

## 21<sup>st</sup> ANNUAL REPORT

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**NAME : Shukra Jewellery Limited**

**ADDRESS : Corporate Office**

**232, Pancharatna,  
Opera House,  
Mumbai-400004.**

**Registered Office**

**S-6/14, Chirag Industrial Complex,  
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**

6/14,CHIRAG INDUSTRIAL COMPLEX,  
39/40, GOLDEN INDUSTRIAL ESTATE,  
SOMNATH ROAD,  
DAMAN (U.T.)-396210.

**CORPORATE OFFICE**

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

**FACTORY :-**

6/14,CHIRAG INDUSTRIAL COMPLEX,  
39/40, GOLDEN INDUSTRIAL ESTATE,  
SOMNATH ROAD,  
DAMAN (U.T.)-396210.

**REGISTRAR AND TRANSFER AGENT**

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

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## **VENUE OF AGM AND OTHER DETAILS**

**DATE** : SEPTEMBER 28, 2012

**DAY** : FRIDAY

**TIME** : 10.30 A M

**VENUE** : 6/14, CHIRAG INDUSTRIAL COMPLEX  
39/40, GOLDEN INDUSTRIAL ESTATE,  
SOMNATH ROAD  
DAMAN (U.T.) - 396210

**BOOK CLOSURE DATE** : From 24<sup>th</sup> September TO 28<sup>th</sup> September 2012

**NOTICE :-**

Notice is hereby given that the 21st Annual General Meeting of the Members of Shukra Jewellery Limited will be held on Friday, 28th day September, 2012 at 10:30 A.M. at Registered Office of the Company at Chirag Industrial Complex, 39/40 Somnath Road, Daman 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.

**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 Sep.,2012 to Friday 28th of the 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 Estate**  
**Somnath Road ,**  
**Daman-U.T.**  
**Date:- 30<sup>th</sup> 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 21<sup>ST</sup> Annual Report of the Company together with Audited Accounts for the year ended on March 31, 2012.

### **Financial Results**

<b>PARTICULARS</b>	<b>2011-12 (Rs. in Lacs)</b>	<b>2010-11 (Rs. in Lacs)</b>
	<b>AUDITED</b>	<b>AUDITED</b>
Income From Operations	3465.40	3362.74
Other Income	6.02	0.09
Total Expenditure	3448.23	3259.32
Interest Cost	0.00	0.00
Profit before Depreciation (PBDT)	23.19	103.50
Depreciation	0.23	59.06
Profit before Tax	22.96	44.44
Provision for Taxation	0.00	0.00
Deferred Tax	(0.03)	(135.80)
Profit after Tax	22.99	(91.36)
Less : Proposed Dividend	0.00	0.00
Less : Transfer to G.R.	22.99	(91.36)
Balance Carried Forward to B/S	0.00	0.00

### **OPERATION**

During the year under review the Company has achieved turnover of Rs. 34.65 crore as compare to Rs. 33.62 crore during last year. The management is taking appropriate step to improve Company's bottom line.

### **CURRENT YEAR OUT LOOK**

The Company is planning to participate/visit various jewellery shows domestic and abroad.

Barring unforeseen circumstances the management is hopeful of achieving 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. 51,26,948. for daman assets 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 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 EXCHANGE EARNING AND OUTGOING**

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	: Rs. 10,17,953
b) Total Foreign Exchange Used	: Rs. 34,12,523

## **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 31<sup>st</sup> 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 31<sup>st</sup> 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 Auditors 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 Estate**  
**Somnath Road ,**  
**Daman-U.T.**  
**Date:- 30<sup>th</sup> August, 2012**

For and on Behalf of the Board

**Chandrakant H Shah**  
**C&M Director**



## **ANNEXURE TO THE DIRECTOR'S 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 operation involve very low energy consumption, wherever possible measures have already been implemented. The measure 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 : Rs. 10,17,953

Total Foreign Exchange Used : Rs. 34,12,523

For and on behalf of Board

Place :MUMBAI  
Date: 30<sup>th</sup> August, 2012

Chandrakant Shah  
C&M Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **GEM & 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 of 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 world, nearly 9 out of 10 diamond sold world wide are cut and polished in India.

