

SUNRAJ DIAMOND EXPORTS LTD.



**24TH ANNUAL REPORT
2013 - 2014**

SUNRAJ DIAMOND EXPORTS LTD.

DIRECTORS

Mr. Sunil C. Gandhi

Mr. Sunny S. Gandhi

Mr. Nirav K. Shah

Mr. Hargovind Shah

Mr. Jimit Shah

BANKERS

State Bank of India

Bank of Baroda

The Royal Bank of Scotland N.V.

HDFC Bank Ltd.

AUDITORS

M/s. Bhupendra Shroff & Co.

Chartered Accountants

REGISTERED OFFICE

1008, Panchratna Building, 10th Floor,
Opera House, Mumbai - 400 004.

REGISTRARS & SHARE TRANSFER AGENTS

M/s. Adroit Corporate Services Pvt. Ltd.

17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor,
Makwana Road, Marol Naka,
Andheri (East), Mumbai - 400 059.

NOTICE

SUNRAJ DIAMOND EXPORTS LIMITED

(CIN: L36912MH1990PLC057803)

Registered Office: 1008, Panchratna, Mama Parmanand Marg, Opera House, Mumbai 400004.

NOTICE is hereby given that the Twenty Fourth Annual General Meeting of the shareholders of **Sunraj Diamond Exports Limited** will be held at Dadoba Jagannath Religious Trust, 21-A, Gamdevi Road, Mumbai 400 007 on Tuesday 30th September, 2014 at 11.30 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nirav Shah (holding DIN 02033505), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following **Ordinary Resolution:**
“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder the retiring Auditors M/s Bhupendra Shroff & Co., Chartered Accountants (Registration No.101478W), be and are hereby appointed as Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting of the Company to be held in the year 2017, subject to ratification by the Members annually, at a remuneration as may be decided by the Board of Directors.”

SPECIAL BUSINESS :

4. To consider and if thought fit to pass with or without modifications the following Resolution as an **Ordinary Resolution:**
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Jimit Shah (holding DIN 02918938), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”
5. To consider and if thought fit to pass with or without modifications the following Resolution as an **Ordinary Resolution:**
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Hargovind Shah (holding DIN 05155126), Director of the Company whose period of office was liable to retire by rotation under the provisions of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years.”

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6. To consider and if thought fit to pass with or without modifications the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Shruti Gandhi (holding DIN 06947535), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14th August, 2014, in terms of Section 161(1) of the Companies Act, 2013 read with Article 114 of the Articles of Association of the Company and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company.”

7. To consider and if thought fit to pass with or without modifications the following Resolution as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any amendment, statutory modification or re-enactment thereof for the time being in force, read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Nirav Shah (holding DIN 02033505), as a Wholetime Director of the Company, with the designation “Executive Director” for a period of 3 years effective from 1st April, 2014, on the remuneration and upon the terms and conditions set out in the Explanatory Statement relating to this resolution with liberty and powers to the Board of Directors to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. Nirav Shah within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.”

8. To consider and if thought fit to pass with or without modifications the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and subject to the approvals, consent, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase of sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or any other transaction of whatever nature with related parties.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms and conditions related thereto and all other matters arising out of or incidental to the proposed transactions and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolutions.”

9. To consider and if thought fit to pass with or without modifications the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Section 94 and all other applicable provisions, if any, of the Companies Act, 2013 the approval of the Company be and is hereby accorded for relocating the Register of Members, Index of Members, Register of Debentureholders, other related books and copies of all annual returns prepared under Section 92 and other applicable provisions of the Act, or any one or more of them, from the premises of Ajel Infotech Limited at 106 Mhada Commercial Complex, Oshivara, Jogeshwari (West), Mumbai 400 102 to the premises of Adroit Corporate Services Pvt. Ltd. at 17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400 059.”

For and on behalf of the Board of Directors

Registered Office

1008, Panchratna,
Mama Parmanand Marg,
Opera House,
Mumbai 400 004.

SUNNY GANDHI
Executive Director

Dated: 14th August, 2014

NOTES FOR SHAREHOLDERS' ATTENTION:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/POXIES TO ATTEND VOTE INSTEAD OF HIMSELF/ HER SELF. SUCH A PROXY/POXIES NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Business at the meeting, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23/09/2014 to 30/09/2014 (both days inclusive).
4. Members are requested to notify immediately any change of address:
 - (i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) To the Company's Registrar & Share Transfer Agents, Adroit Corporate Services Pvt. Ltd. 17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri - (East), Mumbai - 400 059, in respect of their physical share folios, if any, quoting their folio numbers.
5. In view of the circular issued by SEBI, the Electronic Clearing Services (ECS/NECS) facility should mandatorily be used by the Companies for the distribution of dividend to its members. In order to avail the facility of ECS/NECS, members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents.

Members holding shares in electronic form are hereby informed the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank

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particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.

6. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Office at 1008 Panchratna, Opera House, Mumbai- 400 004 or from its R&TA at either of the aforesaid addresses.
7. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ('MCA'), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April, 21, 2011 and April 29, 2011 respectively, has allowed Companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Company's Green initiative, the Company may propose to send documents like notice convening the general meetings, Financial Statements, Directors' Report, etc., to the e-mail address provided by the members.

We, therefore appeal to the members to be a part of the said 'Green Initiative' and request the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio Number and/ or DP ID/ Client ID to the dedicated email address at info@sunrajdiamonds.com or at our R&TA's email address at info@adroitecorporate.com and register their request.

8. Members intending to require information about the financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.
9. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
10. Members are requested to bring their copy of the Annual report to the Meeting.
11. **Voting through electronic means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule, 2014 and clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CSDL):

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i. e. Sunraj Diamond Exports Limited from the drop down menu and click on "SUBMIT"
- (iv) Now enter your 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. (6 Digit Alpha-Numeric).
- (v) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vi) 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 you 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as Physical Shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number R12345 then enter RA00R12345 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company recorded for the said demat account of folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Company please enter the number of shares held by you as on the cutoff date in the Dividend Bank Detail field.

12. After entering these details appropriately, click on “SUBMIT” tab.
13. Members holding shares in physical form will then reach directly 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, provide 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.
14. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
15. Click on the EVSN for the relevant <Company Name> i.e. Sunraj Diamond Exports Limited, on which you choose to vote.
16. On the voting page, you will see “RESOLUTION DISCRPTION” 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.
17. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
18. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm you vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
19. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
20. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

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21. If Demat account holder has forgotten the changed password then Enter the user ID and the image verification code and click on Forgot password & enter the details as promoted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details they have to create a user who would be able to link the accounts) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from Sl. No. (i) to Sl. No. (xvii) above to cast vote.
- (B) The voting period begins on 23.09.2014 at 9.00 a.m. and ends on 24.09.2014 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 of (record date) of 22.08.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting you may refer the frequently Asked Questions ("FAQ") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
22. Mrs. Grishma khandwala, Practicing Company Secretary, (Membership No.6515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
23. the Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizers' report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
24. The Results declared alongwith the Scrutinizer's report shall be placed on the Company's website www.sunrajdiamonds.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the NSE and BSE limited.
25. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

For and on behalf of the Board of Directors

Registered Office
1008, Panchratna,
Mama Parmanand Marg,
Opera House,
Mumbai 400 004.

