

22ND ANNUAL REPORT

OF

**SHUKRA JEWELLERY LIMITED
FOR THE YEAR ENDING 31.03.2013**

BOARD OF DIRECTORS

MR. CHANDRAKANT H SHAH
MRS. MAYURI C. SHAH
MR. SAURABH C SHAH
MR. SANDIP SHAH

MR. ANIL M. PATEL
MR. VINOD N SHAH
MR. RAMJI KHIMJI RAJPUT
MR. GAURAV SHAH

CHAIRMAN & MANAGING DIRECTOR
DIRECTOR
DIRECTOR
ADDITIONAL(INDEPENDENT) DIRECTOR
(W.E.F 25.07.2013)
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR (CEASED W.E.F.21/02/13)
INDEPENDENT DIRECTOR
ADDITIONAL DIRECTOR
(APPOINTED ON 04.06.2013) &
(CEASED W.E.F.25.07.13)

AUDITORS

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

BANKERS

ORIENTAL BANK OF COMMERCE
ICICI BANK LIMITED MUMBAI
ICICI BANK LIMITED AHMEDABAD
ING VAISYA 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

CONTENTS

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

VENUE OF AGM AND OTHER DETAILS

DATE : SEPTEMBER 27, 2013

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 21th September TO 27th September 2013

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF SHUKRA JEWELLERY LIMITED WILL BE HELD ON 27TH SEPTEMBER 2013 AT 10.30 A.M AT THE REGISTERED OFFICE OF THE COMPANY AT CHIRAG INDUSTRIAL COMPLEX, 39/40 GOLDEN INDUSTRIAL ESTATE, SOMNATH ROAD, DAMAN (U.T) 396210, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended **31st March 2013** and the Balance Sheet as on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Patel, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mrs. Mayuri Shah, who retires by rotation and, being eligible, offers herself for reappointment.
4. To appoint **M/s S.K JHA & Co.**, Chartered Accountants, as auditors to hold office from conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s) the following resolutions as Ordinary Resolutions:

5 To appoint Mr. Sandip shah as Director of the Company

“RESOLVED THAT Mr. Sandip Shah, who was appointed as an additional director of the Company on 25th July, 2013 pursuant date of the ensuing Annual General Meeting and in respect of whom the provisions of Section 260 of the Companies Act, 1956 to hold office till the date of ensuing Annual General Meeting be and is hereby appointed as a Director of the Company whose office shall be liable to retire by rotation.

By order of the Board of Directors
For Shukra Jewellery Limited

Chandrakant H Shah,
Director

REGISTERED OFFICE:
S-6/14, Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road
Daman (U.T) 396210

Date: 29.07.2013
Place: Mumbai

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

A proxy form duly completed and stamped, must reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

2. The registered of members and the share transfer books of the company will remain closed from **21/09/2013 to 27/09/2013** (both days inclusive) in connection with the Annual General Meeting.
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 the Annual Report to the Meeting.
6. Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 is enclosed.
- 7. INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT**

As required under the Listing Agreement, particulars of Directors who are proposed to be appointed and reappointed is furnished below:

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

Item No 2 of the Notice

1	NAME OF DIRECTOR	Mr. Anil Patel
2	Age	43 Years
3	Date of Appointment	31.12.2005
4	Expertise	Management
5	Qualification	HSC

Item No 3 of the Notice

1	NAME OF DIRECTOR	Mrs. Mayuri Shah
2	Age	54 Years
3	Date of Appointment	13.12.1991
4	Expertise	Management
5	Qualification	B.com

Item No 5 of the Notice

1	NAME OF DIRECTOR	Mr. Sandip Shah
2	Age	56 Years
3	Date of Appointment	25.07.2013
4	Expertise	Management
5	Qualification	B.Com

By order of the Board of Directors
FOR SHUKRA JEWELLERY LIMITED

Chandrakant Shah
Director

REGISTERED OFFICE:
S-6/14, Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road
Daman (U.T) 396210

Date : 29.07.2013
Place: Mumbai

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF
THE COMPANIES ACT, 1956.**

Item No. 5

Mr. Sandip Shah was appointed as an Additional Director of the Company with effect from 25th July, 2013 pursuant to the provision of Section 260 of the Companies Act, 1956 read with Articles of Association of the Company. Pursuant to the provisions of the said section, the term of the office of the said Director shall expire at the ensuing Annual General Meeting of the Company.

None of the directors are interested in this resolution except Mr. Sandip Shah.