### **Company Overview**

Shukra Jewellery Limited incorporated in 1991 is in the business of Gems & Jewellery Industry.

Shukra Jewellery Limited is growing Company in Polished Diamond & Diamond Studded Gold Jewellery The chief promoter of the Company is Shri Chandrakant H Shah having experience of more than 25 years in the industry.

The Company is planning to participate/visit various jewellery shows domestic and abroad.

Being unforeseen circumstance the management is hopeful of achieving higher turnover during the year.

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 346.54 Million (Previous year Rs. 336.27 Million) for the year ended March 31, 2012 primarily due to income from sale of Diamonds and Diamond Studded Gold Jewellery. The Company also received other income of Rs. 0.60 Million (Previous year NIL) from import export difference.

### **Expenditure**

The Company has recorded a total expenditure (excluding depreciation) 344.82 Million (Previous year Rs. 325.93 Million) for the year ended March 31, 2012.

- Cost of goods Sold 341.84 Million (Previous year Rs.322.14 Million).
- The Company also recorded other expenditure of Rs. 2.98 Million (Previous year 3.59 Millions). 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.0.02 Million (Previous year Rs. 5.91 Million).

### **Differed Tax Assets**

The Differed tax Asset for the year Rs. 0.002 Million (Previous Year 13.58 Million).

### **Net Profit before Taxes**

Due to reasons discussed above, the Company has recorded net profit before taxes and extraordinary items of Rs. 2.29 Million (Previous year Rs. 4.44 Million) for the year ended 31<sup>st</sup> March 2012.

### **TAXES**

The Provision for taxes for the year is Nil (Previous Year Nil).

### **NET PROFIT**

The Company has recorded Net Profit 2.29 Million (Previous year Rs. 4.44 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 31<sup>st</sup> March 2012 the issued subscribed and paid up capital was Rs. 135.72 Million divided into 13572800 equity shares of Rs. 10 each.

## **HUMAN RESOURCES**

The Company believes investing in people through 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 March 2012.

Chandrakant H Shah  
Chairman & Managing Director  
Date : 30<sup>th</sup> 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 stakeholder's 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 organization 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:

<b>Name</b>	<b>Date of appointment</b>	<b>Category</b>	<b>No. of other directorship</b>
Chandrakant H.Shah	13.12.1991	Chairman & MD	2
Mayuri C. Shah	13.12.1991	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 Rajpit	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.

<b>Name of the Directors</b>	<b>No. of Board Meeting Attended</b>	<b>Attendance at last A.G.M.</b>
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**

<b>Director</b>	<b>Salary &amp; Perquisites (Rs.)</b>	<b>Commission (Rs.)</b>	<b>Total (Rs.)</b>
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 during 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:



<b>Name of the Member</b>	<b>Designation</b>	<b>No. of meeting attended</b>
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.

<b>Name of the Member</b>	<b>Meeting Attended</b>
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 rematerialisation 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 : 26  
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 : 28<sup>th</sup> September 2012 at 10.30 PM

Venue : Chirag Industrial Complex,  
39/40, Golden Industrial Estate,  
Somnath Road, Daman- 396210. (UT)

2. Book Closure Date : 24<sup>th</sup> September,2012 To 28<sup>th</sup> September,2012

3. Registered Office: Chirag Industrial Complex,  
39/40, Golden Industrial Estate,  
Somnath Road, Daman 396210. (UT)

4. Listing of Equity Shares on Stock: Bombay Stock Exchange.

5. Stock code : 523790

6. ISIN No. INE 344E01016

7. Stock Price Data:

<b>MONTH</b>	<b>HIGH</b>	<b>LOW</b>
APRIL, 2011	3.81	2.93
MAY , 2011	4.20	3.26
JUNE, 2011	3.51	3.25
JULY, 2011	3.67	3.36
AUGUST 2011	3.82	3.12
SEPTEMBER 2011	3.27	2.67
OCTOBER 2011	3.22	2.80
NOVEMBER 2011	3.38	3.38
DECEMBER 2011	3.22	3.06
JANUARY 2012	3.21	2.54
FEBRUARY 2012	3.05	2.30
MARCH 2012	3.01	2.25

