at their original cost of acquisition including taxes freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date and impairment if any.

1.5 Depreciation :-

Depreciation on Fixed Assets is provided on written down value method till date, on the wdv of Fixed Assets as per the rates mentioned below, as determined appropriate by the management. Further, in case of addition, depreciation has been provided on pro-rata basis commencing from the date on which the asset is commissioned.

However no depreciation has been charged during the current period on fixed assets forming part of SEZ and Daman site as no manufacturing activity has been undertaken during the period.

1.6 Investments :-

Investments are either classified as current or long term investments based on Management's intension at the time of purchase. Long term Investments are stated at their cost. Current investments are carried at the lower of cost and fair value of each investment individually.

1.7 Inventories :-

Inventories are valued as under:-

Polished Diamonds	: Valued at cost or realizable value whichever is less.
Gold	: Valued at cost or realizable value whichever is less.

1.8 Provision for Current and deferred Tax:-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date. Deferred tax asset arising from carried forward loss and unabsorbed depreciation is recognised to the extent there is virtual certainty that these would be realized in future.

1.9 Foreign Currency Transactions:-

Foreign currency transactions are accounted on the rates prevailing on the date of transactions. Balances in the form of current assets and current liabilities in Foreign Currency, outstanding on the date of balance sheet are accounted at the rates of exchange prevailing on the date of balance sheet. The gain or losses resulting from such translations are included in the statement of profit and loss.

1.10 Retirement Benefits :-

No liabilities towards retirement benefits are accounted in accordance with AS -15.

1.11 Impairment of Assets:-

An asset is impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the statement of profit and loss in the year in which an asset is determined as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1.12 Provisions, Contingent Liabilities and Contingent Assets:-

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.13 Earnings per share:-

Earnings per ordinary share have been calculated by dividing the profit/ (loss) for the year attributable to equity shareholders of the parent company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share have been calculated by dividing the net profit/ (loss) attributable to ordinary equity shareholders by the diluted weighted average number of ordinary shares outstanding during the year.

1.14 Cash Flow Statement:-

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2 Notes on Accounts for the Year Ended March 31, 2012

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

2.1 Share Capital:

Particulars	As at 31/03/2012	As at 31/03/2011
Authorised 55,00,000 (PY 55,00,000) Equity shares of Rs. 10 each	55,000,000	55,000,000
Issued & Subscribed Capital 50,15,300(PY 50,15,300) Equity shares of Rs. 10 each	50,153,000	50,153,000
Paid up Capital 50,15,300(PY 50,15,300) Equity shares of Rs. 10 each	50,153,000	50,153,000
Less: Calls-in Arrears	22,500	22,500
	50,130,500	50,130,500

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

Board of Directors of the company has not proposed any dividend for the current reporting period.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2012 and March 31, 2011 is set out below:

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	5,015,300	50,153,000	5,015,300	50,153,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,015,300	50,153,000	5,015,300	50,153,000

Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shukra Jewellery Limited	11,95,000	23.83%	11,95,000	23.83%
Gaurav Shah	900,000	17.95%	900,000	17.95%
Chandrakant H Shah	669,400	13.35%	669,400	13.35%
Mayuri Shah	580,100	11.56%	580,100	11.56%
Saurabh Shah	404,100	8.06%	404,100	8.06%

Details of Calls Unpaid:

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	₹	Number	₹
Equity Shares	4,500	22,500	4,500	22,500
Total	4,500	22,500	4,500	22,500

2.2 Reserves & Surplus:

Particulars	As at 31/03/2012	As at 31/03/2011
a. Surplus/(deficit) in Statement of Profit and Loss		
Opening balance	369,572	363,227
(+) Net Profit/(Net Loss) For the current year	143,055	6,345
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	512,627	369,572

2.3 Short term Borrowings:

Particulars	As at 31/03/2012	As at 31/03/2011
Unsecured		
Loans and advances from Related Parties (Unsecured) (Refer Note: 2.19)	1,120,000	7,295,988
	1,120,000	7,295,988

2.4 Trade Payables:

Particulars	As at 31/03/2012	As at 31/03/2011
Trade Payables for Trading Goods	10,206,294	27,117,284
	10,206,294	27,117,284

2.5 Other Current Liabilities:

Particulars	As at 31/03/2012	As at 31/03/2011
Creditors for Expenses	29,000	44,120
	29,000	44,120

2.6 Short Term Provisions:

Particulars	As at 31/03/2012	As at 31/03/2011
Provision for Income Tax	52,000	52,000
	52,000	52,000