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

DIRECTORS' REPORT

To,
The Members,
SHUKRA JEWELLERY LIMITED

The Directors take great pleasure in presenting the 22nd Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2013

FINANCIAL RESULTS:

	31stMarch 2013 Rs.(In lakhs)	31stMarch 2012 Rs. (In lakhs)
Income from Operations	3096.38	3465.40
Other Income	2.09	6.02
Total Expenditure	3093.71	3448.23
Interest Cost	0.00	0.00
Profit before depreciation(PBDT)	4.76	23.19
Depreciation	0.24	0.23
Profit before Tax	4.52	22.96
Provision for tax	1.75	0.00
Deferred Tax	107.54	(0.03)
Profit after tax	(104.77)	22.99
Less : Proposed Dividend	0.00	0.00
Less : Transfer to G.R	(104.77)	22.99
Balance carried forward to B/S	0.00	0.00

OPERATION

During the year under review the Company has achieved turnover of Rs. 30.96 Crore as compare to Rs.34.65 Crore during last year. The management is taking appropriate step to improve Company's bottom line.

CURRENT YEAR OUTLOOK

The Company is planning to participate/ visit various jewellery show domestic and aboard.

Barring unforeseen circumstances the management is hopeful of achieving higher turnover during the year.

Shukra Jewellery Limited
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DIVIDEND

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

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association Mr. Anil Patel, Director of the Company, retires by rotation and being eligible, offers himself for re- appointment.

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association Mrs. Mayuri Shah, Director of the Company, retires by rotation and being eligible, offers herself for re- appointment.

In accordance with the provisions of the Companies Act, 1956 and the Company's Articles of Association Mr. Gaurav C Shah has been appointed as an additional director on 04th June 2013 under provision of the section 262 of the Companies Act, 1956.

In accordance with the provisions of the Companies Act, 1956 and Company's Article of Association Mr. Sandip Shah has been appointed as an additional (Independent) director on 25th July, 2013 under the provisions of the Section 260 of the Companies Act, 1956 and Mr. Gaurav shah has resigned from the directorship on 25th July, 2013.

AUDITORS

The Company's Auditors M/s. S. K JHA & Co., Chartered Accountants retire on the conclusion of the forthcoming Annual General Meeting and are eligible for reappointment.

PUBLIC DEPOSITS:

Your Company has not accepted any fixed deposits within the meaning of Section 58A from the public under Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

AUDITOR'S REPORT

The auditors of the Company has pointed out that the company has not made provision for depreciation amount to Rs. 44, 70,110 for Daman asset. The management of the company is of the opinion that the 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 Company Act 1956.

Shukra Jewellery Limited
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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.

DISCLOSURE UNDER SECTION 274(1)(g)

None of the Directors of the Company are disqualified for being appointed as Directors as specified under section 274(1) (g) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000.

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULE, 1988 FOR THE YEAR ENDED 31ST MARCH 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGOING

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

CONSERVATION OF ENERGY,

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

TECHNOLOGY ABSORPTION

No technology has been imported during the year.

FOREIGN EXCHANGE EARNINGS/OUTGO

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

Total Foreign Exchange Earned : NIL

Total Foreign Exchange Outgo : NIL

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
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DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors, based on the representation received from the operating management, confirm that

- i) That In the presentation of the Annual Accounts for the financial year ended 31st March,2013 the applicable accounting standards has been followed along with proper explanation relating to material departures, if any;
- ii) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March,2013 and the profit or loss of the Company for the year under review;
- iii) That the directors have taken Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956,for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts for the year ended 31st March, 2013 have been prepared on a 'going concern basis'.

LISTING

The Equity shares of the Company are listed at BSE Limited. The Company has paid the Annual listing fee to the above Stock Exchange.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the listing agreements with Stock Exchanges, a Management Discussion & Analysis, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are made part of the Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to thank Shareholders, Suppliers, Customers, Banks and Employees for their co-operation and support. Your Directors also wish to place on record the support of the Financial Institutions.

Place : Mumbai
Date : 29.07.2013

For the Board of Director
For SHUKRA JEWELLERY LIMITED

REGISTERED OFFICE:

S-6/14, Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road
Daman (U.T) 396210

Chandrakant Shah,
Director

Shukra Jewellery Limited
S-6/14, Chirag Industrial Complex, 39/40, Golden Industrial Estate,
Somnath Road, Daman (U.T) 396210

ANNEXURE TO THE DIREOCTOR'S REPORT

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

CONSERVATION OF ENERGY,

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

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No technology has been imported during the year.

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Total Foreign Exchange Earned : NIL

Total Foreign Exchange Outgo : NIL

Place : Mumbai
Date : 29.07.2013

For the Board of Director
For SHUKRA JEWELLERY LIMITED

Chandrakant Shah,
Director

REGISTERED OFFICE:

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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 in financial year 2012-13, recorded a 9% fall in value terms, against 30% growth of previous years.

The diamond exported decrease by 14.65% during financial year 2012-13 while gold jewellery exports increased by 23.66%.

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 2012-13.

The reasons attributed for the sale 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 30 years in the industry.

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

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 309.64 Million (Previous year Rs. 346.54 Million) for the year ended March 31, 2013 primarily due to income from sale of Diamonds and Diamond Studded Gold Jewellery. The Company also received other income of Rs. 0.21 Million (Previous year 0.60) from import export difference.

Expenditure

The Company has recorded a total expenditure (excluding depreciation) 309.37 Million (Previous year Rs. 344.82 Million) for the year ended March 31, 2013.