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

8. Distribution of shareholding as on 31<sup>st</sup>March, 2012

<b>No. of Equity Shares held</b>	<b>No.of Shareholders</b>	<b>%of Shareholders</b>	<b>No. of Shares</b>	<b>%of Shareholdings</b>
Upto 500	20,032	91.23	42,73,200	31.48
501-1000	1,361	6.19	10,65,800	7.85
1001-2000	323	1.47	5,03,700	3.71
2001-3000	79	0.36	2,05,300	1.51
3001-4000	43	0.20	1,51,400	1.12
4001-5000	32	0.16	1,52,600	1.12
5001-10000	49	0.22	3,83,500	2.83
10001& above	38	0.17	68,37,300	50.38
<b>Total</b>	<b>21,957</b>	<b>100.00</b>	<b>13,57,2800</b>	<b>100.00</b>

9. Category of Shareholdings as on 31<sup>st</sup> March, 2012

Category	No. of Shares	% of total shares
Director/Relatives	41,02,200	30.22
Mutual Fund	2,96,500	2.18
Financial Institution	9,100	0.07
Nationalized Bank	100	0.01
Bodies Corporate	16,81,206	12.38
NRI	9,89,800	7.29
Indian Public	64,93,894	47.85
<b>TOTAL</b>	<b>13,57,28,00</b>	<b>100.00</b>

10. Demat Position as on 31<sup>st</sup> March, 2012

Total No. of Shares	Held in Demat Form	Percentage (%)	Held in Physical Form	Percentage (%)
13,57,2800	76,32,500	56.23 %	59,40,300	43.77 %

11. Financial Release Dates for 2012-13

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

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	1.30 p.m.	30/09/2009
2009-10	AGM	Chirag Ind. Complex	1.30 p.m.	30/09/2010
2010-11	AGM	Chirag Ind. Complex	1.30 p.m.	30/09/2011
2011 -12	EGM	Chirag Ind. Complex	11:30 a.m.	02/01/2012

For, 2012-13, Company does not have any proposal for postal ballot.

**To the Members of  
SHUKRA JEWELLERY LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shukra Jewellery Limited, for the year ended on 31<sup>st</sup> 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 thereof adopted by the Company for ensuring the compliance with 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 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 : 28<sup>th</sup> August, 2012

**Satyendra k Jha**  
(Partner)  
M. No. 100106

## **AUDITOR'S REPORT**

To the members of  
**SHUKRA JEWELLERY LIMITED**

We have audited the attached Balance Sheet of SHUKRA JEWELLERY LIMITED as at 31<sup>st</sup> 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 2 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 Directors are disqualified as on 31<sup>st</sup> 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 Statement of Profit & Loss, the profit of the company for the year ended on that date subject to the following comment.

*"The company has provided shorter provision for depreciation amounting to Rs. 51,26,948 during the year against the accounting policy consistently 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: - 29-May-2012**

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

**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF THE AUDITOR'S REPORT ON THE  
ACCOUNTS OF SHUKRA JEWELLERY LIMITED FOR THE YEAR ENDING 2012**

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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. 95,15,000/- 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 an 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 Companies Act, 1956 for any of the products of the company.
- 9 In respect of statutory dues:
  - (A) According to the records of the company, 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 others from banks or 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: - 29<sup>th</sup>-May-2012**

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

**SHUKRA JEWELLERY LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2012**

Particulars		Note No.	As at 31/03/2012 ₹	As at 31/03/2011 ₹
<b>I.</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	2.1	129,904,000	129,904,000
	(b) Reserves and surplus	2.2	242,815,795	240,517,149
<b>2</b>	<b>Current liabilities</b>			
	(a) Short-term borrowings	2.3	14,689,000	10,524,000
	(b) Trade payables	2.4	1,553,352	15,586,049
	(c) Other current liabilities	2.5	70,066	33,090
	<b>TOTAL</b>		<b>389,032,213</b>	<b>396,564,288</b>
<b>II.</b>	<b><u>ASSETS</u></b>			
	<b>Non-current assets</b>			
<b>1</b>	<b>(a) Fixed assets</b>			
	(i) Tangible assets	2.6	41,339,177	41,336,385
	(b) Non-current investments	2.7	20,559,350	20,559,350
	(c) Deferred tax assets (net)		10,683,459	10,680,571
	(d) Long-term loans and advances	2.8	3,604,500	3,604,500
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	2.9	266,235,885	193,778,984
	(b) Trade receivables	2.10	43,688,449	118,287,342
	(c) Cash and cash equivalents	2.11	2,868,764	48,891
	(d) Short-term loans and advances	2.12	-	8,215,636
	(e) Other current assets	2.13	52,629	52,629
	<b>TOTAL</b>		<b>389,032,213</b>	<b>396,564,288</b>
	<b>See accompanying notes forming part of the financial</b>			