SUNNY GANDHI
Executive Director

Dated: 14th August, 2014

ANNEXURE TO THE NOTICE

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

Item No. 4 & 5

As per Section 149 of the Companies Act, 2013 ("the Act") the Company should have at least one third of the total number of Directors as Independent Directors on the Board of the Company. An Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company and no Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement by rotation shall not be applicable to the Independent Directors.

Clause 49(I)(A) of the Listing Agreement, as amended stipulates the conditions for the appointment of Independent Directors by a Listed Company.

Mr. Jimit Shah and Mr. Hargovind Shah are Independent Directors of the Company in terms of Clause 49 of the Listing Agreement and have held the positions as such for more than 4 years and 11 years respectively.

The Board of Directors at its Meeting held on 14.08.2014 has proposed the appointment of Mr. Jimit Shah and Mr. Hargovind Shah as Independent Directors, who shall hold office on the Board of the Company for a period of five consecutive years.

The Company has received Notices in writing from a Member alongwith the deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mr. Jimit Shah and Mr. Hargovind Shah for the office of Independent Directors of the Company.

The Company has received declarations from each of the Independent Directors mentioned above that they meet with the criteria of Independence as prescribed both under Sub-Section (6) of Section 149 of the Act and under Clause 40 of the Listing Agreement.

Both the above mentioned Directors are persons of integrity and possess appropriate skills, experience, knowledge and qualifications in their respective fields which are beneficial to the interests of the Company.

In the opinion of the Board, the above mentioned Independent Directors fulfill the conditions for appointment as Independent Directors as specified in the Act and Rules framed thereunder. These Directors are Independent of the management.

A brief resume of the above mentioned Directors, nature of their expertise in specific functional areas and names of the Companies in which they hold Directorships and Memberships/Chairmanships of Board Committees, shareholding and relationship between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view the vast experience and knowledge which these Directors possess, the Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Except Mr. Jimit Shah and Mr. Hargovind Shah, being appointees and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolutions set out at Item Nos.4 and 5 of the Notice. This Explanatory Statement may also be regarded as a disclosure under revised Clause 49 of the listing Agreement with the Stock exchange.

Item No. 6

As per the provisions of Section 149 (1) of the Act and amended clause 49 of the Listing Agreement, the Company should have at least one Women Director. Accordingly, Mrs. Shruti Gandhi was

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appointed on 14th August, 2014 as an Additional Director of the Company by the Board of Directors pursuant to Section 161(1) of the Companies Act, 2013 read with Article 114 of the Articles of Association of the Company. Mrs. Gandhi holds office as a Director of the Company upto the date of this Annual General Meeting. The Company has received a notice in writing from a member proposing the candidature of Mrs. Gandhi, for the office of the Director of the Company.

The Board recommends the resolution in relation to appointment of Mrs. Gandhi as a Director, for the approval by the shareholders of the Company.

Except Mrs. Gandhi, being an appointee and Mr. Sunny Gandhi, being a relative none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out in this item No.6 of the notice.

Item No. 7

The Board of Directors at their meeting held on 29th March, 2014 has, subject to the approval of the Members, approved the re-appointment of Mr. Nirav Shah as Wholetime Director for a period of 3 years from 1st April, 2014 to 31st March, 2017 on the terms as to remuneration as set out herein.

Mr. Nirav Shah, Wholetime Director, subject to the supervision and control of Board of Directors, shall carry out such duties and perform such other functions and services as shall, from time to time, be assigned/entrusted to him by the Board of Directors.

Mr. Shah shall be liable to retire by rotation and such retirement and re-appointment at the Annual General Meeting of the Company during the tenure of his office as Wholetime Director this shall not constitute cessation of office as Wholetime Director.

The re-appointment of Mr. Nirav Shah will be on the following terms and conditions.

1. Term of Office:

Name	Designation	Period
Mr. Nirav Shah	Wholetime Director	1st April, 2014 to 31st March, 2017

2. Remuneration:

a) Salary

Name	Salary
Mr. Nirav Shah	₹ 75,000 p.m. to 150,000/- p.m.

The annual revision of salary in the above range, provided the same is within the limits specified under Schedule V to the Companies Act, 2013, will be subject to the approval of the Board of Directors of the Company.

b) Perquisites

- i. Reimbursement of entertainment expenses in the course of business of the Company.
- ii. Free use of Company's car along with driver, running and maintenance expenses.
- iii. Telephones, telefax and other Communication facilities at residence.
- iv. Subject to statutory ceiling, the Wholetime Director may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

The salary mentioned above will be inclusive of the perquisites/allowances valued as per Income tax Rules, wherever applicable and in the absence of any such rules, shall be valued at actual cost, subject to a limit of 25% of salary as per a) above.

c) Other Perquisites

- i. Company's contribution to Provident Fund, Superannuation Fund/ Annuity Fund to the extent these are singly or put together are not taxable under the Income Tax Act, 1961 (43 of 1961);
- ii. Gratuity at the rate half a month's salary for each completed year of services; and
- iii. Encashment of leave at the end of the tenure.

The other perquisites mentioned at c) above shall not be included in the computation of perquisites for the purpose of ceiling on remuneration.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors as it may, in its discretion, deem fit within the maximum amount payable to Mr. Nirav Shah, Wholetime Director, in accordance with the provisions of the Companies Act, 2013 or any amendments made therein.

MINIMUM REMUNERATION:

In the absence or inadequacy of profits in any financial year Mr. Nirav Shah, Wholetime Director may be paid aforesaid remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the limits specified in para A of Section II of part of Schedule V to Companies Act, 2013. The perquisites mentioned in para 2 c) of this statement shall not be included in the computation of the ceiling on minimum remuneration.

In the absence or inadequacy of profits in any financial year, the Company has to pay to the Director remuneration within the ceiling limit prescribed in Schedule V to the Companies Act, 2013. Therefore approval of the Shareholders is sought for payment of remuneration to Wholetime Director not exceeding the limits specified in para A of Section II of Part II of Schedule V to the Companies Act, 2013.

Information pursuant to clause (iv) of the second proviso to Section II, Part II of Schedule V to the Companies Act, 2013 is furnished hereunder.

I. GENERAL INFORMATION**Nature of Industry**

The Diamond Industry has gone through several changes in the distribution cycle of Rough diamonds over the last 3 years. The miners have acknowledged the demand of raw material from small manufacturers and are increasingly trying to reach out to a wider customer base. This also gives the miner the opportunity to fetch a good price for his product has also brings about a level playing field for all manufacturers. This in turn has resulted in a variety of polished diamonds available at attractive prices, thus allowing jewelers to purchase diamonds for the upcoming festivals of Diwali, Christmas and the all-important wedding season in India.

Commencement of commercial production

The company has continued to adopt the practice of contract manufacturing and would look at continuing the same in order to conserve costs and maximize production. There is no immediate plan to undertake commercial production during the current financial year.