- Cost of goods Sold 306.17 Million (Previous year Rs. 341.84 Million).
- The Company also recorded other expenditure of Rs.3.20 Million (Previous year 2.98 Millions). This is on account of administrative expenses and selling and administrative expenses.

Depreciation & amortization

For the year ended March 31, 2013 the Company has incurred depreciation charges of Rs. 0.02 Million (Previous year Rs. 0.02 Million).

Deferred Tax Assets

The Deferred tax Asset for the year Rs 10.75 Million (Previous Year Rs. 0.002 Million)

Net Profit before Taxes

Due to reasons discussed above, the Company has recorded net profit before taxes and extraordinary items of. Rs. 0.45 Million (Previous year Rs. 2.29 Million) for the year ended 31st March 2013

TAXES

The Provision for taxes for the year is Rs. 10.93 (Previous Year Rs. 0.002).

NET PROFIT

The Company has recorded Net Profit Rs. (10.48) Million (Previous year Rs. 2.29 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 2013 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 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 March 2013.

Chandrakant Shah
Director

Date : 29.07.2013
Place : Mumbai

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 organisation as well as governance practice to be followed by them.

The report on corporate governance is divided into six parts:

- I. Board of Directors**
- II. Committees of the Board**
- III. Details of Annual / Extraordinary General Meetings**
- IV. Means of Communication**
- V Shareholder Information**
- VI 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 & Designation	No. of other directorship
Chandrakant H.Shah	13.12.1991	Executive, Non Independent Whole time Director	2
Mayuri C. Shah	13.12.1991	Executive, Non Independent Whole time Director	2
Saurabh C. Shah	17.03.2012	Non Executive, Non Independent Director	3
Anil M.Patel	31.12.2005	Non-Executive, Independent Director	1
Vinod N Shah*	31.12.2005	Non-Executive Independent Director	1
Ramji Khimji Rajput	17.03.2012	Non-Executive Independent Director	7
Gaurav C. Shah **	04.06.2013	Non-Executive Additional Director	3
Sandip K shah	25.07.2013	Non – Executive Additional Director	1

*Ceased to be Director due to death w.e.f 21/2/2013

**Ceased to be Director on 25.07.2013

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. Eleven Board meetings were held on 09/04/2012, 31/05/2012, 27/07/2012, 16/08/2012, 30/08/2012, 30/10/2012, 07/11/2012, 04/12/2012, 25/01/2013, 31/01/2013, 23/02/2013 during the period under review.

Name of the Directors	No. of Board Meeting Held	No. of Board Meeting attended	Attendance at last A.G.M.
Chandrakant H. Shah	11	11	YES
Mayuri C. Shah	11	11	YES
Saurabh C. Shah	11	11	YES
Ramji Khimji Rajput	11	11	YES
Anil M. Patel	11	11	YES
Vinod Shah*	11	10	YES

*Ceased to be Director due to death w.e.f 21/2/2013

II. 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 30/05/2012, 26/07/2012, 07/08/2012, 29/10/2012 and 25/01/2013 during the period under review. The attendances of members for the meetings are as follows:

Name of the Member	Designation	No. of meeting attended	No. of meeting held
Mr. Anil M. Patel	Non-Executive Independent	5	5
Mr. Ramji Khimji Rajput	Non-Executive Independent	5	5
Mr. Vinod Shah* Up to 21.02.2013	Non-Executive Independent	5	5
Mr. Saurabh Shah w.e.f 23.02.2013	Non Executive Non Independent	0	0

*Ceased to be Director due to death w.e.f 21/2/2013

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. No Remuneration Committee meeting was held during the period under review.

Name of the Member
Mr. Anil M. Patel
Mr. Ramji Khimji Rajput
Mr. Vinod Shah
Mr. Saurabh Shah w.e.f 23.02.2013

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, superannuations and gratuity. The non-executive directors do not draw any remuneration from the Company.

REMUNERATION OF DIRECTORS

Director	Salary & Perquisites (Rs.)	Commission (Rs.)	Total (Rs.)
1. Chandrakant H Shah	NIL	NIL	NIL
2. Mayuri C Shah	NIL	NIL	NIL
3. Saurabh Shah	NIL	NIL	NIL
4. Anil M Patel	NIL	NIL	NIL
5. Vinod Shah	NIL	NIL	NIL
6. Ramji Khimji Rajput	NIL	NIL	NIL

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 15 days of receipt of documents, if found in order. Twenty One Meetings were held on 06/04/2012, 27/04/2012, 04/05/2012, 08/06/2012, 15/06/2012, 22/06/2012, 13/07/2012, 20/07/2012, 19/10/2012, 09/11/2012, 30/11/2012, 07/12/2012, 14/12/2012, 11/01/2013, 25/01/2013, 01/02/2013, 08/02/2013, 15/02/2013, 22/02/2013, 08/03/2013, 22/03/2013. The attendances of members for the meetings are as follows:

Name of the Member	Meeting Attended	Meeting held
Mr.Anil M. Patel	21	21
Mr. Ramji Khimji Rajput	21	21
Mr.Vinod Shah*	18	21
Mr.Saurabh Shah w.e.f 23.02.2013	03	21

*Ceased to be Director due to death w.e.f 21/2/2013

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 **Four** meetings were held on 06/04/2012, 09/07/2012, 10/10/2012, 10/01/2013,. The constitution of the Committee and the presence of members for the meetings are as follows:

Name of the Member	No. of meeting attended
Anil Patel	4
Ramji Khimji Rajput	4
Vinod Shah	4
Saurabh Shah w.e.f 23.02.2013	0

Name of the Compliance Officer => Mr. Mangesh Kolwadkar

Contact No. => 02223672992

No of shareholders
complaints/communication
Received during the year => 25

No. of complaints not resolved to
The satisfaction of shareholders => NIL

No. of pending share transfers => NIL

III. DETAILS OF ANNUAL / EXTRAORDINARY GENERAL MEETINGS

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

Year	AGM/EGM	Location	Time	Date	Special Resolutions
2009-10	AGM	Chirag Ind. Complex	01.30 p.m.	30/09/2010	None
2010-11	AGM	Chirag Ind. Complex	01.30 p.m.	30/09/2011	None
2011-12	EGM	Chirag Ind. Complex	11.30 a.m.	04/01/2012	Change of Auditor
2011-12	AGM	Chirag Ind. Complex	10.30 a.m.	28/09/2012	Appointment of Saurabh Shah & Ramji Rajput as Director of the Company

IV. MEANS OF COMMUNICATION :

The Company quarterly and annual results are uploaded on the BSE website. Annual Reports are being send by ordinary post every year. Management Discussion & Analysis Report is a part of annual report.

1. ANNUAL GENERAL MEETING

Venue => **S-6/14 Chirag Industrial Complex,
39/40 Golden Industrial Estate,
Somnath Road Daman 396210**

3. REGISTERED OFFICE ==> S-6/14 , Chirag Industrial Complex,
39/40 Golden Industrial Estate,
Somnath Road Daman 396210

5. Stock code => **523790**

6. ISIN No. => **INE344E01016**

MONTH	HIGH	LOW
APRIL, 2012	3.04	2.76
MAY, 2012	2.89	2.08
JUNE, 2012	2.31	2.20
JULY, 2012	2.15	1.82
AUGUST, 2012	2.21	1.85
SEPTEMBER, 2012	2.16	1.88
OCTOBER, 2012	2.67	2.06
NOVEMBER, 2012	3.11	2.50
DECEMBER, 2012	2.79	2.31
JANUARY, 2013	2.68	1.91
FEBRUARY, 2013	2.43	1.76
MARCH, 2013	2.12	2.00

8. 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****Telephone No****=> 40430265****9. Share Transfer System :**

Shares lodged for transfer at the Company's Registered Office address or the share Transfer Agent's address is processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of Shares are processed and the confirmation is given to the depositories within 15 days.

10. Distribution of shareholding as on 31st March, 2013.

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
Upto 5000	19939	91.19	4251600	31.32
5001-10000	1357	6.22	1063000	7.83
10001-20000	331	1.51	518400	3.82
20001-30000	78	0.35	202100	1.49
30001-40000	42	0.19	149000	1.09
40001-50000	29	0.13	137300	1.01
50001-100000	52	0.24	404500	2.99
100000 & above	38	0.17	6846900	50.45
Total	21866	100.00	13572800	100.00

11. Category of Shareholdings as on 31st March, 2013.

Category	No. of Shares	% of total shares
Regular	6122073	45.11
Directors	2296000	16.92
Relatives/ Friends of Directors	2208800	16.27
Mutual Funds	240600	1.77
Group Companies	1255600	9.25
Corporate Bodies	414927	3.05
Non Resident Indians	969700	7.14
Nationalized Banks	56000	0.41
Unit Trust Of India	9100	0.08
Total	13572800	100.00

12.SHARE PRICE PERFORMANCE IN COMPARISION WITH BSE SENSEX

Monthly Closing price at the end of the Month	Shukra Jewellery limited	BSE SENSEX
April, 2012	2.76	17319
May, 2012	2.10	16218
June, 2012	2.26	17233
July, 2012	1.94	17236
August, 2012	2.05	17380
September, 2012	1.97	18762
October, 2012	2.39	18505
November, 2012	2.67	19340
December, 2012	2.31	19427
January, 2013	1.91	19895
February, 2013	2.02	18862
March, 2013	2.00	18836

13. Demat Position as on 31st March,2013.

Total No. of Shares	Held in Demat Form	Percentage (%)	Held in Physical Form	Percentage (%)
13,57,2800	7785700	57.36%	5787100	42.64%

14.Financial Release Dates for 2012-2013

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 May.