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 Jewellery Limited**

**Satyendra K. Jha**

**Partner**

M.No. 100106

Date : 29-May-2012

Place : Mumbai

**C&M Director**

**Director**

Date : 29-May-2012

Place : Mumbai

# SHUKRA JEWELLERY 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	346,540,179	336,283,241
II.	Other income	2.15	601,921	-
III.	<b>Total Revenue (I + II)</b>		<b>347,142,100</b>	<b>336,283,241</b>
IV.	Expenses:			
(a)	Cost of materials consumed		-	-
(b)	Purchases of Stock-in-Trade		414,298,039	293,560,446
(c)	Changes in inventories of finished goods, work-in-	2.16	(72,456,901)	28,581,483
(d)	Employee benefits expense	2.17	1,676,254	1,897,972
(e)	Finance costs		-	-
(f)	Depreciation and amortization expense	2.7	22,948	5,906,004
(g)	Other expenses	2.18	1,306,002	1,892,874
	<b>Total expenses (IV)</b>		<b>344,846,343</b>	<b>331,838,779</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>2,295,758</b>	<b>4,444,462</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>2,295,758</b>	<b>4,444,462</b>
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		<b>2,295,758</b>	<b>4,444,462</b>
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(2,888)	(13,580,599)
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>2,298,646</b>	<b>(9,136,137)</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(Loss) from discontinuing operations(after tax)(XII-XIII)</b>		<b>-</b>	<b>-</b>
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>2,298,646</b>	<b>(9,136,137)</b>
XVI	Earnings per equity share:			
	(1) Basic		0.17	(0.67)
	(2) Diluted		0.17	(0.67)

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 Jewellery Limited

Satyendra K. Jha

Partner

M.No. 100106

Date : 29-May-2012

Place : Mumbai

C&M Director

Director

Date : 29-May-2012

Place : Mumbai

# SHUKRA JEWELLERY 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)	<b>Cash flow from Operating Activities</b>		
	Profit/ (Loss) before extraordinary items and tax	2,295,758	4,444,462
	<u>Adjustments for:-</u>		
	Depreciation and Amortization	22,948	5,906,004
	<b>Operating Profit/(Loss) before changes in Working Capital</b>	2,318,706	10,350,466
	<u>Changes In Working Capital</u>		
	Increase /(Decrease) in Trade Payables	(14,032,697)	13,925,309
	Increase /(Decrease) in Other Current Liabilities	36,976	33,090
	Increase /(Decrease) in Inventories	(72,456,901)	28,581,483
	Increase /(Decrease) in Trade Receivables	74,598,893	(90,016,820)
	<b>Operating Profit/(Loss) after changes in Working Capital</b>	(9,535,023)	(37,126,472)
	Less: Taxes Paid	-	-
	<b>Net Cash Flow from Operating Activities</b>	(9,535,023)	(37,126,472)
(B)	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	(25,740)	-
	Sale of Investment	-	21,207,329
	<b>Net Cash Flow from Investing Activities</b> (B)	(25,740)	21,207,329
(C)	<b>Cash flow from Financing Activities</b>		
	Proceeds from Short Term Borrowings(net of repayment)	4,165,000	6,700,000
	Proceeds from Short Term Loans and Advances	8,215,636	8,031,252
	<b>Net Cash Flow from Financing Activities</b> (C)	12,380,636	14,731,252
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	2,819,873	(1,187,891)
	Cash and Cash Equivalents at the Beginning of the Period	48,891	1,236,781
	<b>Cash and Cash Equivalents at the Ending of the Period</b>	2,868,764	48,891