Financial performance based on given indicators

The financial performance of the Company as reflected by total income, profit, earning per share and dividend recommended for the financial year ended 31st March, 2014 is as under :-

a.	Total Income (Rs. In Lakhs)	₹ 4017.99 Lacs
b.	Profit after tax (Rs. In Lakhs)	₹ 19.30 Lacs
c.	Earnings per share (in Rs.)	₹ 0.36

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Foreign investments or collaboration

There have been no new foreign investments or collaborations in the financial year.

Information about the appointee

Nature of Information	Mr. Nirav Shah								
Background details	Mr. Nirav Shah was born in the town of Thara, Gujarat and after having completed his education in Ahmedabad, has subsequently moved to Mumbai in the year 2008. He is a Gujarati Jain.								
Past Remuneration	<table> <tr> <td>Year</td> <td>₹</td> </tr> <tr> <td>2011-12</td> <td>50,000/- p.m</td> </tr> <tr> <td>2012-13</td> <td>68,750/- p.m</td> </tr> <tr> <td>2013-14</td> <td>75,000/- p.m</td> </tr> </table>	Year	₹	2011-12	50,000/- p.m	2012-13	68,750/- p.m	2013-14	75,000/- p.m
Year	₹								
2011-12	50,000/- p.m								
2012-13	68,750/- p.m								
2013-14	75,000/- p.m								
Job profile and suitability	Mr. Nirav Shah has obtained training in the manufacturing and trading of Rough & Polished Diamonds. Prior to this he has experience in the field of finance & capital markets.								
Remuneration proposed	As mentioned in the Explanatory Statement Under Section 102 of the Companies Act, 2013								
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration proposed takes into consideration nature and size of business operations; the qualifications, experience and contribution of appointees to continued operations of the Company in difficult times; present trends and norms observed in the Diamond industry for payment of managerial remuneration by companies of comparable size and nature of business. The proposed remuneration is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors. The remuneration proposed at present is at the same level as approved by the members at their meeting held on 28th September, 2012 in view of the profits earned by the Company.								
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Does not have any pecuniary relationship with the Company except as remuneration drawn as Wholetime Director and as a shareholder to the extent of his shareholding in the Company.								

Other Information

Reasons of loss or inadequate profits	The Financial year had witnessed a period of sluggish growth due to the slowdown of the economy. The Indian economy was faced with multiple drawbacks such as low global demand, high inflation and interest rates and a currency market that was extremely volatile.
Steps taken proposed to be taken for improvement	The company has incorporated a conservative approach and aims to proceed with caution under these difficult times. All profits and realizations will be channeled towards reducing debt and increasing profitability with new products. Tackling the currency fluctuation has also been of prime importance.
Expected increase in productivity and profits in measurable terms	Company has recorded a turnover of Rs.3,938.48 Lacs during FY 2013-14. Barring unforeseen circumstances, it is expected to increase the sales volume. The margins too are expected to show improvement with reduction in operating costs and finance costs.

The terms and conditions governing the re-appointment and remuneration payable to Mr. Nirav Shah is available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.30 p.m. on all working days upto and including the day of the meeting.

The above may be treated as abstract pursuant to Section 190 of the Companies Act, 2013.

None of the Directors of the Company is, in any way, concerned or interested in this resolution.

The Directors recommend the resolution for approval of the Members.

Item No. 8

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transaction mentioned under aforesaid resolution, which are not in the ordinary course of business and/or are not on arm length basis, only with the approval of the shareholders accorded by way of a special resolution. Though, your Company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis; still there may be some such transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

The proposal outlined above is in the interest of the Company and the Board re-commends the resolution set out in the accompanying Notice as a special resolution.

None of the Director or Key Managerial Personnel of the Company is concerned or interested in the said resolution except to the extent of their shareholding in the Company or any their interest as Director or shareholder or partner or otherwise in such other related party entity, if any.

Item No. 9

Under the provisions of the Companies Act, 2013, certain documents such as the Register and Index of Members, Register and Index of Debentureholders, Annual Returns, other related books and certificates, etc., have to be kept at the Registered Office of the Company, However, these documents can be kept at any other place within the city, town or village in which the registered Office of the Company is situated, with the approval of eth shareholders to be accorded by a Special resolution.

At present, as approved by the shareholders at the Annual General Meeting held on 29th December, 1995, the aforesaid documents are kept at the premises of Ajel Infotech Limited at 106 Mhada Commercial Complex, Oshivara, Jogeshwari(West), Mumbai 400 102. For Administrative convenience the Directors consider it desirable to appoint Adroit Corporate Services Pvt. Ltd as their Registrar and Share Transfer Agents and hence the said registers, returns and documents will be kept at the new premises indicated in the Resolution at Item No. 9.

None of the Directors or Key Managerial Personnel of the Company is concerned or interested in the said resolution.

For and on behalf of the Board of Directors

SUNNY GANDHI
Executive Director

Registered Office

1008, Panchratna,
Mama Parmanand Marg,
Opera House,
Mumbai 400 004.

Dated: 14th August, 2014

SUNRAJ DIAMOND EXPORTS LTD.

DIRECTORS' REPORT

To,
The Members,
SUNRAJ DIAMOND EXPORTS LIMITED

The Directors' have pleasure in presenting their Twenty Fourth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

FINANCIAL RESULTS: (STANDALONE)

	31st March, 2014		(Amount in ₹) 31st March, 2013	
Profit before Depreciation and Interest		1,69,93,984		1,85,24,293
Less: Depreciation	13,44,221		11,81,120	
Interest & Financial Expenses	1,26,94,107	140,38,328	85,48,817	97,29,937
Profit before Tax		29,55,656		87,94,356
Less: Provision for Taxation	7,88,000		29,84,000	
Deferred Tax	1,68,138	9,56,138	149,510	31,33,510
Profit for the year		19,99,518		56,60,846
Add/(Less): Appropriation				
- Provision of earlier years w/off		(69,468)		(74,604)
- Proposed Dividend		-		(53,30,400)
- Dividend Distribution Tax		-		(8,64,725)
- Trf. to Reserves		-		(1,39,656)
Add: Surplus brought forward from previous year		245,78,011		2,53,26,551
Balance Carried to Balance Sheet		2,65,08,061		2,45,78,011

FINANCIAL RESULTS: (CONSOLIDATED)

	31st March, 2014		(Amount in ₹) 31st March, 2013	
Profit before Depreciation and Interest		1,79,52,112		2,90,32,340
Less: Depreciation	13,44,221		11,81,120	
Interest & Financial Expenses	1,26,94,107	140,38,328	85,48,817	97,29,937
Profit before Tax		39,13,784		1,93,02,403
Less: Provision for Taxation	7,88,000		29,84,000	
Deferred Tax	1,68,138	9,56,138	149,510	31,33,510
Profit for the year		29,57,646		1,61,68,893
Add/(Less): Appropriation				
- Provision of earlier years w/off		(69,468)		(74,604)
- Proposed Dividend		-		(53,30,400)
- Dividend Distribution Tax		-		(8,64,725)
- Trf. to Reserves		-		(1,39,656)
Add: Surplus brought forward from previous year		3,50,86,058		2,53,26,551
Balance Carried to Balance Sheet		3,79,74,236		3,50,86,058

DIVIDEND:

During the preceding 3 years the company witnessed growth and a solid customer base with regular orders. The prolonged dip in the global economy, coupled with high prices of raw materials have been

detrimental to the growth prospects of the company in the completed financial year. Uncertain events in some countries along with a highly volatile currency has prompted the company to adopt a conservative approach in the short term. With a view to conserving the resources of your company, your Directors have decided not to recommend Dividend for the year.

