



**UNAY** Jewellery Industries Limited  
Manufacturers • Exporters • Distributors

**15<sup>th</sup>**  
**ANNUAL REPORT**  
**2013-14**

**GREEN INITIATIVE IN CORPORATE GOVERNANCE**

Dear shareholders,

The Ministry of Corporate Affairs ("MCA") vide its circulars dated 21.04.2011 and 29.04.2011 has taken a "Green Initiative In Corporate Governance" thereby allowing companies to serve electronic documents to its shareholders.

Environment conservation and sustainable development are continuously on your Company's radar and therefore your Company supports MCS in this initiative. Accordingly, henceforth, we propose to send documents such as notices of general meeting(s), annual reports and other communications to the shareholders through e-mail. Please note that all such documents shall be kept open for inspection at the registered office of the Company during the office hours.

We solicit your valuable cooperation and support in our endeavor to contribute our bit to the environment. You are requested to please fill the details in the format provided below. Please note that the fields marked "\*" are mandatory to fill.

Registered Folio or DP Id - Client ID \*

Full Name \*

Email ID \*

Contact no. :

Declaration: (Select whichever is applicable) \*

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

In case there is any change in your e-mail ID or any other details, please e-mail us the details at [info@udayjewellery.com](mailto:info@udayjewellery.com) or contact us. In case of shares held in electronic form, you are requested to inform your DP as well.

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**BOARD OF DIRECTORS**

Shri Ritesh Kumar Sanghi	- Managing Director
Shri Sanjay Kumar Sanghi	- Director
Shri Siddharth Goel	- Director
Shri Ram Prasad Vempati	- Director
Shri Vikram Goel	- Director
Smt. Pritha Sanghi	- Additional Director

**AUDITORS**

M/s Venugopal & Chenoy  
Chartered Accountants, Tilak Road,  
Hyderabad - 500001

**BANKERS**

State Bank of India  
Commercial Branch  
Kothi, Hyderabad

**REGISTERED OFFICE**

Plot No. 5-9-60, Flat No. 301, Moghuls Court Building,  
Deccan Tower Complex, Basheerbagh  
Hyderabad - 500001

Shri Ritesh Kumar Sanghi	- Compliance Officer
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**REGISTRAR & SHARE TRANSFER AGENTS**

Niche Technologies Private Limited  
D-511, Bagree Market  
71, B. R. B. Basu Road  
Kolkata - 700 001  
West Bengal, India

**NOTICE**

Notice is hereby given that the **Fifteenth Annual General Meeting** of the Members of the Company will be held at the Registered Office of the Company at Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Deccan Tower Complex, Basheerbagh, Hyderabad – 500001 on **Monday, the 29<sup>th</sup> day of September, 2014 at 03.30 P.M.** to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at **31st March, 2014** and Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint director in place of Shri Sanjay Kumar Sanghi, (DIN: 00629693) Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint director in place of Shri Vikram Goel, (DIN: 0510475) Director, who retires by rotation and being eligible, offers himself for re-appointment
4. To appoint auditors and to authorise the Board to fix their remuneration and pass the following resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there-under, as amended from time to time, M/s Venugopal & Chenoy, Chartered Accountants (Firm Reg. No. 004671S; M. No. 21961), Hyderabad be and is hereby re appointed as the Statutory Auditors of the Company to hold office until the conclusion of sixth Annual General Meeting of the Company after this meeting, subject to ratification at every Annual general meeting, at such Remuneration as may mutually agreed upon between the Board of Directors of the Company and the Auditors."

**SPECIAL BUSINESS**

5. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** Smt. Pritha Sanghi, who has been appointed as Additional Director on the Board of the Company and who holds office upto the date of this Annual General Meeting pursuant to Section 161(1) and proviso under Section 149(1) of the Companies Act, 2013 and in respect of whom Company has, under Section 160, received notice in writing proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

**"RESOLVED FURTHER THAT** The Board of Director of the Company be and are hereby authorized to do all such acts, deeds and things as may be deemed expedient to give effect to the above resolution."

6. To consider and if thought fit to pass with or without modification(s), the following resolution as ordinary resolutions:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time and Articles of Association of the Company, Shri Ram Prasad Vempati (DIN: 01903161), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 29.09.2014."

7. To consider and if thought fit to pass with or without modification(s), the following resolution as ordinary resolutions:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any,

of the Companies Act, 2013 ("Act") and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time and Articles of Association of the Company, Shri Vikram Goel (DIN: 05104754), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 29.09.2014."

8. To consider and if thought fit to pass with or without modification(s), the following resolution as ordinary resolutions:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed there under as read with Schedule IV to the Act, as amended from time to time and Articles of Association of the Company, Shri Siddharth Goel (DIN: 03022978), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years commencing from 29.09.2014."

Date: 21.08.2014

Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01

For and on behalf of the Board

Sd/-

Ritesh Kumar Sanghi

Managing Director

DIN: 00628033

Address: 8-2-686/DR/7, Road No. 12,  
Banjara Hills, Hyderabad, 500034,

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#### NOTES

1. Any Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2014 to 29th September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
3. All correspondence and share transfer documents must be addressed to the Share Transfer Agents.
4. Member who hold shares in dematerialized form are requested to bring their clients Id and DPID number for easy identification of their attendance at the meeting.
5. Members holding the shares in physical and electronic form are required to inform immediately the changes, if any, in their address of Share Transfer Agents.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.
8. Members are requested to notify change of address, if any, to the Company's Share Transfer Agents immediately.
9. Members / Proxies are requested to bring their attendance slips along with their copies of Annual Report to the Meeting.

10. The Equity Shares of the Company are in Compulsory Trading in dematerialized form (Scripless trading in electronic form) through Depository Participants. The ISIN Code is INE551B01012.
11. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
12. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the declaration of result.
13. A Member can opt only one mode for voting i.e. either Physical or e-voting. In case a member opts e-voting, he cannot exercise his vote through postal ballot form and vice-versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then the voting done through physical Ballot shall prevail and voting done by e- voting will be treated as invalid. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.

**14. Voting through electronic means:**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means, as an alternative to vote physically at the Annual General Meeting (AGM), and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes cast physically at the meeting shall be treated as invalid.

15. Shri Ajay S. Shrivastava, Practicing Company Secretary has been appointed as "Scrutinizer" for the Special business mentioned to be conducted by e-voting/Postal ballot.
16. The Results of the e-voting will be declared by the Directors on Monday the 29th September, 2014 at 3.30 PM. at the Registered Office of the Company at Hyderabad.
17. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 5, 6, 7, and 8 is annexed herewith.
18. The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed/ reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchanges are as follows:

**Shri Sanjay Kumar Sanghi**, aged about 46 years, has a Certified Gemologist and a visionary. He has an experience of more than 25 years in the field of Jewellery Industry. He has an experience of more than 25 years in the field of jewellery industry.

His directorships held in other public companies as on 31.03.2014 are:

1. Narbada Gems and Jewellery Limited

**Smt. Pritha Sanghi**, aged about 44 years has a varied experience in the field of jewellery designing and expert knowledge in gemology.

Her directorships held in other public companies as on 31.03.2014 are:

1. Trisa Retail Limited

**Shri Ram Prasad Vempati**, aged about 57 years has rich and diverse experience in the field of Accountancy, Finance and Business Administration. He has an experience of more than 20 years in the field of Finance and Accounting.

His directorships held in other public companies as on 31.03.2014 are:

1. Uday Jewellery Industries Limited
2. R.V.K. Enterprises and Exports Limited
3. Vempati Enterprises Private Limited

**Shri Siddharth Goel**, aged about 29 years has a rich and varied experience in Business Administration and Strategic Management.