15. Deamterialisation of shares and liquidity:

The Company's equity shares are under demat as well as physical trading. As on March 31, 2013 electronic holding by Members comprising of 7785700 of the total equity of the Company through the National Securities Depository Limited 7308600 and Central Depository Services (India) Limited -477100.

16. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity : Nil

17. Plant Address : S-6/ 14 Chirag Industrial Complex,39/40, Golden Industrial Estate, Somnath Road Daman(U.T) 396210

18. Address for correspondence: 232, Panchratna, Opera House, Mumbai - 400004
Email: shukrajewellery@yahoo.co.in

VI OTHER DISCLOSURES

POSTAL BALLOT

A Postal Ballot was conducted on one occasion pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by postal Ballot) Rules, 2001 for obtaining the consent of the Shareholders of the Company for the various Special Resolutions. The details of resolution passed through postal ballot during 2012-2013 are given below.

Purpose of the Resolution:

- i. Special Resolution for alteration of Clause II of the Memorandum of Association of the Company for change of Registered office from one State to another.
- ii. Special Resolution for the addition of new clause to the existing object Clause (Clause III) of the Memorandum of Association of the Company as the Company proposes for starting additional business of Construction and Real Estate.

Type of Resolutions: Both the Resolutions were Special Resolutions.

The procedure of the Postal Ballot adopted was as follows:

1. A Postal Ballot Notice dated 10th November, 2012 was sent to all the Shareholders along with Postal Ballot Form and the Explanatory Statement Pursuant to Section 173(2) of the Companies Act, 1956 seeking their assent / dissent to the proposed Resolution.
2. The Board of Directors appointed Mr. Virendra Bhatt, Company Secretary in practice, as the Scrutinizer for conducting the Postal Ballot exercise.
3. Upon the receipt of the duly filled in Postal Ballot Forms and completion of the scrutiny thereof, the Scrutinizer submitted his report to the Chairman.
4. The Chairman thereafter announced the results of the Postal Ballot on 25th January, 2013.

A Summary of the results is given below:

RESOLUTION NO. 1: Special Resolution for alteration of Clause II of the Memorandum Of Association of the Company for change of Registered office from one State to another.			
Details of Valid Ballots	No. Of ballots	No. of Votes (Entitled)	Percentage (%) voted
Assent	77	5800904	99.96
Neutral	---*	1850	0.03
Dissent	2	300	0.01
Total	79	5803054	100.00

**13 Ballots entitled to vote for 3500 shares have voted only 1650 shares.*

Resolution (No.1) votes cast in favour were 5800904 equity shares representing **99.96%** and Dissent were 300 equity shares representing **0.01%**.

RESOLUTION NO. 2: Special Resolution for addition of a new clause to the existing Object Clause (Clause III) of the Memorandum of Association of the Company as the Company proposes for starting additional business of Construction and Real Estate.			
Details of Valid Ballots	No. of ballots	No. of Votes (Entitled)	Percentage (%) voted
Assent	76	5800104	99.95
Neutral	---*	1850	0.03
Dissent	3	1100	0.02
Total	79	5803054	100.00

**13 Ballots entitled to vote for 3500 shares have voted only 1650 shares.*

Resolution (No.2) votes cast in favour were 5800104 equity shares representing **99.95%** and Dissent were 1100 equity shares representing **0.02%**.

The above two Resolution were, accordingly, declared by the Chairman as passed by the requisite majority.

**By order of the Board of Directors
FOR SHUKRA JEWELLERY LIMITED**

**Chandrakant Shah
Director**

REGISTERED OFFICE :
S-6/14,Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road
Daman(U.T) 396210
Date : 29.07.2013
Place : Mumbai

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 31st March, 2013 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: Ahmedabad
Date : 26th July, 2013

Satyendra k Jha
(Partner)
M. No. 100106

INDEPENDENT AUDITOR'S REPORT

To the Members of

SHUKRA JEWELLERY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of SHUKRA JEWELLERY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date subject to following comment;

"In view of no commercial operation in its Daman unit the company has not provided for depreciation amounting to Rs. 44,70,110/- during the year."

And,

- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 subject to the qualification made in our report above and point no. 1.5, 1.10 and 1.11 of Accounting Policies and Notes of Accounts forming part of audited accounts;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

Satyendra K Jha
Partner
Membership No. : 100106

Place: Ahmedabad
Date: 29th May 2013

The Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of Our Report of even date to the members of SHUKRA JEWELLARY LIMITED on the accounts of the company for the year ended 31st March, 2013.