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 Jewellery Limited

Satyendra K. Jha

Partner

M.No. 100106

Date : 29-May-2012

Place : Mumbai

C&M Director

Director

Date : 29-May-2012

Place : Mumbai

# ACCOUNTING POLICIES & NOTES ON ACCOUNTS

## **Company Overview**

Shukra Jewellery Limited is engaged in the manufacturing of diamond studded gold jewellery and trading of cut and polished diamond. It was incorporated on 13<sup>th</sup> December, 1991 as a public limited company and came out with a public issue on February 15, 1993. Earlier known as Shukra Diamond Exports Limited, it acquired its present name with effect from 10<sup>th</sup> January, 1997. The factory premises are located at Union Territory of Daman. Polished diamonds and gold Jewellery are sold in the domestic as well as the export markets.

The registered office is located at Chirag Industrial Complex, 39/40, Golden Industrial Estate, Somnath Road, Daman & Diu (UT)-396210. The corporate office of the company is situated at 232, Pancharatna, Opera House, Mumbai-400004.

## **1. 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 has been provided on written down value method till the end of financial year, on the wdv of Fixed Assets as per the rates mentioned below, as determined appropriate by the management and are in accordance with provisions of Schedule XIV of the Companies Act, 1956 except for the assets of daman site no depreciation has been charged as no manufacturing has been undertaken during the year. Further, in case of addition, depreciation has been provided on pro-rata basis commencing from the date on which the asset is commissioned.

<b>Particulars</b>	<b>Rates of Depreciation Charged</b>	<b>Rates specified in schedule XIV</b>
Office Building	6%	5%
Air conditioner	14%	13.91%

#### 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. However in view of brought forward loss and unabsorbed depreciation from earlier years no provision for tax has been made.

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 asset arising from carried forward business loss and unabsorbed depreciation is recognized only when there is virtual certainty supporting by convincing evidence that this will be realized in future. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each reporting date.

#### 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
<b>Authorised</b> 2,00,00,000 (PY 2,00,00,000) Equity shares of ₹10 each	200,000,000	200,000,000
<b>Issued &amp; Subscribed Capital</b> 1,35,72,800 (PY 1,35,72,800) Equity shares of ₹10 each	135,728,000	135,728,000
<b>Paid up Capital</b> 1,35,72,800 (PY 1,35,72,800) Equity shares of ₹10 each	135,728,000	135,728,000
Less: Calls-in Arrears	5,824,000	5,824,000
<b>Total</b>	<b>129,904,000</b>	<b>129,904,000</b>

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	13,572,800	135,728,000	13,572,800	135,728,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13,572,800	135,728,000	13,572,800	135,728,000

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
Chandrakant H Shah	18,93,300	13.95%	18,93,300	13.95%
Jayendra H Shah	12,50,000	9.21%	12,50,000	9.21%
Shukra Bullions Limited	11,93,300	8.79%	11,93,300	8.79%
Mayuri C Shah	9,10,000	6.70%	9,10,000	6.70%

**Details of Calls Unpaid:**

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	₹	Number	₹
<b>Equity Shares</b>				
Per Share call of Rs. 5 Unpaid	36,800	1,84,000	36,800	1,84,000
Per Share call of Rs. 30 Unpaid	188,000	56,40,000	188,000	56,40,000
<b>Total</b>	<b>1,88,000</b>	<b>58,24,000</b>	<b>1,88,000</b>	<b>58,24,000</b>

**2.2 Reserves and Surplus:**

Particulars	As at 31/03/2012	As at 31/03/2011
<b>a. General Reserve</b>		
Opening Balance	240,517,149	249,653,286
(+) Transfer from Profit and Loss	2,298,646	-
(-) Written back during the year	-	9,136,137
Closing Balance	<b>242,815,795</b>	<b>240,517,149</b>
<b>b. Surplus/(deficit) in Statement of Profit and Loss</b>		
Opening balance	-	-
(+) Net Profit/(Net Loss) For the current year	2,298,646	(9,136,137)
(+) Transfer from Reserves	-	9,136,137
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	2,298,646	-
Closing Balance	-	-
<b>Total</b>	<b>242,815,795</b>	<b>240,517,149</b>