His directorships held in other public companies as on 31.03.2014 are:

1. Uday Jewellery Industries Limited

**Shri Vikram Goel**, aged about 25 years has fairly good experience in Business Administration and management.

His directorships held in other public companies as on 31.03.2014 are:

1. The Hyderabad Construction Company limited
2. Hitech Iron Foundry Private Limited
3. HPG Electro and Infra Private Limited

#### 19. VOTING THROUGH ELECTRONIC MEANS

- I.) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL)
- II.) Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instruction below to cast their vote through e-voting:
  - III.) **The instructions for shareholders voting electronically are as under:**
    - (i) **The voting period begins on September 23, 2014 at 10.00 A.M. and ends on September 25, 2014 at 6.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **August 22, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
    - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
    - (iii) Click on "Shareholders" tab.
    - (iv) Now Enter your User ID
      - a. For CDSL: 16 digits beneficiary ID,
      - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



- c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr. / Mrs. / Smt. / Miss / Ms. / M/s. etc.</p> <p><b>Example:</b> (1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245                      (2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>* Please Enter the DOB or Bank Account Number in order to Login.</li> <li>* If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut Off date (record date) of August 22, 2014</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "**Uday Jewellery Industries Limited**" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/

NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [info@udayjewellery.com](mailto:info@udayjewellery.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before September 25, 2014, upto 6 pm. without which the vote shall not be treated as valid.

20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 22-August-2014.

21. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on 22-August-2014.
22. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 22-August-2014. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
23. Shri Ajay S. Shrivastava, Practicing Company Secretary (Certificate of Practice Number 3479) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
24. The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to Calcutta Stock Exchange Limited.

#### **EXPLANATORY STATEMENT**

(Section 102(1) of the Companies Act, 2013)

##### **Item No. 5:**

The Board of Directors of the Company had appointed Mrs. Pritha Sanghi as an Additional Director on the Board of the Company at its Meeting held on 14.05.2014. Her term of Office expires on the date of the ensuing Annual General Meeting. A notice, under Section 160 of the Companies Act, 2013, has been received from a Member of the Company proposing her candidature to be appointed as a Director of the Company. Hence, the resolution is being placed before the Members for its approval.

The Board recommends for the approval of the resolution.

None of the Directors of the Company are in any way concerned or interested in the proposed resolution.

##### **Item No. 6, 7 and 8:**

In compliance with the requirements of Clause 49 of the Listing Agreement, the Company appointed Shri Ram Prasad Vempati, Shri Vikram Goel and Shri Siddharth Goel as the Independent Directors of the Company.

Section 149 of the Companies Act, 2013 (which came in to effect from 01.04.2014) provides that, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation. Also, Section 149(10) of the Act provides that an independent director shall hold office for a term up to five consecutive years on the Board of a Company. Therefore, in accordance with the said provisions, the Board of Directors of the Company has recommended the appointment of these directors as Independent Directors for a period of 5 years effective from the date of this Annual General Meeting.

The Company has received a declaration from Shri Ram Prasad Vempati, Shri Vikram Goel and Shri Siddharth Goel, that they meet the criteria of independence as provided under section 149(6) of the Act.

A brief profile of the aforementioned Independent Directors is given elsewhere in the Notice.

The Board recommends for the approval of the resolution.

**DIRECTORS' REPORT**

To The Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the audited accounts of the Company for the year ended 31st March, 2014

**FINANCIAL RESULTS:**

Particulars	31.03.2014 (Rs. in '000s)	31.03.2013 (Rs. in '000s)
Revenue from operations	20,33,26.37	18,58,47.65
Other Income	2,83.60	69.97
Profit before tax	93,10.96	1,56,61.70
Provision for Taxation	17,30.39	31,08.34
Profit after Tax	75,80.57	1,25,53.37
Losses Brought Forward	(8,54,82.09)	(9,80,35.46)
Balance carried to Balance Sheet	(7,79,01.53)	(8,54,82.09)

**BUSINESS REVIEW AND FUTURE OUTLOOK:**

Since last 4 years, the Company has been able to make considerable and stable level of profit and has accomplished as remarkable growth in its business activities. The management is continuously engaged to further develop the business and earn higher returns.

During the year under review, the Company has earned a total revenue of Rs. 20,33,26,372/- as compared to Rs. 18,58,47,654/- for the previous year 2012-13. The Profit before tax for the current year is Rs. 93,10,955/- as against the previous year of Rs. 1,56,61,706/-. The fall in the profits is on account of increase in the level of stock purchase and business expenses. This is in view of coherent plans for business diversification and development and to sustain the competitive and vibrant market conditions.

The gems and jewellery sector has been one of the fastest-growing sectors in India in the past few years. The sector has gained global popularity because of its talented craftsmen, its superior practices in cutting and polishing fine diamonds and precious stones, and its cost-efficiencies. The sector has been vital to the overall Indian economy in the past few years.

The Company is in the process of placing its best efforts to explore methods to make the business of the Company more dynamic. The Company plans to set up a manufacturing facility to augment production of jewellery and in turn to boost its trading and related activities.

**DIVIDEND:**

In order to conserve resources for further expanding the Company's business, your Directors have opined to not recommend any dividend for the year 2013 - 14.

**DIRECTORS**

Shri Sanjay Kumar Sanghi and Shri Vikram Goel retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Their respective profiles are given elsewhere in the report.

Your Directors recommend their re-appointment.

Mrs. Pritha Sanghi was appointed as Additional Director on the Board of the Company whose term expires at the ensuing Annual General Meeting. The Board recommends her appointment as a Director on the Board of the Company, liable to retire by rotation.

**FIXED DEPOSIT**

Your Company has not accepted any fixed deposits from public or otherwise during the year.

**REISSUE OF FORFEITED SHARES:**

The Company is in the process of re-issue of upto 25,00,000 Equity shares out of the Forfeited shares in order to augment long term financial resources for growth of business.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors would like to inform the members that the audited accounts for the year ended 31st March, 2014 are in full conformity with the requirement of the Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These financial statements are audited by the Statutory Auditors **M/s Venugopal & Chenoy**.

Your Directors further confirm:

- (a) that in the preparation of the annual accounts for the year ended on 31st March, 2014, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and Loss of the Company;
- (c) that the directors had 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;
- (d) that the directors have prepared the annual accounts for the year ended on 31st March, 2014 on a going concern basis.

**AUDITORS:**

M/s. Venugopal & Chenoy, Chartered Accountants, the present statutory auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The comments made by the Auditors in their report, if any, have been dealt with in the Notes on Accounts and do not require further comments from Board of Directors.

In accordance with the Companies (Audit & Auditors) Rules, 2014, they are eligible for appointment for next Six years, to be ratified every year, since they have completed Four years as Auditors since 31.03.2011. The Board recommends their re-appointment.

**INDUSTRIAL AND PERSONNEL RELATIONS:**

The relationship between the management and the staff continued to be cordial.

**PARTICULARS OF EMPLOYEES:**

In pursuance of the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars

of Employees) Rules, 1975, as amended, the Directors are to report that no employee was in receipt of emoluments as provided in the said Section.

**ADDITIONAL INFORMATION AS REQUIRED U/S 217(1)(e) OF THE COMPANIES ACT, 1956:**

The statement giving particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is attached to the report.

**LISTING:**

The shares of your company are listed on Calcutta Stock Exchange Limited. The Company has duly complied with all the applicable provisions of the Listing Agreement.

**SUBSIDIARIES:**

There are no subsidiaries to the Company as on date of the report.

**CODE OF CONDUCT**

The Company has adopted a uniform Code of Conduct for Directors and Senior Management Personnel to ensure ethical standards and further compliance to such standards. The object of the code is to conduct the Company's business ethically with responsibility, integrity, fairness, transparency and honesty.

**INSURANCE**

The properties and assets of your Company are adequately insured.