OPERATIONS:

Your Company has recorded a turnover of ₹ 3936.49 lacs during the year under review as opposed to ₹ 5073.37 lacs in the previous year. After the first quarter of the financial year the economy saw a very volatile currency and slowdown in orders due to the high prices of raw materials. This in turn affected the production and prices of finished goods. The company was quick to recognize the slowdown and reduced the supplies of finished goods in line with the market trends, resulting in a dip in turnover, but a healthier performance. The company took an aggressive step in reducing debt thereby improving the overall performance.

UNCLAIMED / UNPAID DIVIDEND (TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND)

Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, unclaimed dividend which remains unpaid for a period of seven years shall be transferred to Investor Education & Protection Fund. Accordingly, the Company is not yet required to transfer unclaimed dividend to the said fund.

It may be noted that upon the transfer of dividend to Investor Education & Protection Fund, members lose their right to claim such dividend. Therefore Members are requested to claim the amount of Unpaid/unclaimed dividend for the year 2010-2011 onwards.

SUBSIDIARY COMPANIES

Your Company has incorporated a wholly owned foreign subsidiary Company in Dubai at the Dubai Multi Commodities Centre (DMCC), UAE in the name of SUNRAJ DIAMONDS DMCC. The above subsidiary company has started its business operations in the year under review.

CONSOLIDATED FINANCIAL STATEMENT

Sunraj group has reported a consolidated revenue of ₹ 39.36 crores for the financial year ended on 31st March, 2014, consolidated profit before tax stood at ₹ 39.14 Lacs and consolidated Profit after tax stood at ₹ 28.88 Lacs. In accordance with the Accounting Standard AS-21 on Consolidated Financial Statement read with Accounting Standard AS-23 on Accounting for investment in Associates, your Directors provide the Consolidated Audited Financial Statement in the Annual Report.

However, in accordance with the general Circular No. 2/2011 dated 8th February, 2011, issued by the Ministry of Corporate affairs, Government of India, the Balance Sheet, Profit and Loss account and other documents of the subsidiary Company are not being attached with balance sheet of the Company. However the financial information of the subsidiary company is disclosed in the Annual Report in compliance with the said circular. Your Company will make available the said annual accounts and other related information of the subsidiary company upon request of any member of the Company or its subsidiary company and same will also be kept open for inspection by any member at the registered office of the Company and subsidiary company.

DIRECTORATE:

In accordance with Article 109 of the Articles of Association of the Company, Mr. Nirav Shah retires by rotation but being eligible, offers himself for re-appointment.

In line with the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Jimit Shah and Mr. Hargovind Shah, Directors of the Company, are being appointed as Independent Directors for five consecutive years from the date of the ensuing Annual General Meeting.

Mrs. Gandhi has been appointed as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 109 of the Articles of Association of the Company. Her appointment will also fulfill the requirement of having a woman Director on the Board of Directors under the Companies Act, 2013. She will hold the office upto the date of the forthcoming Annual General Meeting and being eligible, offers herself for being appointed as a Director of the Company, liable to retire by rotation.

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Necessary resolution for the appointment / re-appointment of the aforesaid Directors have been included in the notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the Notice. Yours Directors commend their appointment/ re-appointment. All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164(2) of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to 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 given in the annexure to the Report.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and therefore, this information has not been furnished as part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) Appropriate accounting policies have been selected and applied consistently, and 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 as at March, 31st 2014 and of the Company for the period 1st April, 2013 to 31st March, 2014.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounts records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 to the Listing Agreement with the Stock Exchange a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance form part of this Report.

AUDITORS:

M/s. Bhupendra Shroff & Co., Chartered Accountants, who are the Statutory Auditors of the Company, hold office upto the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, the Board recommends the re-appointment of M/s. Bhupendra Shroff & Co., as auditors of the Company. If re-appointed, they will hold office from the conclusion of the current AGM to the conclusion of the following AGM.

ACKNOWLEDGEMENTS:

The Directors acknowledge the co-operation and assistance received from the Banks and various Government agencies both Central and State.

The Directors wish to place on record their sincere appreciation of the contribution made by the employees at all levels of the organizations who have greatly contributed to the results.

For and on behalf of the Board of Directors

Place : Mumbai,
Dated : 14th August, 2014

SUNNY GANDHI **NIRAV SHAH**
Executive Director Executive Director

ANNEXURE TO DIRECTORS' REPORT

Statement pursuant to 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.

A) CONSERVATION OF ENERGY:

During the year under review, the energy consumption was maintained at a very minimum level and the Company continues to endeavor that the consumption does not rise. The particulars of total energy consumption and energy consumption per unit of production are not applicable.

B) TECHNOLOGY ABSORPTION - FORM 'B':

1. Research & Development:

- i) Specific areas in which Research and Development is carried out by the Company } NIL
- ii) Benefit derived as a result of the above Research & Development } NIL
- iii) Future plan of action }
- iv) Expenditure on Research & Development }

2. Technology Absorption, Adaptation and Innovation:

The Company has no technical collaboration in respect of manufacture of Diamonds which includes cutting, polishing and finishing.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with regard to foreign exchange expenditure and earnings are given in Note No.9 & 10 of the Notes to the Accounts.

For and on behalf of the Board of Directors

Place : Mumbai,
Dated: 14th August, 2014.

SUNNY GANDHI
Executive Director

NIRAV SHAH
Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS

A) Industry Structure and Development :

The Diamond Industry has seen a dip in prices during the FY 2013-2014. Manufacturing Activity had slowed down with many good manufacturing units being forced to shut shop. Margins in the business have also shrunk and made the cost of doing business very high. The global weakness in the financial markets will continue to have an impact going forward. The stability and budgetary concerns of our governments should improve the state of the economy and should positively affect the spending power of the consumer. There has been little change in policy with the government looking to further protect the local industry. Gold duties are still in place which continues to affect the profitability of the jewelry business. As a result of this, the luxury market is at great risk of being affected. A period of sustained development and growth would be a huge boost for our industry in the long run. A stable currency can also assist the recovery of the trade.

B) Opportunities and Threats :

With a new and stable government in place, India has lots to look forward to in order to cement its place as a Diamond Manufacturing and Trading hub. The thrust on manufacturing activity should boost the prospects of higher imports of raw material, thereby making the product affordable in the local and international markets. There will be several incentives provided to companies that employ more labor and provide artisans with healthy working conditions.