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

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) During the year, the company has accepted unsecured short term loans amounting to Rs. 50,90,000/- from two 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 is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During

the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) 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. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. 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. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. According to information and explanations given to us, the Company is not dealing in or trading in Shares, Mutual funds & other Investments. Accordingly, the provisions of clause (XIV) of the paragraph 4 of the order are not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

Place: Ahmedabad
Date: 29th May, 2013

Satyendra K Jha
(Partner)
Membership No. : 100106

SHUKRA JEWELLERY LIMITED
BALANCE SHEET AS AT 31st MARCH, 2013

Particulars		Note No.	As at 31/03/2013 ₹	As at 31/03/2012 ₹
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital		2.1	129,904,000	129,904,000
(b) Reserves and surplus		2.2	232,338,843	242,815,795
2 Non-Current Liability				
(a) Deferred Tax Liabilities(Net)			70,141	-
(b) Other Long Term Liability		2.3	1,547,859	1,553,352
3 Current liabilities				
(a) Short-term borrowings		2.4	14,396,851	14,689,000
(b) Trade payables		2.5	59,741,108	-
(c) Other current liabilities		2.6	132,112	70,066
(d) Short Term Provision		2.7	1,99,810	-
TOTAL			438,330,724	389,032,213
II. ASSETS				
Non-current.assets				
1 (a) Fixed assets				
(i) Tangible assets		2.8	41,315,271	41,339,177
(b) Non-current investments		2.9	20,559,350	20,559,350
(c) Deferred tax assets (net)			-	10,683,459
(d) Long-term loans and advances		2.10	3,716,500	3,657,129
(e) Other Non-Current assets		2.11	15,914,569	15,749,618
2 Current assets				
(a) Inventories		2.12	182,383,692	266,235,885
(b) Trade receivables		2.13	173,870,483	27,938,831
(c) Cash and cash equivalents		2.14	570,859	2,868,764
TOTAL			438,330,724	389,032,213
See accompanying notes forming part of the financial				

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-2013
 Place : Ahmedabad

Director

Director

Date : 29-May-2013
 Place : Ahmedabad

SHUKRA JEWELLERY LIMITED

Profit and loss statement for the year ended 31st March, 2013

Particulars		Note No.	For the Year ended on 31/03/2013 ₹	For the Year ended on 31/03/2012 ₹
I.	Revenue from operations	2.15	309,637,909	346,540,179
II.	Other income	2.16	208,792	601,921
III.	Total Revenue (I + II)		309,846,701	347,142,100
IV.	Expenses:			
(a)	Cost of materials consumed		-	-
(b)	Purchases of Stock-in-Trade		222,320,794	414,298,039
(c)	Changes in inventories of finished goods, work-in-	2.17	83,852,193	(72,456,901)
(d)	Employee benefits expense	2.18	11,32,232	1,676,254
(e)	Finance costs		-	-
(f)	Depreciation and amortization expense	2.8	23,906	22,948
(g)	Other expenses	2.19	2,065,928	1,306,002
	Total expenses (IV)		309,395,052	344,846,343
V.	Profit before exceptional and extraordinary items and tax (III-IV)		451,648	2,295,758
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		451,648	2,295,758
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		451,648	2,295,758
X	Tax expense:			
	(1) Current tax		1,75,000	-
	(2) Deferred tax		10,753,600	(2,888)
XI	Profit (Loss) for the period from continuing operations (IX-X)		(10,476,952)	2,298,646
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)		(10,476,952)	2,298,646
XVI	Earnings per equity share:			
	(1) Basic		(0.77)	0.17
	(2) Diluted		(0.77)	0.17

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-2013

Place : Ahmedabad

Director

Director

Date : 29-May-2013

Place : Ahmedabad

SHUKRA JEWELLERY LIMITED

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

	Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
(A)	Cash flow from Operating Activities		
	Profit/ (Loss) before extraordinary items and tax	451,648	2,295,758
	<u>Adjustments for:-</u>		
	Provision for Expense	24,810	-
	Depreciation and Amortization	23,906	22,948
	Operating Profit/(Loss) before changes in Working Capital	500,364	2,318,706
	<u>Changes In Working Capital</u>		
	Increase /(Decrease) in Trade Payables	59,735,615	(14,032,697)
	Increase /(Decrease) in Other Current Liabilities	62,046	36,976
	Increase /(Decrease) in Inventories	83,852,193	(72,456,901)
	Increase /(Decrease) in Trade Receivables	(146,096,603)	74,598,893
	Operating Profit/(Loss) after changes in Working Capital	(1,946,385)	(9,535,023)
	Less: Taxes Paid	-	-
	Net Cash Flow from Operating Activities	(1,946,385)	(9,535,023)
(B)	Cash flow from Investing Activities		
	Purchase of Fixed Assets	-	(25,740)
	Sale of Investment	-	-
	Net Cash Flow from Investing Activities	(B) -	(25,740)
(C)	Cash flow from Financing Activities		
	Proceeds from Short Term Borrowings(net of repayment)	(2,92,149)	4,165,000
	Proceeds from Short Term Loans and Advances	(59,371)	8,215,636
	Net Cash Flow from Financing Activities	(C) (351,520)	12,380,636
	Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(2,297,905)	2,819,873
	Cash and Cash Equivalents at the Beginning of the Period	2,868,764	48,891
	Cash and Cash Equivalents at the Ending of the Period	5,70,859	2,868,764

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-2013

Place : Ahmedabad

Director

Director

Date : 29-May-2013

Place : Ahmedabad

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 13th 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 10th 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.