**CORPORATE GOVERNANCE CODE:**

The Code of Corporate Governance promulgated by Securities & Exchange Board of India is being implemented by your Company on a continuous basis. The Code of Corporate Governance as per Clause 49 of the Listing Agreement is attached herewith. The Compliance Certificate on Corporate Governance received from the Statutory Auditors is also given as an Annexure to this report.

**ACKNOWLEDGMENT**

Your Directors wish to place on record its appreciation of Banks, Stock Exchange & Other authorities for their able guidance and support.

**Date: 21.08.2014**

**Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01**

For and on behalf of Board of Directors  
**UDAY JEWELLERY INDUSTRIES LIMITED**

**(Ritesh Kumar Sanghi)**  
**Managing Director**

**DIN: 00628033**

**Address: 8-2-686/DR/7,  
Road No. 12, Banjara Hills,  
Hyderabad, 500034**

**(Sanjay Kumar Sanghi)**  
**Director**

**DIN: 00629693**

**Address: 8-2-686/DR/7,  
Road No. 12, Banjara Hills,  
Hyderabad, 500034,**

## ANNEXURE - 1

## INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS' RULES, 1988:

- a) **Energy Conservation Measures taken:** Not Applicable as Company is in the business of Jewellery manufacturing and trading which are more dependent on Human skill than power consumption.
- b) **Additional investments and proposals, if any, being implemented for reduction of consumption of energy :** Nil
- c) **Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :** Not Applicable

**FORM-A****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

Particulars	2013 -14	2012 -13
<b>A. POWER AND FUEL CONSUMPTION:</b>		
<b>Electricity</b>		
a) Purchased : Units (KWH) Total Amount (Rs.) Rate/Unit (Rs.)	NIL	NIL
b) <b>Own Generation</b> Through diesel generator: Units (KWH Units per liter of diesel oil Cost per Unit (Rs.)	NIL	NIL
<b>B. CONSUMPTION PER UNIT OF PRODUCTION:</b>		
Electricity consumption	NA	NA

**FORM B****DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION**

- A. Research And Development (R&D) : Not Applicable
- B. Technology absorption, adaptation and innovation : Not Applicable

**FORM - C****FOREIGN EXCHANGE EARNINGS AND OUTGO**

(in Rupees)

Particulars	2013 -14	2012-13
a) Foreign Exchange earned (Recovery of old dues from Sundry Debtors)	Nil	Nil
b) Foreign Exchange used:	Nil	Nil

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

**INDUSTRY STRUCTURE:**

The gems and jewellery sector has been playing a very important role in the Indian economy and contributes about 6-7 % to the country's gross domestic product (GDP), apart from large scale employment generations and foreign exchange earnings (FEE). Sensing its immense potential, the Government of India has declared the sector as a thrust area for export promotion. In FY 2013-14, the Indian gems and jewellery sector contributed US\$ 34,746.90 million to India's FEE.

The two primary segments of this sector in India are gold jewellery and diamonds. India is the world's largest consumer of gold, accounting for over 20% of the global gold consumption. The country is also the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. As per statistics from the Gems and Jewellery Export Promotion Council (GJEPC), India exports 95% of the world's diamonds. The industry is projected to generate up to US\$ 35 billion of revenue from exports by 2015.

The domestic gems and jewellery industry had a market size of Rs 251,000 crore (US\$ 41.61 billion) in the financial 2013-14. The sector has potential to touch Rs 500,000-530,000 crore (US\$ 82.94 -87.93 billion) by 2018, according to a joint report by FICCI - AT Kearney titled 'All that glitters is Gold: India Jewellery Review 2013'.

The financial year 2013-14 saw an increase of 12.65% in export of cut and polished diamonds with the segment reaching US\$ 19,635 million. The industry also saw an increase of 11.98% in imports of rough diamonds with figures of US\$ 16,716 million, suggesting a growth in cutting, polishing and other manufacturing activities in the country.

Gold jewellery exports from India increased for a second straight month in March 2014 as raw material supply improved following the Reserve Bank of India's (RBI) ruling to allow more banks to import bullion, with industry analysts also saying that the positive trend will sustain. India shipped US\$ 992.03 million worth of gold jewellery in March, an increase of 6.1 per cent year-on-year, according to GJEPC. The country exported US\$ 718.36 million worth of jewellery in February, 2014.

**Opportunities****a. Research and Development:**

Proper R&D solutions would help in improving product quality, reducing wastage, introducing new designs and concepts, and innovation in supply chain management and marketing. The gap between hi-end machines and unskilled labour can also be reduced with innovative R&D solutions.

**b. Branding of Jewellery:**

According to an estimate by the Indian Brand Equity Foundation (IBEF), the market for branded jewellery is expected to reach US \$ 2.2 billion by 2015. Some of the jewellery brands available in India are DeBeers, Ddamas, Tanishq, Oyzterbay, and Gili. In order to gain market share, branded jewellers may have to come up with designs that customers want, and win the trust and confidence of consumers by hallmarking and demonstrating the purity of the gold used by them.



**c. Increasing exports of gold jewellery:**

India stands at no. 4 in gold import which counts to 7.5% of the world.

d. Enhancing visibility through continuous participation in International Exhibitions

e. Skill Development

f. Absorption of new technology

g. Taking advantages of gold prices.

**THREATS:**

There had been a loss in jewellery export market due to recession and global economic slowdown in last few years. However, the markets have started looking up in last one year and the same is reflected in increased sales for the Company. The growth trend is likely to gear up more in present year.

Following the economic slowdown, asset price devaluations, job losses and decrease in disposable income have happened, along with escalation in gold prices, which have changed the consumption pattern of gems and jewellery. Further, the economic slowdown has also affected the consumer buying pattern, with growing demand for single-line jewellery, low-carat jewellery, and gems-studded jewellery. This trend if continues will put pressure on the topline of all jewellery companies.

**b. Rise in Prices:**

The Prices of gold has been witnessing steep increase, since the last few years, which has been changing the buying pattern of consumers. During the period under review, the price of gold per ten grams, has fluctuated with wide swings resulting in increased inventory cost.

**c. Possible Threats from China and from Other Countries:**

China may emerge as a rival in the long term, mainly because of the availability of cheap labour, growing domestic demand, and also the improvement in the quality of workmanship in the country. It may be added that increasing number of gold processing units are setting up their facilities in China.

Increased Market Presence of other Jewellery Market of gold jewellery is also eaten in a big way by other jewellery like platinum, diamond, silver, artificial jewellery, pearls, precious stones etc.

**OUTLOOK:**

The industry saw an increase in manufacturing activities indicated by the 35% growth in the export of gold jewellery contributing significantly to India's foreign exchange earnings and supported balance of payments in the year 2013-2014. Further the year also witnessed a significant drop of 65% in the import of cut and polished diamonds indicating a huge cut in India's foreign exchange spending, thereby reducing the country's current account deficit (CAD). Total gem and jewellery exports for the year 2013-14 was US \$ 41 billion.

The industry has strived hard towards reducing India's current account deficit by controlling imports and increasing exports. The industry's contribution towards India's exchequer has also seen a staggering rise of 154%. This trend will bring the required impetus for the Company's plans to position itself in varied segments of the market and achieve significant increase in turnover and scale of operations in the near future. The Company is in the process of negotiating for marketing tie ups with different Brands for supply to them which will enhance the Company's exposure to the changing market scenarios.

**RISKS AND CONCERNS:**

It is important to correctly assess the risk area-wise and to take steps to mitigate the risk before it becomes a potential threat. General risk areas are statutory compliances, economy, financials, government regulations and policies, market related, operational, products and technology etc.