The global financial markets are still a huge threat and will continue to be so for the next 6 months or so. The US festive season have seen a revival. However Europe, the Far East and the Middle East look relatively subdued in their demands. This could hamper growth in the short term.

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C) Segment-wise Performance :

The Company currently has only one business segment viz. trading in cut and polished diamonds and hence product-wise performance is not provided.

D) Outlook :

The Indian Diamond Industry is poised to take on a more active role in manufacturing activity. A stable currency is also expected to drive growth within the trade. The wedding season expects to bring in a steady movement in the smaller goods. The price of raw materials should stabilize as well thus resulting in an opportunity to improve profitability. Your company has reduced its debt and focused on utilizing more of its own resources in order to boost profitability and maintain a healthy track record.

E) Risk and Concerns :

The company identifies a slowdown of the global economy as its biggest risk. This would severely affect export sales. A heavy inventory spread across the trade could also affect prices in the event of oversupply of goods. An unstable currency is another problem that cannot resurface.

F) Internal Control Systems and their Adequacy :

The Company has a satisfactory internal control system, the adequacy of which has been mentioned in the Auditors' Report.

G) Human Resources :

There has been no material development on the Human Resource / Industrial relations front during the year.

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of Listing Agreement)

1. Company's Philosophy on Code of Governance :

The Company is committed to benchmarking itself with the best in all areas including Corporate Governance. The Company's philosophy of Corporate Governance is aimed at strengthening the confidence among shareholders, customers and employees and ensuring a long term relationship of trust by maintaining transparency and disclosures. The Company is aiming at efficient conduct of the business in meeting its obligations to the shareholders.

The Company has adopted a Code of Conduct as required under clause 49 of the listing Agreement with the Stock Exchange. The Directors have confirmed compliance with the code of conduct for the year ended 31st March, 2014.

The relevant standards of Corporate Governance have been fully complied with by the Company.

2. Board of Directors :

Composition and size of the Board

The present strength of the Board is 5. The Board comprises of two Executive Directors. The rest are Non - Executive Directors.

The size and composition of the Board conforms with the requirements of Corporate Governance under the Listing Agreement with the Stock Exchange and applicable laws. The Independent Non Executive Directors of the Company do not have any other material or pecuniary relationship or transaction with the Company, its promoters, its management or its subsidiaries, which in the judgment of the Board may affect independence of judgment of the Directors. The Non-Executive Directors are not paid any remuneration.

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3. Audit Committee:

Terms of reference, Composition:

The terms of reference of this committee covers the matters specified for Audit committee under Clause 49 of the Listing Agreement. The Chairman of the Audit committee is Mr. Hargovind Shah, an Independent Director.

Audit Committee meetings were held on

- (1) 15th May, 2013, (2) 29th June, 2013, (3) 14th August, 2013,
(4) 15th November, 2013 (5) 5th February, 2014.

The composition of audit Committee and attendance at its meetings is given hereunder:

Member	Position	No. of Meetings attended
Mr. Hargovind Shah	Chairman	5
Mr. Sunny Gandhi	Member	5
Mr. Jimit Shah	Member	5

The Chairman and the statutory auditors were the invitees to the above meetings.

Remuneration Committee:

The Listing Agreement with the Stock Exchanges provides that a Company may appoint a Committee for recommending managerial remuneration payable to the Directors. The Company has setup a remuneration committee for the said purpose. The main function of the Committee is to determine the remuneration payable to the Whole time Directors.

4. Remuneration Policy:

The remuneration of the Whole time Directors is recommended by the remuneration Committee based on factors such as industry benchmarks, the Company's performance etc. Mr. Sunny Gandhi, the Executive Director has been paid salary of Rs.6,00,000 for the year. Mr. Sunny Gandhi's Contract as Whole time Director of the Company expires on 30th September, 2016, terminable by 3 months Notice on either side. Mr. Nirav Shah, another Executive Director has been paid a salary of Rs. 9,75,000 for the year. Mr. Nirav Shah's Contract as Whole time Director of the Company is for a period of 5 years with effect from 1st April, 2009 upto 31st March, 2014 terminable by 3 months Notice on either side. No severance fees are paid under the said Agreement. The Company does not have any stock option scheme. No sitting fees are paid to the Non - Executive Directors.

5. Shareholders Grievance Committee:

The Shareholders Grievance Committee comprises of two independent Directors, Mr. Jimit Shah and Mr. Hargovind Shah. Mr. Nirav Shah has been appointed as the Compliance Officer with effect from 26th February, 2009. There is no complaint that has remained un - redressed. There is no share transfer pending registration for more than 30 days as on the said date.

6. General Body Meetings:

The details of Annual General Meetings held during last three years are as under :-

Financial Year	Day and Date	Time
2012 - 2013	Monday 30/09/2013	11.30 a.m.
2011 - 2012	Friday 28/09/2012	11.30 a.m.
2010 - 2011	Tuesday 27/09/2011	11.30 a.m.

Location:

The AGM for the year 2012 - 2013 was held at Seva Sadan Society's, Malabari Memorial Hall, Pandita Ramabai Road, Opp. Telephone Exchange, Gamdevi, Mumbai - 400 007. The other two A. G. M's for the year ended 2010-2011 and 2011-2012 were held at Dadoba Jagannath Religious Trust, 21-A Gamdevi Road, Mumbai 400 007.

Business:

During the last year, there was no business, which had to be conducted through a postal ballot. At present, the Company does not have any resolution to be decided by the members by postal ballot.

7. Disclosures:

1. There are no related party transactions made by the Company with its promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval. The transactions with the related parties are disclosed in the notes to accounts in the Annual Report.
2. During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchanges or any regulatory authority for non-compliance of any matter relating to the capital market.
3. **Code of Conduct**
The Board of Directors of the Company has laid down two separate Codes of Conduct - one for Directors and other for Senior Management and Employees.
All Board Members and Senior Management personnel have affirmed compliance with the Code of conduct for the year review. A Declaration signed by Managing Director to this effect is annexed to this report.
4. **CEO/CFO Certification**
As required under Clause 49 V of the listing Agreement with the Stock Exchanges, the Managing Director and G.M. Finance of the Company have certified to the Board regarding their review on the Financial Statements, Cash flow Statements and matters related to internal controls etc. in the prescribed format for the year ended 31st March, 2014.

8. Means of Communication:

1. The financial results of the Company are published in widely circulating National dailies such as Free Press Journal and Nav - Shakti. These are not sent individually to the shareholder.
2. The Company's results or official news are displayed on the Company's web site. There were no presentations made to the institutional investors or to the analysts.
3. The Management Discussion and Analysis Report form a part of this Annual Report.