Particulars	Rates of Depreciation Charged	Rates specified in schedule XIV
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.

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.

In the Current Year Differed Tax Asset balance is reversed by Rs. 10,753,600/- due to wrong creation of Differed Tax Assets in the earlier years. Calculation of the same is given herewith under-

Statement showing Deferred Tax Calculation for the Financial Year 2012-13

Particulars	₹
A) Deferred Tax Asset	
1. Business Loss to be Carried Forward	-
2. Unabsorbed Depreciation	-
TOTAL	-
DTA @ 30.9%	-
B) Deferred Tax Liability	
WDV as per Income tax Act	41,088,276
WDV as per Companies Act	41,315,271
Timing Difference	(226,995)
DTL @ 30.9%	(70,141)
DTL should be as on 31.03.2013	(70,141)
Opening Balance of DTA	10,683,459
Required to be written off	10,753,600

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. However, the management has not assessed the impairment loss on the assets of the company.

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, 2013

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

2.1 Share Capital

Particulars	As at 31/03/2013	As at 31/03/2012
Authorised 2,00,00,000 (PY 2,00,00,000) Equity shares of ₹10 each	200,000,000	200,000,000
Issued & Subscribed Capital 1,35,72,800 (PY 1,35,72,800) Equity shares of ₹10 each	135,728,000	135,728,000
Paid up Capital 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
Total	129,904,000	129,904,000

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, 2013 and March 31, 2012 is set out below:

Particulars	As at 31 March 2013		As at 31 March 2012	
	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 2013		As at 31 March 2012	
	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	12,55,700	9.25%	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 2013		As at 31 March 2012	
	Number	₹	Number	₹
Equity Shares				
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
Total	2,24,800	58,24,000	2,24,800	58,24,000

2.2 Reserves and Surplus:

Particulars	As at 31/03/2013	As at 31/03/2012
a. General Reserve		
Opening Balance	242,815,795	240,517,149
(+) Transfer from Profit and Loss	(10,476,952)	2,298,646
(-) Written back during the year	-	-
Closing Balance	232,338,843	242,815,795
b. Surplus/(deficit) in Statement of Profit and Loss		
Opening balance	-	-
(+) Net Profit/(Net Loss) For the current year	(10,476,952)	2,298,646
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	(10,476,952)	2,298,646
Closing Balance	-	-
Total	232,338,843	242,815,795

2.3 Other Long Term Liabilities

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Payable	1,547,859	1,553,352
Total	1,547,859	1,553,352

2.4 Short term Borrowings:

Particulars	As at 31/03/2013	As at 31/03/2012
Unsecured		
Loans and advances from Related Parties	14,396,851	11,489,000
Other Loans and Advances (Refer Note: 2.20)	-	3,200,000
Total	14,396,851	14,689,000

2.5 Trade Payables:

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Payables for Trading Goods	59,741,108	-
Total	59,741,108	-

2.6 Other Current Liabilities:

Particulars	As at 31/03/2013	As at 31/03/2012
Creditors for Expenses	71,047	45,000
TDS Payable	61,065	25,066
Total	132,112	70,066

2.7 Short Term Provisions:

Particulars	As at 31/03/2013	As at 31/03/2012
Provision for Income Tax	1,75,000	-
Provision for Expense	24,810	-
Total	1,99,810	-

2.8 Tangible Assets:

Tangible Assets	Rate	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2012	Additions	Disposals	Balance as at 31 March 2013	Balance as at 1 April 2012	Depreciation charged for the year	On disposals	Balance as at 31 March 2013	Balance as at 31 March 2013	Balance as at 31 March 2012
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Office Buildings	6%	1,070,000	-	-	1,070,000	728,887	20,467	-	749,354	320,646	341,113
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	3,439	-	4,614	21,126	24,565
CY Total		51,095,740		-	51,095,740	9,756,563	23,906	-	9,780,469	41,315,271	41,339,177
PY Total		51,070,000	25,740	-	51,095,740	97,33,615	22,948	-	9,756,563	41,339,177	41,336,385

2.9 Non-current Investments:

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Investment		
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 31/03/2013 is ₹ 9,213,450)		
Total	20,559,350	20,559,350

2.10 Long Term Loans and Advances:

Particulars	As at 31/03/2013	As at 31/03/2012
Loans and advances to others	3,716,500	3,657,129
Total	3,716,500	3,657,129

2.11 Other Non-Current Assets:

Particulars	As at 31/03/2013	As at 31/03/2012
Trade Receivables	15,914,569	15,749,618
Total	15,914,569	15,749,618

2.12 Inventories:

Particulars	As at 31/03/2013	As at 31/03/2012
Raw Material	22,670,165	4,852,589
Stock-in-Trade	159,713,527	261,383,296
Total	182,383,692	266,235,885

2.13 Trade Receivables:

Particulars	As at 31/03/2013	As at 31/03/2012
Unsecured, Considered Good		
Less than six months	93,909,162	-
More than six months	79,961,321	27,938,831
Total	173,870,483	27,938,831