The Company has put into place a Risk Management Policy which has tried to identify the various types of risks and their categorisation. The objectives of the Policy includes to define a framework for identification, evaluation and mitigation of risk in the decision making process and to encourage proactive rather than reactive management.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The internal control systems are aimed at promoting operational efficiencies. The Company is conducting internal audit with its own staff, at regular intervals to ensure that:

- a) Transactions are executed in accordance with the Company's policies and authorizations.
- b) Deployment of funds is in accordance with the Company's policies and Budgets.

The Audit committee with three independent and non-executive directors meets regularly to investigate any matter relating to the internal control system and reviews the Internal Audit. The committee reviews the quarterly and half yearly financials before they are submitted to the Board of Directors.

The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition. Also an exhaustive Budgetary Control system is in place to monitor capital related as well as other costs against Budgets on an ongoing basis.

**FINANCIAL CONDITION:****Share Capital**

During the year under review, the Company has not allotted any Equity Shares out of unissued capital. Company is in process of reissuing 25,00,000 forfeited shares.

**Secured Loans**

The Company has not borrowed any Secured loans as at 31st March, 2014.

**Fixed Assets**

Amount standing against Fixed Assets of the Company as at 31.03.2014 is Rs. 31.50 Lakhs/- with plans to set up new manufacturing facility soon.

**HUMAN RESOURCES:**

The Company strongly believes that a right workforce makes all the difference in catapulting an organization to the highest echelons of success and achievement. Our workforce, thus, is a blend of cohesive and effective knowledge workers, one that is flexible. Working together, we intend to develop and hone a workforce strategy that will be integral to the business strategy of our customers.

**CAUTIONARY STATEMENT:**

Statement made in Management Discussion and Analysis report which seeks to describe the Objectives, projections, estimates, predictions may be considered to be forward looking statements and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied and are determined by many factors including global and domestic demand - supply conditions, process, raw materials availability, tax laws, governmental policies and other statutes which may affect actual results which may be different from what the Directors envisaged in terms of future performance and outlook

Date: 21.08.2014

Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01

Sd/-

Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

**REPORT ON CORPORATE GOVERNANCE****1. Company's Philosophy On Corporate Governance:**

Fairness, accountability, disclosures and transparency are the four strong pillars supporting the foundation of your Company's philosophy of Corporate Governance. Responsible governance is imbibed in your Company's work culture which has enabled it to achieve sustainable growth on its journey to continued success, thereby meeting stakeholders' expectations. The governance processes and systems of your Company have strengthened over a period of time resulting in constant improvisation of sustainable and profitable growth.

Your Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies and practices. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way the business is done. The governance practices followed by your Company are continuously reviewed and the same are benchmarked with the best governed companies.

As a part of the compliances of the revised Clause 49 of Listing Agreement, the Company presents hereunder the required disclosures in the form of a Report for the information of all the stakeholders.

**2. Board of Directors:****2.1. Composition:**

The Board of Director consists of 6 Directors as on date. The Composition and category of Director and the changes during the period is as follows:

Name	Designation	Date of Appointment	Category	No. of other Director-ships	No. of other Board Committee Membership held
Shri Ritesh Kumar Sanghi	Managing Director	22.08.2011	Promoter & Executive	5	Nil
Shri Sanjay Kumar Sanghi	Director	22.08.2011	Promoter & Executive	4	Nil
Shri Siddharth Goel	Director	12.05.2012	Non-Executive - Independent	1	3
Shri Ram Prasad Vempati	Director	18.08.2011	Non- Executive - Independent	3	3
Shri Vikram Goel	Director	28.03.2013	Non- Executive - Independent	3	3
Smt. Pritha Sanghi*	Additional Director	14.05.2014	Promoter & Non-Executive	1	Nil

\*Appointed with effect from 14.05.2014 as Additional Director

**2.2. Board Meeting and Procedures:****A. Guidelines:**

The Company has been adopting the guidelines set forth for proper corporate governance with respect to the various matters that need to be placed before the Board for its considerations and approvals.

**B. Scheduling and selection of Agenda Items for Board Meeting:**

- i) According to the Companies Act, 2013, the Company is required to a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Board Meeting is duly called and convened by giving proper notice to all the directors of the Company. The Board is also authorized to pass any resolution of urgent nature by circulation subject to the compliance of provisions of Companies Act, 2013.
- ii) The Agenda for the meeting is prepared in consultation with the Managing Director keeping in view all the matters including operational matters to be discussed by the Board.

**C. Board Material Distributed in Advance:**

- i) Notice of the Board Meeting and the notes to agenda are sent to all the Directors of the Company in advance.
- ii) Any sensitive matter may be discussed at the meeting without prior intimation to directors in exceptional circumstances.

**D. Recording minutes of proceedings at Board Meeting:**

The Minutes of the proceedings of each Board and Committee Meeting is prepared and approved by the Chairman within 30 days from the conclusion of the Meeting.

**2.3. Attendance of each Director at the Board meetings & last Annual General Meeting:**

S No.	Name of the Director	Attendance	
		Board Meetings	AGM held On 27th Sept., 2013
1.	Shri Sanjay Kumar Sanghi	5	Present
2.	Shri Ritesh Kumar Sanghi	5	Present
3.	Shri Siddharth Goel	1	Not present
4.	Shri Ram Prasad Vempati	5	Present
5.	Shri Vikram Goel	1	Not Present
6.	Smt. Pritha Sanghi	NA	Not Present

**2.3. Number of Board Meetings held and the dates on which held**

Five (5) Board Meetings were held during the year 2013-14 on 14.05.2013, 13.08.2013, 02.09.2013, 15.11.2013 and 05.02.2014.

**2.4. Code of Ethics**

The Company has prescribed a code of ethics for its Directors and senior management. A declaration from Shri Ritesh Kumar Sanghi, Managing Director stating that all the directors and the senior management of the Company have affirmed compliance with the code of ethics for the financial year 2013-14 has been reproduced below:-

**Declaration – Code of Conduct**

This is to confirm that the Board has laid down a code of conduct for all Directors and senior management personnel of the Company. It is further confirmed that all Directors and Senior Management personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year ended on 31st March 2014, as envisaged in Clause 49 of the Listing Agreement with Stock Exchange.

**Date: 21.08.2014**

**Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01**

**For UDAY JEWELLERY INDUSTRIES LIMITED**

**Sd/-**

**(Ritesh Kumar Sanghi)**

**Managing Director**

**DIN: 00628033**

**3. Audit Committee:**

The constitution of the Audit Committee of the Company as at 31.03.2014 is as under:

S No.	Name of the Director	Status
1.	Shri Ram Prasad Vempati	Chairman
2.	Shri Siddharth Goel	Member
3.	Shri Vikram Goel	Member

**3.1 Terms of Reference:**

The terms of reference of the Audit committee includes the following:-

1. To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. To oversee the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. To hold periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of auditors.
4. To make recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. To recommend the appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.
6. To investigate into any matter in relation to items specified in section 177 of the Companies Act, 2013 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. To make recommendations to the Board on any matter relating to the financial management of the Company.
8. Discussion with internal auditors on any significant findings and follow up thereon.

**3.2. Meeting and attendance during the year:**

The meetings of the Audit Committee were held on 14.05.2013, 13.08.2013, 02.09.2013, 15.11.2013 and 05.02.2014. The Committee reviewed the financial statements before being placed before the Board for approval.

**4. Remuneration Committee:**

The Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors as may be recommended to it.