**2.3 Short term Borrowings:**

Particulars	As at 31/03/2012	As at 31/03/2011
<b>Unsecured</b>		
Loans and advances from Related Parties	11,489,000	7,324,000
Other Loans and Advances (Refer Note: 19)	3,200,000	3,200,000
<b>Total</b>	<b>14,689,000</b>	<b>10,524,000</b>

**2.4 Trade Payables:**

Particulars	As at 31/03/2012	As at 31/03/2011
Trade Payables for Trading Goods	1,553,352	15,586,049
<b>Total</b>	<b>1,553,352</b>	<b>15,586,049</b>

**2.5 Other Current Liabilities:**

Particulars	As at 31/03/2012	As at 31/03/2011
Creditors for Expenses	45,000	33,090
TDS Payable	25,066	-
<b>Total</b>	<b>70,066</b>	<b>33,090</b>

## 2.6 Tangible Assets:

Tangible Assets	Rate	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2011	Additions	Disposals	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charged for the year	On disposals	Balance as at 31 March 2012	Balance as at 31 March 2012	Balance as at 31 March 2011
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Office Buildings	6%	1,070,000	-	-	1,070,000	707,114	21,773	-	728,887	341,113	362,886
Factory Premises-DAMAN	10%	17,817,000	-	-	17,817,000	2,583,465	-	-	2,583,465	15,233,535	15,233,535
Plant and Machinery-DAMAN	14%	32,183,000	-	-	32,183,000	6,443,036	-	-	6,443,036	25,739,964	25,739,964
Air Conditioner	14%	-	25,740	-	25,740	-	1,175	-	1,175	24,565	-
CY Total		51,070,000	25,740	-	51,095,740	9,733,615	22,948	-	9,756,563	41,339,177	41,336,385
PY Total		51,070,000	-	-	51,070,000	3,827,611	5,906,004	-	9,733,615	41,336,385	

**2.7 Non-current Investments:**

Particulars	As at 31/03/2012	As at 31/03/2011
<b>Trade Investment</b>		
Investment in Equity Instrument	20,559,350	20,559,350
11,95,000 Equity shares of Rs 10 each fully paid up in Shukra Bullions Limited, a company under the same management.		
(Market Value of investment as at 31/03/2012 is ₹ 15,564,875)		
<b>Total</b>	<b>20,559,350</b>	<b>20,559,350</b>

**2.8 Long Term Loans and Advances:**

Particulars	As at 31/03/2012	As at 31/03/2011
Loans and advances to others	3,604,500	3,604,500
<b>Total</b>	<b>3,604,500</b>	<b>3,604,500</b>

**2.9 Inventories:**

Particulars	As at 31/03/2012	As at 31/03/2011
Raw Material	4,852,589	4,852,589
Stock-in-Trade	261,383,296	188,926,395
<b>Total</b>	<b>266,235,885</b>	<b>193,778,984</b>

**2.10 Trade Receivables:**

Particulars	As at 31/03/2012	As at 31/03/2011
<b>Unsecured, Considered Good</b>		
Less than six months	-	75782578
More than six months	43,688,449	42504764
<b>Total</b>	<b>43,688,449</b>	<b>118,287,342</b>

**2.11 Cash and Cash Equivalents:**

Particulars	As at 31/03/2012	As at 31/03/2011
Cash on Hand	1,383,152	33,671
Balance with Banks	1,485,612	15,220
<b>Total</b>	<b>2,868,764</b>	<b>48,891</b>

**2.12 Short Term Loans and Advances:**

Particulars	As at 31/03/2012	As at 31/03/2011
Secured, considered good Loans and advances to related parties	-	8,215,636
<b>Total</b>	<b>-</b>	<b>8,215,636</b>

**2.13 Other Current Assets:**

Particulars	As at 31/03/2012	As at 31/03/2011
Balances with Govt. Authorities TDS Receivables	52,629	52,629
<b>Total</b>	<b>52,629</b>	<b>52,629</b>

**2.14 Revenue from Operations:**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Sale of Product	346,339,465	336,273,703
Sale of services	200,714	9,538
Other operating revenues	-	-
<u>Less:</u> Excise duty	-	-
<b>Total</b>	<b>346,540,179</b>	<b>336,283,241</b>