9. General Shareholder Information:

- | | |
|--|---|
| a. AGM Day, Date, Time | Tuesday, 30th September, 2014 at 11.30 a.m. |
| Venue | Dadoba Jagannath Religious Trust, 21-A,
Gamdevi Road, Mumbai 400 007. |
| b. Financial Calendar | 01.04.2013 to 31.03.2014 |
| c. Un-Audited Financial Results | 1 st Quarter Last Week of July
2 nd Quarter Last Week of October
3 rd Quarter Last Week of January
4 th Quarter Last Week of April |
| d. Book Closure Period | 23.09.14 to 30.09.14 |
| e. Listing on Stock Exchanges at: | |
| | The Equity Shares of the Company are listed at the The Stock Exchange, Mumbai, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400 001. |

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f. Stock/Company/Security/Common Code:

The Stock Exchange, Mumbai. Code: 23425

g. Demat ISIN No. for Depositories: INE459D01014

h. Market Price Data:

High/Low of the Company's Shares traded in the Stock Exchange, Mumbai, during the financial year 2013- 2014 is furnished below:

Month & Year	Company's Share Price	
	High (₹)	Low (₹)
April 2013	17.25	12.70
May 2013	13.90	11.90
June 2013	12.50	11.90
July 2013	13.65	11.80
August 2013	14.80	12.30
September 2013	13.90	11.35
October 2013	13.22	12.20
November 2013	13.55	11.85
December 2013	13.50	11.20
January 2014	15.43	14.00
February 2014	15.74	13.50
March 2014	16.00	15.25

i. Registrar and Transfer Agents:

In compliance with the SEBI Directive for all listed Companies to have a common agency to handle physical and electronic share registry work the Company has appointed M/s Ajel Limited as the Registrar and Transfer Agents. Accordingly all documents, transfer Deeds, demat requests and other communications in relation thereto should be addressed to the R & T at it's offices at 106, Oshiwara Link Plaza Commercial Complex, 2nd Floor, New Link Road, Oshiwara, Jogeshwari (West) Mumbai 400 102.

Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. Officers of the Registrars and Transfer Agents have been authorized to approve transfers in addition to the officers of the Company.

Distribution of Shareholding as on 31st March, 2014

No. of Shares	No. of Holders	% to Total	No. of Shares	% to Total
1 to 500	8572	94.32	12,62,647	23.69
501 to 1000	300	3.30	2,47,501	4.64
1001 to 2000	100	1.10	1,50,167	2.82
2001 to 3000	37	0.41	91,474	1.72
3001 to 4000	14	0.15	51,812	0.97
4001 to 5000	15	0.17	69,662	1.31
5001 To 10000	19	0.21	1,32,444	2.48
10001 and above	31	0.34	33,24,693	62.37
	9,088	100.00	53,30,400	100.00

Shareholding Pattern of the Company as on 31st March, 2014

Sr. No.	 Holders	No. of Shares Held	% of Total
A	Promoters Holding	19,15,005	35.93
B	Institutional Investors		
a.	Mutual Funds and UTI	7,500	0.14
b.	Banks and Financial Institutions	1,600	0.02
C.	Bodies Corporate	56,334	1.06
D	Indian Public	32,44,311	60.87
E	NRI's	105,650	1.98
	TOTAL	53,30,400	100.00

Dematerialisation of Shares & Liquidity

As on 31st March, 2014 **78.97%** of the Company's total shares representing 42,09,300 shares were held in dematerialized form.

Address for Correspondence : DC-6111B, Bharat Diamond Bourse,
BKC, Bandra - East, Mumbai - 400 051.

For and on behalf of the Board of Directors

Place : Mumbai,
Dated : 14th August, 2014.

SUNNY GANDHI
Executive Director

NIRAV SHAH
Executive Director

DECLARATION ON CODE OF CONDUCT

As required by Clause 49 of the Listing Agreement the Declaration for Code of Conduct is given below:

To,
The Members of
Sunraj Diamonds Exports Limited

I, Mr. Sunny Gandhi, Executive Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct.

For and on behalf of the Board of Directors

Place : Mumbai,
Dated: 14th August, 2014.

SUNNY GANDHI
Executive Director

SUNRAJ DIAMOND EXPORTS LTD.

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members of
SUNRAJ DIAMOND EXPORTS LIMITED

We have examined the conditions of Corporate Governance by Sunraj Diamond Exports Limited for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Company with the relevant Stock Exchange.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedure and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the 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, we certify that the Company has complied with the conditions of Corporate Governance except in the matter of the composition of the Board of Directors which did not comprise of Independent Directors to the extent of 50% of the Board's strength, but which has since then been complied with, as stipulated in the abovementioned Listing Agreement.

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 **Bhupendra Shroff & Co.**
Chartered Accountants

Mumbai,
Date: 14th August, 2014.

B. N. Shroff
Partner

INDEPENDENT AUDITOR'S REPORT

To the Members of **SUNRAJ DIAMOND EXPORTS LIMITED**

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Sunraj Diamond Exports Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with The General Circular 15/2014 dated 13th September, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2014. 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.

Auditors' Responsibility

3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

SUNRAJ DIAMOND EXPORTS LTD.

Report on Other Legal and Regulatory Requirements

7. 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.
8. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with The General Circular 15/2014 dated 13th September, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2014;
 - 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 **Bhupendra Shroff & Co.**
Chartered Accountants
FRN: 101478W

Mumbai,
Date: 30th May, 2014.

B. N. Shroff
Partner
Membership No. 5039

The Annexure referred to in paragraph 7 of the Our Report of even date to the members of Sunraj Diamond Exports Limited. on the accounts of the company for the year ended 31st March, 2014.

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

1. Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. Inventories

- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. Loans and Advances granted / taken from certain entities

- (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken unsecured loans from 4 parties (4 parties) companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and the aggregate outstanding balances is ₹ 2,32,58,592 (₹ 4,05,08,643). However the rate of interest & other terms & conditions of loans are not prima facie prejudicial to the interest of the Company.
- (c) The Company is regular in payment of principal amount and interest as stipulated. There are no overdue amounts payables by the company.

4. Internal Control System

- (a) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- (b) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment

SUNRAJ DIAMOND EXPORTS LTD.

for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. **Contracts or arrangement referred to in this Section 301 of the Companies Act, 1956**

- (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

6. **Public Deposits**

The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. **Internal Audit System**

As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. **Cost Records**

As per the information and explanation given to us, no cost records are prescribed by the central government under clause (d) of sub-section (1) of section 209 of the Act.

9. **Statutory Dues**

- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes except the following:

Nature of Tax Liability	Amount (₹)	Nature of Dispute / Forum Where the dispute is pending
Income Tax A. Y. 2002-03	8,86,480	Assessing Officer as the same was set aside by CIT (Appeals)

10. **Accumulated Losses**

The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

11. **Dues to Financial Institutions, Banks and Debenture holders**

Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

12. Security for Loans and Advances Granted

According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. Special Statute

The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.

14. Dealings / Trading in Shares, Securities, Debentures and other Investments

According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.

15. Guarantees given

According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

16. Term Loans

Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.

17. Utilisation of Funds

Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Preferential Allotment of Shares

Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

19. Security for Debentures Issued

The Company has no outstanding debentures during the period under audit.

20. Public Issue of Equity Shares

The Company has not raised any money by public issue during the year.

21. Frauds Noticed

Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **Bhupendra Shroff & Co.**
Chartered Accountants
FRN: 101478W

Mumbai,
Date: 30th May, 2014.

B. N. Shroff
Partner
Membership No. 5039

SUNRAJ DIAMOND EXPORTS LTD.