**Composition**

The Remuneration Committee of the Company as at 31.03.2014 comprises of three directors all of them being non-executive independent directors

S No.	Name of the Director	Status
1.	Shri Siddharth Goel	Chairman
2.	Shri Ram Prasad Vempati	Member
3.	Shri Vikram Goel	Member

**Meetings of the Committee and Attendance**

Since none of the Director or senior level Managers were drawing substantial remuneration, no meetings of the Committee were held during the period ended 31st March, 2014

**5. Shareholders Grievance Committee:**

The Shareholders Grievance Committee of the Company post takeover comprises of following directors:

S No.	Name of the Director	Status
1.	Shri Siddharth Goel	Chairman
2.	Shri Ram Prasad Vempati	Member
3.	Shri Vikram Goel	Member

The Committee looks into redressal of shareholders' complaints like transfer of shares, non-receipt of the balance sheet, non-receipt of declared dividends, if any, etc. No Investor complaints were remaining to be redressed as at 31st March, 2014.

**Meeting and attendance during the year:**

During the year there were no complaints from any shareholders and hence no meeting was held.

The Company has appointed Shri Ritesh Kumar Sanghi as Compliance Officer of the Company. The Company does not have any pending share transfers and investor complaints as on the date of Directors' Report.

**6. Annual General Meetings**

Location and time for last three Annual General Meetings were as follows:

S No.	Year	Venue	Date / Time
1.	2010-11	Suite No. 618, 'Krishna', 6th Floor, 224, A.J.C. Bose Road, Kolkata - 700017	18th July, 2011 at 12.30 P.M.
2.	2011-12	Flat No 301, Plot No 5-9-60, Moghuls Court building, Basheerbagh, Hyderabad - 500001	28th September, 2012 at 03.30 P.M.
3.	2012-13	Flat No 301, Plot No 5-9-60, Moghuls Court building, Basheerbagh, Hyderabad - 500001	27th September, 2013 at 4.30 P.M.

**Disclosures**

1. No transaction of material nature has been entered into by the Company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
2. There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
3. The Company is in compliance with all the mandatory requirements and has fulfilled the non- mandatory requirements as prescribed in Annexure 1D of the revised Clause 49 of the Listing Agreement with Stock Exchanges.
4. The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Clause 49 is as below:

**DECLARATION REGARDING CODE OF CONDUCT**

To the Shareholders.

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**Date: 21.08.2014**

**Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01**

**Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033**



**CEO/CFO CERTIFICATION**

To

The Board of Directors,  
Uday Jewellery Industries Limited

I have reviewed the financial statements, read with the cash flow statement of Uday Jewellery Industries Limited for the year ended 31st March, 2014 and that to the best of our knowledge and belief, we state that:

A.

- i. These statements do not contain any materially untrue statement or omit any material fact or contain statement that may be misleading;
  - ii. These statements present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee;
- i. Significant changes, if any, in the internal control over financial reporting during the year.
  - ii. Significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes of the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Date: 21.08.2014**

**Place: Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 29**

**Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033**

5. CEO Certification: The Managing Director has given a certificate as contemplated in Clause 49 of the Listing Agreement.
6. The requirements of the Audit and other Committees as contemplated in Clause 49 have been complied with as per the report set above in respect of the same.

7. **The Management Discussion and Analysis is provided elsewhere in this report.**

8. **Means of Communication:**

Financial results are published by the Company in the prescribed format in Business Standard and Prajashakti (post shifting of registered office to Andhra Pradesh) within 48 hours of approval by the Board.

9. **General Shareholder Information:**

9.1. **Annual General Meeting:**

Date and Time : 29th September, 2014 at 3.30 PM.

Venue : Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Deccan Tower Complex, Basheerbagh, Hyderabad - 500029

9.2. **Financial Calendar (tentative):**

Results for the quarter ending June 30, 2014 : First week of August, 2014

Results for the quarter ending September 30, 2014 : First week of November, 2014.

Results for the quarter ending December 31, 2014 : Last week of January, 2015.

Results for the year ending March 31, 2015 : Last week of April, 2015

Annual General Meeting : September, 2015

9.3. **Date of Book closure** : 23rd September, 2014 to 29th September, 2014  
(Both days inclusive)

9.4. **Dividend Payment Date** : No dividend has been recommended.

9.5. **Listing on Stock Exchange** : Calcutta Stock Exchange Limited

9.6. **Stock Code** : 18358 at CSE

9.7. **Market Price Data** : **Not applicable as the shares are not being actively traded.**

9.8. **Listing fees** : The Listing Fees for the year 2014 - 2015 has been paid to  
Calcutta Stock Exchange

9.9. **Registrar and Share Transfer Agents:**

Niche Technologies (P) Limited

D-511, Bagree Market

71, B. R. B. Basu Road

Kolkata - 700 001

West Bengal, India

E mail: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

9.10. **Share Transfer System**

The share transfers which are received in physical form are processed by the Registrar and Transfer Agents and the share certificates are returned after affecting the transfer, subject to the documents being valid and complete in all respects.

## 9.11 Shareholding Pattern As On 31st March, 2014:

S.No.	Category	No. of Shares held	% of Share holding
<b>A</b>	<b>Promoter's holding</b>		
1	Promoters - Indian Promoters - Foreign Promoters	64,34,860 Nil	70.016 Nil
2	Persons acting in concert		
	Sub-Total	64,34,860	70.016
<b>B</b>	<b>Public Shareholding</b>		
3	Institutions	Nil	Nil
4.	Non Institutions		
a	Bodies Corporate	3,01,665	3.282
b	Indian Public	24,53,575	26.697
c	NRIs / OCBs	500	0.005
d	Any other (Please Specify)	Nil	Nil
	Sub-Total	27,55,740	29.98
	<b>GRAND TOTAL (A+B)</b>	<b>91,90,600</b>	<b>100.00</b>

## 9.12 Distribution of Shareholding (As on 31st March, 2014)

Category (No. of shares)	Number of holders	% of total holders	Number of shares	% of total shares
Upto 500	227	43.99	53,361	0.580
501-1000	171	33.14	1,64,585	1.791
1001-5000	77	14.92	2,04,388	2.224
5001-10000	18	3.49	1,51,200	1.645
10001- 50000	16	3.10	3,44,086	3.744
50001-100000	0	0.00	0	0.000
Above 100001	7	1.36	82,72,980	90.016
<b>Total</b>	<b>516</b>	<b>100.000</b>	<b>9190600</b>	<b>100.000</b>

## 9.13. Dematerialization of Shares and Liquidity:

The Company's shares are available for trading in both National Securities Depository Ltd and Central Depository Services Ltd. The processing activities with respect to the requests received for dematerialization are generally completed within 21 days from the date of receipt of request.

## 9.14. Outstanding Bonds/ Convertible Instruments: NIL

## 9.15. Address for Correspondence:

Registered Office: Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad - 500001

**Auditors' Certificate on Compliance with the Provisions of Corporate governance pursuant to Clause 49 of the Listing Agreement**

To  
The Members  
**UDAY JEWELLERY INDUSTRIES LIMITED**  
Hyderabad.

We have examined the Compliance of conditions of Corporate Governance by Uday Jewellery Industries Limited, Hyderabad, for the period ended on 31st March, 2014 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 in the manner described in the guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring 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 our reliance upon the representations made by the management that there were no transactions of material nature with the management or by relatives that may have potential conflict with the interest of the Company at large.

We certify that the Company has complied in all material respects with the conditions of the Corporate Governance as stipulated in the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor's Grievance Committee.

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

For Venugopal & Chenoy,,  
Chartered Accountants  
Firm Regn. No. 004671S  
Sd/-  
(P.V SRI HARI)  
Partner  
Membership No 21961

Place: Hyderabad  
Date: 21.08.2014

**INDEPENDENT AUDITORS' REPORT**

To  
The Members,  
Uday Jewellery Industries Limited,  
Hyderabad.