2.14 Cash and Cash Equivalents:

Particulars	As at 31/03/2013	As at 31/03/2012
Cash on Hand	82,622	1,383,152
Balance with Banks	488,237	1,485,612
Total	570,859	2,868,764

2.15 Revenue from Operations:

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Sale of Product	309,637,909	346,339,465
Sale of services	-	200,714
Other operating revenues	-	-
<u>Less:</u>		
Excise duty	-	-
Total	309,637,909	346,540,179

2.16 Other Income:

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Net gain on foreign currency transactions	189,242	601,921
Credit Balance Written-off	19,550	-
Total	208,792	601,921

2.17 Changes in Inventories of Stock In Trade:

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Stock-in-Trade		
Opening Stock	266,235,885	193,778,984
Less: Closing Stock	182,383,692	266,235,885
Decrease/(Increase) in Stock	83,852,193	(72,456,901)

2.18 Employee Benefits Expenses:

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Salaries and Wages	1,132,232	1,630,124
Staff Welfare Expense	-	46,130
Total	1,132,232	1,676,254

2.19 Other Expenses:

Particulars	For the year ended 31 March 2013 ₹	For the year ended 31 March 2012 ₹
Administrative Expenses	107,657	202,906
Brokerage Expense	500,000	-
Communication	144,004	129,437
Security and Depository Fees	67,416	66,180
Power and fuel	36,799	49,249
Printing and stationery	22,550	-
Freight and forwarding	11,151	14,251
Legal and professional	107,719	209,273
Payments to auditors(Refer note:22)	50,000	50,000
Lodging & Boarding (Directors)	-	73,793
Listing Fees	44,944	44,120
Postage & Courier	599,683	227,340
ROC Fees	37,839	3,570
Registrar & Transfer Agent Fees	123,966	89,575
Society Maintenance Expenses	66,130	122,616
TDS Written off	52,629	-
Insurance Expense	43,927	1,365
Misc. Expenses	49,514	22,327
Total	2,065,928	1,306,002

2.20 Related Party Disclosures:**Names of related parties and description of relationship:**

- Key Management Personnel and their relatives:
 - Chandrakant H Shah - Key Management Personnel
 - Mauyri C Shah - Key Management Personnel
 - Gaurav Shah - Relative of Key Management Personnel
- 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, 2013 and March 31, 2012 are as follows:

Particulars	As at 31/03/2013	As at 31/03/2012
Short Term Borrowings (Liability)		
Chandrakant H Shah	NIL	5,20,000
Mauyri C Shah	NIL	1,04,000
Shukra Land Developers Limited	1,16,96,851	1,08,65,000
Gaurav Shah	27,00,000	NIL

Transaction taken place during the year with related parties:

Particulars	Year ended on 31/03/2013	Year ended on 31/03/2012
Capital Transaction:		
Financing Transaction		
Shukra Land Developers Limited(Borrowing)	23,90,000	95,15,000
Shukra Land Developers Limited(Repayment)	15,58,149	53,50,000
Gaurav Shah (Borrowing)	27,00,000	-

2.21 Deferred Tax Asset \ (Liability):

Particulars	As at 31/03/2013	As at 31/03/2012
Opening Balance	1,06,83,459	1,06,80,571
Add: Deferred Tax due to Timing Differences	(1,07,53,600)	2,888
Closing Balance	(70,141)	1,06,83,459

2.22 Contingent Liability\Asset:

A demand of ₹ 19,53,465/- has been raised by the Income Tax Authorities for the Assessment Year 2007-08, which the company has not acknowledged as debt. 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.

2.23 Payments to Auditors:

Particulars	Year ended on 31/03/2013	Year ended on 31/03/2012
As Auditors- Statutory Audit	40,000	40,000
For Taxation Matters	10,000	10,000
For Company Law Matters	-	-
For Other Services	-	-
Total	50,000	50,000

2.24 Impairment Loss:

The management has not assessed the impairment loss on the assets of the company.

2.25 Earnings Per Share (EPS):

Particulars	Year ended on 31/03/2013	Year ended on 31/03/2012
i) Net Profit after tax as per Statement of Profit and Loss attributable to equity shareholders	(10,476,952)	22,98,646
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(₹)	(0.77)	0.17
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-2013
Place: Ahmedabad

Director

Director

Date: 29-May-2013
Place: Ahmedabad

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 Proxy :-----

No of Share Held :-----

Signature of the Share holder/Proxy

I hereby record my presence at the 22nd Annual General Meeting of the Company at Regd. Office of the Company at Chirag Industrial Complex, Somnath Road, Daman On Friday 27th September 2013 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.

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 district of _____ (or failing
him) _____ of _____ in district of _____
as my/our Proxy to attend and vote for me/our behalf of the 22nd Annual General meeting of
the Company, to be held on the Friday 27th September 2013 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

Regd. Folio No. _____ Signature _____
No of Shares _____

AFFIX
REVENUE
STAMP

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