**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	601,921	-
<b>Total</b>	<b>601,921</b>	<b>-</b>

**2.16 Changes in Inventories of Stock In Trade:**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
<b>Stock-in-Trade</b>		
Opening Stock	193,778,984	222,360,467
Less: Closing Stock	266,235,885	193,778,984
<b>Decrease/(Increase) in Stock</b>	<b>(72,456,901)</b>	<b>28,581,483</b>

**2.17 Employee Benefits Expenses:**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Salaries and Wages	1,630,124	1,897,972
Staff Welfare Expense	46,130	-
<b>Total</b>	<b>1,676,254</b>	<b>1,897,972</b>

**2.18 Other Expenses:**

Particulars	For the year ended 31 March 2012 ₹	For the year ended 31 March 2011 ₹
Administrative Expenses	206,476	258,296
Consumption of stores and spare parts	-	84,725
Communication	129,437	142,881
Power and fuel	49,249	113,173
Printing and stationery	-	25,000
Freight and forwarding	14,251	74,471
Legal and professional	209,273	56,984
Payments to auditors(Refer note:22)	50,000	30,000
Net loss on foreign currency transactions	-	146,540
Lodging & Boarding (Directors)	73,793	-
Listing Fees	110,300	99,570
Postage & Courier	227,340	523,708
Rent Expenses	-	142,500
Registrar & Transfer Agent Fees	89,575	159,231
Society Maintenance Expenses	122,616	12,037
Misc. Expenses	23,692	23,758
<b>Total</b>	<b>1,306,002</b>	<b>1,892,874</b>

**2.19 Related Party Disclosures:****Names of related parties and description of relationship:****1. Key Management Personnel:**

Chandrakant H Shah - Chairman & Managing Director  
Mauyri C Shah - Director

**2. Enterprises over which Key Management Personnel has significant influence**

Shukra Bullions Limited  
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
<b>Short Term Borrowings (Liability)</b>		
Chandrakant H Shah	5,20,000	5,20,000
Mauyri C Shah	1,04,000	1,04,000
Shukra Land Developers Limited	1,08,65,000	67,00,000

Transaction taken place during the year with related parties:

Particulars	Year ended on 31/03/2012	Year ended on 31/03/2011
<b>Capital Transaction:</b>		
Financing Transaction		
Shukra Land Developers Limited(Borrowing)	95,15,000	1,40,00,000
Shukra Land Developers Limited(Repayment)	53,50,000	73,00,000

## 2.20 Deferred Tax Asset \ (Liability):

Particulars	As at 31/03/2012	As at 31/03/2011
Opening Balance	1,06,80,571	(29,00,028)
Add: Deferred Tax due to Timing Differences	2,888	1,35,80,599
Closing Balance	1,06,83,459	1,06,80,571

## 2.21 Contingent Liability\Asset:

There is no contingent liability or asset outstanding on the Balance Sheet date which can have a material adverse effect on the Company's financial position or results of operation.

## 2.22 Payments to Auditors:

Particulars	Year ended on 31/03/2012	Year ended on 31/03/2011
As Auditors- Statutory Audit	40,000	25,000
For Taxation Matters	10,000	5,000
For Company Law Matters	-	-
For Other Services	-	-
<b>Total</b>	<b>50,000</b>	<b>30,000</b>



**2.23 Impairment Loss:**

The management has not assessed the 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	22,98,646	(91,36,137)
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,35,72,800	1,35,72,800
iii) Basic and Diluted Earnings Per Share(₹)	0.17	(0.67)
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 Jewellery Limited**

**Satyendra K Jha**  
**Partner**  
M. N.: 100106  
Date: 29-May-2012  
Place: Mumbai

**C&M Director**  
**Director**  
  
Date: 29-May-2012  
Place: Mumbai

# SHUKRA JEWELLERY LIMITED

Regd. Office : S-6/14 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 21<sup>st</sup> Annual general Meeting of the Company at Regd. Office of the Company at Chirag Industrial Complex, Somnath Road, Daman on Friday 28<sup>th</sup> September 2012 at 10.30 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.

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## SHUKRA JEWELLERY LIMITED

Regd. Office : S-6/14 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 21<sup>st</sup> Annual General Meeting of the Company, to be held on the Friday 28<sup>th</sup> 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 JEWELLERY LIMITED  
232, Panchratna, Opera House, Mumbai- 400 004