**Report on Financial Statements**

We have audited the accompanying financial statements of Uday Jewellery Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year and Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the 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 Companies Act, 1956. 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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, together with the Accounting Policies and Notes to Accounts, 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, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In so far as it relates to the Cash Flow Statement, of the cash flows of the Company 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 and the Statement of Profit and Loss, 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 comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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 VENUGOPAL & CHENYOY,  
CHARTERED ACCOUNTANTS,  
Firm Regn. No. 004671S

Hyderabad  
30.05.2014

( P. V. SRI HARI )  
Partner  
Membership No.021961

**Annexure to Auditors' Report**

(Referred to in Paragraph 2 of our report of even date)

1. The Company during the previous year bought one item viz. Plant & Machinery relating to fixed assets which is entered in the Fixed Assets Register. The same is still in use. Hence, the question of physical verification and disposal does not arise.
2. In respect of its inventories:
  - a. The inventories have been physically verified 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 the said stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. The company did not take nor granted any loans, secured or unsecured, from or to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, during the year. However, it had taken temporary interest-free unsecured loans from directors in the earlier years and repaid the entire amount during the year. These were not prejudicial to the interests 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 the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods.
5. In our opinion and according to the information and explanations given to us, the Company entered into the register the transactions in pursuance of Section 301 of the Companies Act, 1956, aggregating during the year to more than Rs. 5,00,000/- (Rupees Five Lakhs only) in respect of three parties. These transactions have been made at the prevailing market price at the relevant time.
6. The Company has not accepted any deposits from the public.
7. The Company is yet to introduce the system of Internal Audit.
8. The Central Government did not prescribe maintenance of Cost Records under Section 209(1) (d) of the Companies Act, 1956(Act I of 1956) for any of the products of the Company.
9. During the year, there is no person to whom the provisions of P.F. or E.S.I. are applicable. According to information and explanations given to us, there are no other undisputed statutory payments outstanding to be deposited for more than six months from the date they became payable.
10. As per the accounts referred to in this Report, the net-worth of the Company has been eroded beyond 50% as on March 31, 2014. The Company did not incur cash losses during the financial year under report and also in the preceding financial year.
11. The Company does not have any dues to a financial institution or bank during the year.
12. In our opinion and according to the information and explanations 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 securities.

13. In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, clause-4(xiii) of the Companies (Auditors' Report) Order, 2003, is not applicable to the Company.
14. The Company has not dealt in or traded in shares, securities, debentures and other investments.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not raised any new term loans during the year.
17. The Company during the year did not raise any short term loans and hence the question of their usage does not arise.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by way of public issue during the year.
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 VENUGOPAL & CHENOY,  
CHARTERED ACCOUNTANTS,  
Firm Regn. No. 004671S

Hyderabad  
30.05.2014

( P. V. SRI HARI )  
Partner  
Membership No.021961



## BALANCE SHEET AS AT MARCH 31, 2014

Particulars	Note No.	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY &amp; LIABILITIES</b>					
(1) Shareholder's Funds:					
(a) Share Capital	1	106,625,000		106,625,000	
(b) Reserves & Surplus	2	(57,902,028)		(65,482,592)	
			48,722,972		41,142,408
(2) Current Liabilities:					
(a) Trade Payables	3	3,004,166		660,518	
(b) Other Current Liabilities	4	356,015		206,397	
(c) Short Term Provisions	5	308,040		3,108,337	
			3,668,221		3,975,252
<b>Total:</b>			<b>52,391,192</b>		<b>45,117,661</b>
<b>II. ASSETS</b>					
(1) Non-Current Assets:					
(a) Fixed Assets					
(i) Tangible Assets	6	3,149,940		148,848	
(b) Non-Current Investments	7	4,526,874		3,079,374	
(c) Deferred Tax Asset	8	89,629			
(d) Long-Term Loans and Advances	9	22,807,815			
			30,574,258		3,228,222
(2) Current Assets:					
(a) Inventories	10	8,685,684		19,081,495	
(b) Current Investments	11	0		1,370,697	
(c) Trade Receivables	12	12,876,733		21,323,190	
(d) Cash and Cash Equivalents	13	245,036		101,933	
(e) Short Term Loans and Advances	14	9,481		12,124	
			21,816,934		41,889,439
<b>Total:</b>			<b>52,391,192</b>		<b>45,117,661</b>
Significant Accounting Policies and Notes to Accounts	20				

Our Report attached,  
For VENUGOPAL & CHENYO,  
Chartered Accountants,  
Firm Regn. No. 004671S

For and on behalf of the Board

CA P.V.SRI HARI  
Partner  
Membership No.21961

Sd/-  
RITESH KUMAR SANGHI  
Managing Director  
DIN: 00628033

Sd/-  
SANJAY KUMAR SANGHI  
Director  
DIN: 00629693

Place: Hyderabad  
Date: 30.05.2014

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	15		203,326,372		185,847,654
II. Other Income	16		283,602		69,972
III. Total Revenue (I+II)			203,609,974		185,917,626
IV. <u>Expenses:</u>					
Purchase of stock-in-Trade		176,226,174		167,633,522	
Changes in Inventory of Finished Goods, WIP, Stock-In-Trade	17	10,395,811		(1,479,619)	
Employee Benefit Expenses	18	312,054		436,623	
Depreciation		898,908		10,122	
Other Expenses	19	6,466,073		3,655,272	
V. Profit before Tax(III - IV)			194,299,020		170,255,920
VI. Tax Expense:			9,310,955		15,661,706
Current Tax (Mat)		1,820,020		3,108,337	
Deferred Tax		(89,629)			
VII. Profit for the year			1,730,391		3,108,337
VIII. Earnings Per Equity Share Basic & Diluted			7,580,564		12,553,369
			0.82		1.37
Significant Accounting Policies and Notes to Accounts	20				

Our Report attached,  
For VENUGOPAL & CHENYO,  
Chartered Accountants,  
Firm Regn. No. 004671S

For and on behalf of the Board

CAP.V.SRI HARI  
Partner  
Membership No.21961

Sd/-  
RITESH KUMAR SANGHI  
Managing Director  
DIN: 00628033

Sd/-  
SANJAY KUMAR SANGHI  
Director  
DIN: 00629693

Place: Hyderabad  
Date: 30.05.2014

**NOTE - 1 : SHARE CAPITAL**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>Authorised:</b>				
a) 155,00,000 Equity Shares of Rs.10/-		155,000,000		155,000,000
<b>Total:</b>		<u>155,000,000</u>		<u>155,000,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>				
a) 91,90,600 Equity Shares of Rs.10/- each, fully paid up		91,906,000		91,906,000
b) Securities Forfeiture account		1,47,19,000		1,47,19,000
<b>Total:</b>		<u>10,66,25,000</u>		<u>10,66,25,000</u>

Additional Notes:

- 1) No New shares were issued during the current year. Hence, there is no change in number of shares outstanding as at the beginning and as at the end of the reporting period.
- 2) The details of shares in the Company held by each shareholder holding more than 5% shares.