BALANCE SHEET AS ON 31ST MARCH, 2014

EQUITY & LIABILITIES	NOTE No.	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
(1) Shareholders' Funds	13		
(a) Share Capital	13a	53,304,000	53,304,000
(b) Reserves & Surplus	13b	27,675,779	25,745,729
(2) Non-Current Liabilities	14		
(a) Long Term Borrowings	14a	7,115,085	21,726,226
(b) Deferred Tax Liabilities (Net)	14b	2,596,366	2,428,228
(d) Long Term Provisions	14c	6,734,000	8,137,500
(3) Current Liabilities	15		
(a) Short Term Borrowings	15a	111,306,662	120,880,317
(b) Trade payables	15b	89,374,654	91,012,139
(c) Other Current Liabilities	15c	4,627,615	8,098,686
(d) Short Term Provisions	15d	788,000	3,848,725
TOTAL		303,522,161	335,181,550
ASSETS			
(4) Non Current Assets	16		
(a) Fixed Assets			
(i) Tangible Assets	16a	19,637,232	20,560,665
(b) Non Current Investments	16b	5,967,100	5,967,100
(c) Long Term Loans and Advances	16c	10,669,705	11,802,631
(5) Current Assets	17		
(a) Inventories	17a	27,745,637	22,492,562
(b) Trade Receivables	17b	224,502,280	260,686,124
(c) Cash and Cash Equivalents	17c	14,735,336	13,461,387
(d) Short term Loans and Advances	17d	264,871	211,082
TOTAL		303,522,161	335,181,550

Notes on Accounts

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)

Partner

Membership No. : 5039

Mumbai, 30th May, 2014.

For and on behalf of the Board

SUNNY S. GANDHI

Director

NIRAV SHAH

Director

Mumbai, 30th May, 2014.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

Particulars	Note No.	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
Revenue			
I Revenue from Operations	18	393,648,850	507,337,338
II Other Income	19	8,150,529	7,677,982
III Total Revenue (I+II)		401,799,379	515,015,320
Expenses:			
Cost of Material Consumed	20	51,913,522	56,544,980
Purchase of Finished Goods	21	318,859,390	421,547,938
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	22	(5,622,275)	981,511
Employee Benefit Expenses	23	4,447,380	3,700,013
Finance Cost	24	12,694,107	8,548,817
Depreciation and Ammortisation Expenses	25	1,344,221	1,181,120
Other Expenses	26	15,207,377	13,598,619
IV Total Expenses		398,843,723	506,102,998
V Profit before Exception and Extraordinary Items and Tax (III-IV)		2,955,656	8,912,322
VI Exceptional Items	27	-	117,966
VII Profit before Extraordinary Items and Tax (V-VI)		2,955,656	8,794,356
VIII Extraordinary Items		-	-
IX Profit before Tax (VII - VIII)		2,955,656	8,794,356
X Tax Expenses:	28		
(1) Current Tax		857,468	3,058,604
(2) Deferred Tax		168,138	149,510
XI Profit/(Loss) for the period from Continuing Operations (IX-X)		1,930,050	5,586,241
XII Profit/(Loss) from discontinued Operations		-	-
XIII Tax Expenses of discontinued Operations		-	-
XIV Profit/(Loss) from discontinuing Operations after Tax (XII-XIII)		-	-
XV Profit/(Loss) for the period (XI - XIV)		1,930,050	5,586,241
XVI Earnings per Equity Share			
(1) Basic		0.36	1.05
(2) Diluted		0.36	1.05

Notes on Accounts

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W
(B. N. SHROFF)
Partner
Membership No. : 5039
Mumbai, 30th May, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director
NIRAV SHAH
Director
Mumbai, 30th May, 2014.

SUNRAJ DIAMOND EXPORTS LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	31.03.2014		31.03.2013	
	₹	₹	₹	₹
I Cash Flow from Operating Activities				
Net Profit before tax from Profit and Loss A/c		2,955,656		8,794,356
Adjustments for -				
Loss on sale of Assets	-		117,966	
Interest on Loans Paid	10,039,567		8,548,817	
Unrealised Foreign Exchange	(1,561,360)		1,119,318	
Interest income	(937,523)		(925,488)	
Bad Debts	-		5,762	
Depreciation	1,344,221	8,884,905	1,181,120	10,047,496
Operating Profit before working capital changes		11,840,561		18,841,852
Adjustments for -				
Trade & other Receivables	37,735,407		(62,355,224)	
Loans and Advances	(271,289)		11,137,020	
Inventories	(5,253,075)		17,793,985	
Trade & Other Payables	(4,985,602)	27,225,440	36,703,133	3,278,915
Cash generated from Operations		39,066,001		22,120,767
Direct Taxes Paid (Net of refund of Taxes)	(1,350,426)	(1,350,426)		(3,209,145)
NET CASH FLOW FROM OPERATING ACTIVITIES		40,416,427		18,911,623
II Cash Flow from Investing Activities				
Purchase of Fixed Assets	(420,788)			(2,456,440)
Investment in Subsidiary	-			(5,952,100)
Proceeds from sale of Assets	-			56,130
Interest Received	937,523			925,488
NET CASH USED IN INVESTING ACTIVITIES		516,735		(7,426,922)
III Cash from Financial Activities				
Loans Received	323,759,272			303,636,495
Loans Repaid	(347,839,394)			(300,403,981)
Dividend & Dividend Distribution Tax Paid	(5,539,525)			(6,195,125)
Interest on Loans Paid	(10,039,567)			(8,548,817)
NET CASH USED IN INVESTING ACTIVITIES		(39,659,214)		(11,511,428)
Net increase/(decrease) in cash and cash equivalents		1,273,948		(26,728)
Cash and Cash Equivalents - Opening Balance		13,461,387		13,488,115
Cash and Cash Equivalents - Closing Balance		14,735,336		13,461,387

AUDITORS' CERTIFICATE

We have checked the attached Cash flow Statement of SUNRAJ DIAMOND EXPORTS LIMITED, for the year ended 31st March, 2014 from the books maintained by the company in the course of business and has been in accordance therewith.

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W
(B. N. SHROFF)
Partner
Membership No. : 5039
Mumbai, 30th May, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director
NIRAV SHAH
Director
Mumbai, 30th May, 2014.

NOTES ON ACCOUNTS

1. (a) BASIS OF PREPARATION OF FIANANCIAL STATEMENTS

The financial statements have been prepared in compliance with the mandatory Accounting Standards notified under the companies (Accounting Standards) Rules, 2006 (as amended) and generally accepted Accounting principles applicable in India (GAAP).

The financial statements are prepared under historical cost convention on accrual basis accordance with the requirements of the Companies Act, 1956.

(b) FOREIGN CURRENCY TRANSACTIONS

Foreign transactions that has been entered into by the Company during the year has been accounted as per the exchange rate prevailing as on the date of transaction.

Sales or Purchases accounted during the year are accounted at the rate of exchange as on the date of transaction. Subsequently, when the bills are settled, any gain or loss arising on such transactions are credited or debited to exchange rate fluctuation account.