2.7 Tangible Assets:

Particulars	Rate	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1st April 2011	Additions	Disposals	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation charge for the year	On disposals	Balance as at 31st March 2012	Balance as at 31st March 2012	Balance as at 31st March 2011
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Buildings	10%										
-DAMAN		122,715	-	-	122,715	97,948	-	-	97,948	24,767	24,767
-SEZ		850,000	-	-	850,000	162,820	-	-	162,820	687,180	687,180
Plant and Machinery	14%										
-DAMAN		195,610	-	-	195,610	169,006	-	-	169,006	26,604	26,604
-SEZ		602,000	-	-	602,000	157,492	-	-	157,492	444,508	444,508
Tools & Equipments	14%										
-DAMAN		145,610	-	-	145,610	125,806	-	-	125,806	19,804	19,804
-SEZ		114,371	-	-	114,371	29,921	-	-	29,921	84,450	84,450
Mould & Die	14%										
-SEZ		518,224	-	-	518,224	135,575	-	-	135,575	382,649	382,649
Misc. Fixed Assets	14%										
-DAMAN		262,202	-	-	262,202	249,304	-	-	249,304	12,898	12,898
Furniture and Fixtures	18%										
-SEZ		848,290	-	-	848,290	280,562	-	-	280,562	567,728	567,728
Electrical Fittings	18%										
-SEZ		445,210	-	-	445,210	147,248	-	-	147,248	297,962	297,962
Computers	40%										
-DAMAN		158,440	-	-	158,440	157,905	-	-	157,905	535	535
-SEZ		30,700	-	-	30,700	17,137	-	-	17,137	13,563	13,563
Current Year Total		4,293,372	-	-	4,293,372	1,730,724	-	-	1,730,724	2,562,648	2,562,648
Previous Year Total		4,736,773	-	443,401	4,293,372	1,724,294	437,464	431,034	1,730,724	2,562,648	

84

2.8 Non-current Investments:

Particulars	As at 31/03/2012	As at 31/03/2011
Trade Investment		
Investment in Equity Instrument (1,193,300 Equity shares of ₹ 10 each fully paid up in Shukra Jewellery Limited, a company under the same management) Market value of investment ₹ 2,983,250	42,841,050	42,841,050
	42,841,050	42,841,050

2.9 Inventories:

Particulars	As at 31/03/2012	As at 31/03/2011
Raw Material	1,705,687	1,705,687
Stock-in-Trade	4,249,174	4,941,842
	5,954,861	6,647,529

2.10 Trade Receivables:

Particulars	As at 31/03/2012	As at 31/03/2011
Unsecured, Considered Good		
Less than six months	520,000	9,759,966
More than six months	-	13,441,257
	520,000	23,201,223

2.11 Cash and Cash Equivalents:

Particulars	As at 31/03/2012	As at 31/03/2011
Cash on Hand	361,910	802,144
Balance with Banks	8,550,858	13,376
	8,912,768	815,520

2.12 Short Term Loans and Advances:

Particulars	As at 31/03/2012	As at 31/03/2011
Loans and advances		
Secured, considered good	500,000	9,039,000
	500,000	9,039,000

2.13 Other Current Assets:

Particulars	As at 31/03/2012	As at 31/03/2011
Balances with Govt. Authorities		
Income Tax	800,000	-
	800,000	-

2.14 Revenue from Operations:

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Sale of Diamonds	27,587,603	24,801,816
Sale of services	-	-
Other operating revenues	-	-
<u>Less:</u>		
Excise duty	-	-
Total	27,587,603	24,801,816

2.15 Other Income:

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Net gain on foreign currency transactions	7,366	-
Total	7,366	-

2.16 Changes in Inventories of Stock -in -Trade:

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Stock-in-Trade		
Opening Stock	6,647,529	6,672,107
Less: Closing Stock	5,954,861	6,647,529
Decrease/(Increase) in Stock	692,668	24,578

2.17 Employee Benefits Expenses:

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Salaries and Incentives	148,500	296,675
Total	148,500	296,675

2.18 Other Expenses:

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Bank Charges	5,185	11,405
Power and fuel	64,250	65,274
Printing and stationery	-	960
Freight and forwarding	-	12,033
Legal and professional	54,899	41,694
Payments to auditors(Refer note:	29,000	30,000
Net loss on foreign currency transactions	-	54,027
Listing Fees	59,287	687,360
Postage & Courier	56,320	12,850
Registrar & Transfer Agent Fees	21,634	35,642
Total	290,575	951,245

2.19 Related Party Disclosures:

Names of related parties and description of relationship:

1. Key Management Personnel:
Chandrakant H Shah - Chairman & Managing Director
2. Enterprises over which Key Management Personnel has significant influence
Shukra Land Developers Limited

The details of amount due to or due from as at March 31, 2012 and March 31, 2011 are as follows:

Particulars	As at 31/03/2012	As at 31/03/2011
<u>Short Term Borrowings</u>		
Shukra Land Developers Limited	1,120,000	120,000
<u>Short term Loans and Advances (Asset)</u>		
Chandrakant H Shah	-	10,000

Transaction taken place during the year with related parties:

Particulars	Year ended on 31/03/2012	Year ended on 31/03/2011
Capital Transaction:		
Short Term Borrowing		
Shukra Land Developers Limited-Borrowing	1,000,000	120,000
Short Term Loan and Advances (Asset)		
Chandrakant H Shah-Recovery/(Advances)	10,000	(10,000)

2.20 Deferred Tax Liability/(Asset):

Particulars	As at 31/03/2012	As at 31/03/2011
Opening Balance	97,506	56,600
Add: Deferred Tax due to Timing Differences		
- Depreciation	(56,600)	40,906
Closing Balance	40,906	97,506

2.21 Contingent Liability/Asset:

A demand of ₹ 32,84,840/- has been raised by the Income Tax Authorities for the Assessment Year 2009-10, which the company has not acknowledged as debt. The company has deposited a sum of ₹ 8,00,000 against this demand. This matter of dispute is pending before the Commissioner of Income Tax (Appeals). The management believes that ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operation. Based on the decisions of the Appellate Authorities and the other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.

2.22 Payments to Auditors:

Particulars	Year ended on 31/03/2012	Year ended on 31/03/2011
As Auditors- Statutory Audit	21,000	30,000
For Taxation Matters	8,000	-
For Company Law Matters	-	-
For Other Services	-	-
Total	29,000	30,000

2.23 Impairment Loss:

Management has not assessed any impairment loss on the assets of the company.

2.24 Earnings Per Share (EPS):

Particulars	Year ended on 31/03/2012	Year ended on 31/03/2011
i) Net Profit after tax as per Statement of Profit and Loss attributable to equity shareholders	1,43,055	6,345
ii) Weighted Average number of equity shares used as denominator for calculating EPS	50,15,300	50,15,300
iii) Basic and Diluted Earnings Per Share(₹)	0.03	(0.00)
iv) Face Value per Equity Share(₹)	10	10

For, S K Jha & Co.
Chartered Accountants
ICAI Registration No. 126173W

For and on behalf of Board of Directors
Shukra Bullions Limited

Satyendra K Jha
Partner
M. N.: 100106
Date: 28th-May-2012
Place: Mumbai

C&M Director **Director**

Date: 28th-May-2012
Place: Mumbai

SHUKRA BULLIONS LIMITED

Regd. Office : S-17 Chirag Industrial Complex,
39/40 Golden Industrial Estate, Somnath Road, Daman-396210 U.T.

ATTENDANCE SLIP

Folio No. of Member :-----

Name of the Member :-----

Name of the Party :-----

I hereby record my presence at the 18th Annual general Meeting of the Company at Regd. Office of the Company at Chirag Industrial Complex, Somnath Road, Daman on Friday 28th September 2012 at 11.30 A.M.

- Notes : 1. A shareholder/ Proxyholder wishing to attend the meeting must hand over the same at the entrance duly signed.
2. A shareholder/ Proxyholder desiring to attend the meeting should bring his copy of Annual report for reference at the meeting.

SHUKRA BULLIONS LIMITED

Regd. Office : S-17 Chirag Industrial Complex,
39/40 Golden Industrial Estate, Somnath Road, Daman-396210 U.T.

I/We _____ of _____

_____ in the district of _____ being

a member/members of the above named Company, hereby appoint _____

of _____ in the district of _____ being

a member/members of the above named Company, hereby appoint _____

of _____ in district of _____ (or failing him)

_____ of _____ in district of _____

_____ as my/our Proxy to attend and vote for me/our behalf of the 18th Annual General Meeting of the Company, to be held on the Friday 28th September 2012 and at any adjournment thereof.

Signed this _____ day of _____ 2012

Regd Folio No. _____

Signature _____
Affix
Revenue Stamp

No of Shares _____

This is form is to be of the resolution, Unless otherwise instructed, the proxy will act as the thinks fit.

Note : In order that the Proxy is effected, it must for returned so as to reach the Corporate office of The Company.

at

SHUKRA BULLIONS LIMITED
232, Panchratna, Opera House, Mumbai- 400 004