Name of the Shareholder	Financial Year 2013-14		Financial Year 2012-13	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
1. Ritesh Kumar Sanghi	33.905	3,116,060	33.905	3,116,060
2. Sanjay Kumar Sanghi	36.111	3,318,800	36.111	3,318,800

- 3) Terms /Rights attached to equity shares : The company has one class of equity shares having a par value of Rs10/-per share. Each shareholder is eligible for one vote per share. The dividend proposed, if any by the board of directors is subject to the approval. shareholders in the ensuing Annual General Meeting In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTE - 2 : RESERVES & SURPLUS**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>b) Securities Premium Reserve:</b> Per last Balance Sheet		19,999,500		19,999,500
<b>d) Surplus in Profit &amp; Loss Account:</b> Opening Balance	(85,482,092)		(98,035,461)	
Less: Profit for the year	<u>7,580,564</u>		<u>12,553,369</u>	
		(77,901,528)		(85,482,092)
<b>Total:</b>		<u>(57,902,028)</u>		<u>(65,482,592)</u>

## NOTE - 3 : TRADE PAYABLES

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
Outstanding dues of Micro and Small Enterprises		-		-
Other than Micro and Small Enterprises		3,004,165		660,518
<b>Total:</b>		<u>3,004,165</u>		<u>660,518</u>
<b><u>Disclosure relating to Micro and Small Enterprises:</u></b>				
i) (a) The principal amount remaining unpaid to the supplier as at the end of the year		NIL		NIL
i) (b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year		NIL		NIL
ii) the amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		NIL		NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,2006		NIL		NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		NIL		NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act,2006		NIL		NIL

## NOTE - 4 - OTHER CURRENT LIABILITIES

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
VAT Payable		50,546		
Other Payables		305,469		206,397
<b>Total:</b>		<b>356,015</b>		<b>206,397</b>

**NOTE - 5- SHORT TERM PROVISIONS**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Provision for Income Tax		308,040		3,108,337
	<b>Total:</b>	<u>308,040</u>		<u>3,108,337</u>

**NOTE - 7: NON CURRENT INVESTMENTS (AT COST)**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>NON-TRADE-Quoted Investments:</b>				
- Investment in Equity Instruments of various Limited Companies (fully paid-up and valued at cost)		4,526,874		3,079,374
	<b>Total:</b>	<u>4,526,874</u>		<u>3,079,374</u>

**NOTE - 8: DEFERRED TAX ASSET**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>Deferred Tax Asset:</b>				
Related to Fixed Assets		89,629		0
	<b>Total:</b>	<u>89,629</u>		<u>0</u>

**NOTE - 9 : LONG TERM LOANS & ADVANCES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Deposits		200,000		0
Other Loans & Advances		22,607,815		0
	<b>Total:</b>	<u>22,807,815</u>		<u>0</u>
Secured, Considered good		-		-
Unsecured, Considered good		22,807,815		-
Doubtful		-		0

NOTE - 6 : TANGIBLE ASSETS

Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2013	Additions during the Year	Sales/ Adjustments during the Year	As at March 31, 2014	As at April 1, 2013	For the Year	Sales/ Adjustments during the Year	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Plant & Machinery	158,970	0	0	158,970	10,122	20,705	0	30,827	128,143	148,848
Vehicles	0	3,900,000	0	3,900,000	0	878,203	0	878,203	3,021,797	
	158,970	3,900,000	0	4,058,970	10,122	898,908	0	909,030	3,149,940	148,848

**NOTE - 10 : INVENTORIES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Stock-in-Trade (Gold)		8,685,684		19,081,495
<b>Total:</b>		8,685,684		19,081,495
Inventories are valued at Cost or NRV whichever is lower				

**NOTE - 11 : CURRENT INVESTMENTS**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>Trade - Quoted Investments:</b>				
- Investment in Equity Instruments of various Limited Companies (fully paid up )		0		1,370,697
		0		0
<b>Total:</b>		0		1,370,697

**NOTE - 12 : TRADE RECEIVABLES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Outstanding for a period exceeding six months		-		-
Others		12,876,733		21,323,190
<b>Total:</b>		12,876,733		21,323,190
<b>Notes:</b>				
<u>Particulars of Trade Receivables:</u>				
Secured, Considered good		-		-
Unsecured, Considered good		12,876,733		21,323,190
Doubtful		-		-

**NOTE - 13 : CASH & BANK BALANCES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>Cash &amp; Cash Equivalents:</b>				
<u>Balances with Banks:</u>				
- In Current Accounts		69,594		33,120
Cash on hand		175,442		68,813
<b>Total:</b>		245,036		101,933

## NOTE - 14 - SHORT TERM LOANS &amp; ADVANCES

Particulars	Figures at the end of March 31, 2013		Figures at the end of March 31, 2014	
	Rs.	Rs.	Rs.	Rs.
VAT Receivable		-		2,643
Income Tax Refund due		9,481		9,481
<b>Total:</b>		<b>9,481</b>		<b>12,124</b>
Secured, Considered good		-		-
Unsecured, Considered good		9,481		12,124
Doubtful		-		-

## NOTE - 15 : REVENUE FROM OPERATIONS

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Sales		203,326,372		185,847,654
<b>Total:</b>		<b>203,326,372</b>		<b>185,847,654</b>

## NOTE - 16 : OTHER INCOME

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Dividend on shares		87,004		69,972
Earlier Provision Written Back		76,803		0
Interest Income		119,795		0
<b>Total:</b>		<b>283,602</b>		<b>69,972</b>

## NOTE - 17 : CHANGES IN INVENTORIES OF STOCK - IN - TRADE

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
<b>Stock-In-Trade</b>				
Balance as at beginning of the year	19,081,495		17,601,876	
Less: Balance as at the close of the year	8,685,684		19,081,495	
		10,395,811		(1,479,619)
<b>Total:</b>		<b>10,395,811</b>		<b>(1,479,619)</b>



**NOTE - 18 : EMPLOYEE BENEFIT EXPENSES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Salaries & Wages		312,054		436,623
<b>Total:</b>		<b>312,054</b>		<b>436,623</b>

**NOTE - 19 : OTHER EXPENSES**

Particulars	Figures at the end of March 31, 2014		Figures at the end of March 31, 2013	
	Rs.	Rs.	Rs.	Rs.
Rent		600,000		363,000
Rates & Taxes		7,483		76,553
<u>Payments to Auditors</u>				
Audit fee	50,000		50,000	
Tax Audit fee	15,000		10,000	
		65,000		60,000
Advertisement & Publicity		82,354		68,312
Postage, Telephone		4,818		7,304
Electricity Charges		5,209		0
Insurance		48,016		0
Printing & Stationery		10,645		10,082
Petrol & Fuel		9,500		0
Bank Charges & Commission		7,639		2,566
Legal & Professional Fees		310,240		205,343
Transport & Conveyance		0		36,423
Miscellaneous Expenses		7,540		46,748
Membership fees		10,000		25,000
Maintenance		84,854		0
Jobwork Charges		5,209,685		2,521,367
Service Tax paid		3,090		7,416
Loss on Sale of Investments		0		225,158
<b>Total:</b>		<b>6,466,073</b>		<b>3,655,272</b>

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**ACCOUNTING POLICIES & NOTES TO ACCOUNTS:****(A) ACCOUNTING POLICIES:****1. Basis of preparation of Accounts:**

The financial statements have been prepared on the basis of going concern, under the historic cost convention, to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

**2. System of Accounting:**

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.

**3. Fixed Assets:**

Fixed Assets are stated at cost of acquisition plus additions/alterations/installation charges.

**4. Depreciation:**

Depreciation on Fixed Assets is charged on Written Down Value Method as per the rates prescribed in Schedule-XIV to the Companies Act, 1956.

**5. Investments:**

Investments are stated at cost.

**6. Sales:**

Sales are exclusive of the sales tax collection and are net of return.

**7. Inventories:**

Inventories are valued at lower of cost or net realisable value

**8. Account for claims:**

Claims receivable are accounted on acceptance/receipt.

**9. Prior period Adjustments:**

Income and Expenditure relating to prior period upto Rs.5000/- in each case is accounted under natural heads of account.

**(B) NOTES TO ACCOUNTS:**

1. Balances standing to the debit/credit of the parties are subject to reconciliation and confirmation by them.
2. The Company has not ascertained, from out of the amounts payable, "dues" to Small Scale undertakings.
3. The Company is in the business of trading Jewellery. It has no separate segments. Hence, Segment reporting as per AS-17 is not applicable.
4. Related part disclosure in accordance with the Accounting Standard 18:
  - A. Name of related parties and related part relationships:
  - B. Transactions with related party during the year along with balances at year end:

Nature of Transactions	March 31, 2014	March 31, 2013
(a) Transactions during the year		
<b><u>Purchases:</u></b>		
Sanghi Jewellers Pvt. Ltd	9,43,31,333/-	10,94,46,309/-
Narbada Gems and Jewellery Limited	40,52,181/-	-
<b><u>Sales :</u></b>		
Sanghi Jewellers Pvt. Ltd	1,79,28,119/-	-
Narbada Gems and Jewellery Limited	1,55,83,295/-	-
Trisa Retail Ltd.		52,22,378/-
<b><u>Jobwork Expenses:</u></b>		
Sanghi Jewellers Pvt. Ltd	52,09,685/-	25,21,367/-
<b><u>Rent:</u></b>		
Sarala Sanghi	6,00,000/-	3,63,000/-
<b><u>Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	2,25,00,000/-	
<b><u>Interest on Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	1,19,795/-	

Nature of Transactions	March 31, 2014	March 31, 2013
(b) Balance outstanding as at the year end		
<b><u>Trade Payables:</u></b>		
Sanghi Jewellers Pvt. Ltd	23,43,647/-	-
<b><u>Trade Receivables:</u></b>		
Trisa Retail Ltd.		54,22,378/-
<b><u>Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	2,25,00,000/-	-
<b><u>Interest on Inter</u></b>		
<b><u>Corporate Loan:</u></b>		
Trisa Retail Ltd.	1,19,795/-	-

5. The Company has no reportable segments either by geography or by products.
6. Previous year's figures are regrouped wherever necessary.

For and on behalf of the Board

Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Place: Hyderabad  
Date: 30.05.2014

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31.03.2014**  
(Pursuant to amendment to Clause 32 of listing Agreement)

	2013-14	2012-13
	(Rs. in Lakhs)	(Rs. in Lakhs)
A) Cash Flow from Operation Activities :		
"Net Profit before taxation and "extraordinary items"	93.11	156.62
Adjustments for		
Depreciation & Exp. Written off	8.99	0.1
Foreign Exchange	-	-
Loss on sale of Fixed Asset	-	-
Finance Charges	-	-
Excess provision written back		0
Operating Profit before working Capital changes Adjustments for	102.10	156.72
Trade and Other Receivables	84.46	3.67
Inventories	103.96	-14.80
Loans & Advances	-228.05	59.98
Trade Payables & Other liabilities	-3.08	-183.48
Provision for Income Tax	-17.3	-31.08
Cash Used for Operations	-60.01	-165.71
Interest Paid	-	-
Cash flow before extraordinary items	42.09	-8.99
Extraordinary item	-	-
Net Cash Used for operating activities	42.09	-8.99
B) Cash Flows from Investing Activities		
Purchase of Fixed Assets	-39.00	-1.59
Deferred Revenue Expenditure	-0.90	-
Sale of Fixed Assets	-	-
Acquisition of companies	-	-
Purchase of Investments	-0.76	-2.42
Sale of Investments	-	-
Interest Received	-	-
Dividend received	-	-

Net Cash used in Investing Activities		-40.66		-4.01
C) Cash Flow from Financing Activities				
Proceeds from issue of Share Capital	-		-	
Proceeds from Finance Borrowings				
Proceeds from Lease Finance Borrowings	-		-	
Repayment of Finance Lease Liabilities	-		-	
Dividend Paid	-		-	
Net Cash Used in Financing Activities		0.00		0.00
Net Incease in cash and cash equivalents		1.43		-13.00
Cash and Cash equivalents as at 31.03.2013 (Opening Balance)		1.02		14.02
Cash and Cash equivalents as at 31.03.2014 (Closing Balance)		2.45		1.02

sd/-  
RITESH KUMAR SANGHI  
Managing Director  
DIN: 00628033

sd/-  
SANJAY KUMAR SANGHI  
Director  
DIN: 00629693

Place:Hyderabad  
Date :30.05.2014

#### AUDITOR'S CERTIFICATE

We have verified the enclosed Cash flow statement for the year ended 31st March 2014 with the books and records maintained by UDAY JEWELLERY INDUSTRIES LTD, and certify that in our opinion, and according to the information and explanations given to us the statement is in accordance there with.

Place:Hyderabad  
Date :30.05.2014

sd/-  
For Venugopal & Chenoy  
Chartered Accountants  
Firm Regn. No. 004671S

P.V.SRIHARI  
Partner,M.No:21961

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:****I. REGISTRATION DETAILS**

Registration No	89399	State Code:	01
Balance Sheet	31-03-2014		

**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)**

Public Issue	Nil	Preferential Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

**III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)**

Total Liabilities	45118	Total Assets	45118
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**SOURCES OF FUNDS**

Paid-up Capital	106625	Reserves & Surplus	(57902)
Secured Loans	Nil	Unsecured Loans	Nil

**APPLICATION OF FUNDS**

Net Fixed Assets	3149	Investments	4526
Net Current Assets	21816	Misc. Expenditure	Nil
Accumulated Losses	77901		

**IV. PERFORMANCE OF THE COMPANY (AMOUNT IN Rs THOUSANDS)**

Turnover	203326	Total Expenditure	194299
Profit/ (Loss) before tax	9310	Profit/ (Loss) after tax	7580
Earning Per Share (Rs.)	0.82	Dividend Rate %	Nil

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Product description: Gems & Jewellery

# UDAY Jewellery Industries Limited

Regd Off.: Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad – 500001  
 Ph: +91-40-66628411, Fax: 91-40-23223124, e-mail: info@udayjewellery.com

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)  
 (Annual General Meeting – 29<sup>TH</sup> September, 2014)

I hereby record my presence at the Annual General Meeting of the Company held on, 29<sup>TH</sup> September, 2014 at 3.30 P.M. Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad – 500029

Full name of the member (In BLOCK LETTERS) .....  
 Folio No. .... DP ID No. .... Client ID No. ....  
 Full name of Proxy (In BLOCK LETTERS): .....  
 Member/ Proxy(s) Signature: .....  
 ..... **\*\*tear here\*\*** .....

FORM NO. MGT-11  
**PROXY FORM**

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

CIN: L74900TG1999PLC080813

Name of the Company: Uday Jewellery Industries Limited

Registered Office: Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad – 500001

Name of the Member(s):
Registered Address:
E-mail ID:
Folio No/ Client ID:
DP ID:

I / We, being the member(s) of ..... shares of the above named Company, hereby appoint

1. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....
2. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....
3. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....

As my our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the Annual General Meeting of the Company, to be held on the 29<sup>th</sup> September, 2014 at 3.30 P.M. Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad – 500001 and at any adjournment thereof in respect of such resolution(s) as are indicated below



S. No.	Resolution	For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt audited financial statements, Reports of Directors and Auditors		
2.	Re-appointment of Shri Sanjay Kumar Sanghi, who retires by rotation		
3.	Re-appointment of Shri Vikram Goel, who retires by rotation		
4.	Appointment of Auditors and fixing their remuneration		
<b>Special Business</b>			
5.	Appointment of Smt. Pritha Sanghi as an Independent Director		
6.	Appointment of Shri Ram Prasad Vempati as an Independent Director for five years u/s 149 of the Act		
7.	Appointment of Shri Vikram Goel as an Independent Director for five years u/s 149 of the Act		
8.	Appointment of Shri Siddharth Goel as an Independent Director for five years u/s 149 of the Act		

Signed this ..... day of ..... 2014  
 Signature of the Shareholder(s) ..... Signature of Proxy (s).....

Affix  
Revenue  
Stamp

Note: The form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	User ID	Password
140904100	Please refer to Note No. 19	

PRINTED MATTER  
BOOK - POST

If undelivered, please return to  
Uday Jewellery Industries Limited,  
Plot No.5-9-60, Flat No.301,  
Moghuls Court Building,  
Deccan Tower Complex, Basheer bagh,  
Hyderabad - 500 001, INDIA.