Closing balances of the foreign parties as on the Balance Sheet date are accounted at the realizable value as on that date. The difference in the account is transferred to exchange rate fluctuation account.

(c) REVENUE RECOGNITION

Sale of Goods:

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of returns, trade discounts, claims etc.

(d) RELATED PARTY DISCLOSURES

Companies in which Directors are interested

- Sunraj Investment & Finanace Pvt. Ltd.
- Gunial Investment & Finance Pvt. Ltd.
- K.D. Shah Investments Pvt. Ltd.

Management / Directors

- Sunil C. Gandhi
- Sunny S. Gandhi
- Nirav K. Shah

Shareholders

- Nirav K. Shah (HUF)

SUNRAJ DIAMOND EXPORTS LTD.

Account Balances of Related Parties

Name of Person	Opening Credit Balance as on 01.04.2013	Transactions during the year (Net)	Closing Credit Balance as on 31.03.2014	Maximum Outstanding
Sunny Gandhi	2,27,74,430	(98,38,106)	1,29,36,323	3,33,07,096
Sunil Gandhi	1,77,34,213	(1,74,87,739)	1,69,414	1,77,23,410
Nirav Shah (HUF)	NIL	45,33,839	45,33,839	54,80,000
Sunraj Investment & Finance Pvt. Ltd.	NIL	56,19,016	56,19,016	1,05,38,500

Transactions with Related Parties

Name of Party	Relationship	Transaction	Amount (₹)
Sunny Gandhi	Director	Remuneration	600,000/-
Nirav Shah	Director	Remuneration	975,000/-
Nirav Shah (HUF)	Shareholder	Interest Paid	4,82,043/-
Sunraj Investment & Finance Pvt. Ltd.	Related Concern	Interest Paid	6,81,407/-
Sunny Gandhi	Director	Interest Paid	22,16,883/-

(e) EARNING PER SHARE

	2013-2014 ₹	2012-2013 ₹
(i) Profit after Tax	19,99,518	56,60,845
(ii) Less : Short Provision for Tax of earlier years	(69,468)	(74,604)
	19,30,050	55,86,241
	Nos.	Nos.
(iii) Weighted average number of Ordinary Shares for Basic EPS	53,30,400	53,30,400
Less : Calls in Arrears (Proportionate)	-	-
	53,30,400	53,30,400
(iv) Nominal Value of Ordinary Share	₹ 10/-	₹ 10/-
(v) Basic/Diluted Earnings per Share	₹ 0.36	₹ 1.05

(f) DEFERRED TAXATION

Deferred Tax Liability for the year is ₹ 1,68,138/-

(g) CONTINGENT LIABILITIES:

The Company has a contingent liability of income tax of ₹ 8,86,480 in respect for A.Y. 2002-2003.

(h) MANAGERIAL REMUNERATION:

Managerial Remuneration U/s 198 of the Companies Act, 1956, to the Managing Director.

	2013-14	2012-13
	₹	₹
Salaries & Bonus	15,75,000	14,27,500
Perquisites	NIL	NIL

2. Inventories are valued at cost as certified by the management.
3. There is no amount outstanding payable to Small Scale industries.
4. No provision for doubtful debts is made on long outstanding debtors, as the management is hopeful of realizing the same.
5. Licensed capacity - Not Applicable.

6. RAW MATERIALS CONSUMED

Item	Quantity in Carats	Value ₹
Rough Diamonds	12,374.19	5,15,44,321
(Previous Year)	(7720.98)	(5,38,16,058)
Synthetic Diamonds	27,930	4,45,063
(Previous Year)	(116.31)	(27,28,922)
		5,19,89,384
		(5,65,44,980)

7. C.I.F. VALUE OF IMPORTS

	Current Year	Previous Year
	₹	₹
Raw Materials	5,15,44,322	2,33,28,377

8. VALUE OF IMPORTED & INDIGENOUS RAW MATERIAL CONSUMED AS % OF TOTAL CONSUMPTION

	Current Year		Previous Year	
	₹	%	₹	%
Imported	5,15,44,321	99.14	5,38,16,058	95.00
Indigenous	4,45,063	00.86	27,28,922	05.00
	5,19,89,384	100	5,65,44,980	100.00

SUNRAJ DIAMOND EXPORTS LTD.

9. EXPENDITURE IN FOREIGN EXCHANGE

Foreign Travelling Expenditure ₹ 16,98,568.00/- (Previous year ₹ 12,89,535.36/-)

10. EARNING IN FOREIGN EXCHANGE

F.O.B. Value of Exports and Exchange Difference - ₹ 33,78,36,486/- (Previous year ₹ 32,24,51,240/-).

11. STOCK & TURNOVER

Items	Units	Opening Stock		Closing Stock		Turnover/Consumption	
		Quantity	Value ₹	Quantity	Value ₹	Quantity	Value ₹
Finished Goods							
Cut & Polished Diamonds	Cts	232.62 (573.20)	9,889,955 (10,809,403)	1,277.63 (232.62)	15,512,230 (9,889,955)	15,413.39 (29,038.99)	424,562,390 (565,365,666)
Jewellery	Gms	1,757.45 (1,779.93)	4,989,003.00 (5,001,133)	1,757.45 (1,757.45)	4,989,003 (4,989,003)	NIL (322.98)	NIL (4,322,698)
Jewellery	Nos.	NIL NIL	NIL NIL	NIL NIL	NIL NIL	4.00 NIL	896,433 NIL
Emerald Cut & Polished Stones	Cts	103.34 (116.88)	365,066 (415,000)	103.34 (103.34)	365,066 (365,066)	NIL (13.54)	NIL (49,934)
Synthetic Crystals	Cts	200.18 (200.18)	6,879,337 (6,879,337)	200.18 (200.18)	6,879,337 (6,879,337)	NIL (Nil)	NIL (Nil)
Raw Materials							
Rough Diamonds	Cts	NIL (653.54)	NIL (14,083,552)	NIL NIL	NIL NIL	12,374.19 (7,720.98)	51,544,322 (53,816,058)
Synthetic Rought Diamonds	Cts	27,930.00 (28,046.31)	369,200 (3,098,122)	NIL (27,930.00)	NIL (369,200)	27,930.00 (116.31)	445,063 (2,728,922)

Previous year figures are given in brackets.

12. The previous year's figures are regrouped wherever necessary.

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)
Partner
Membership No. : 5039

Mumbai, 30th May, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director

NIRAV SHAH
Director

Mumbai, 30th May, 2014.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
13 Shareholders' Fund		
13a Share Capital		
The details of Authorised, Issued, Subscribed and paid up, capital as under :-		
Authorised		
8,000,000 Equity Shares of ₹ 10/- each	80,000,000	80,000,000
Issued, Subscribed & Paid-up		
Opening Balance (5,330,400 Equity Shares of ₹ 10/- each)	53,304,000	53,304,000
Add: Issued during the year	-	-
Less: Shares Forfeited	-	-
	53,304,000	53,304,000
The details of shareholders holding more than 5% equity shares as at the reporting date are as under :-		
Name of the Shareholders	No.of Shares held & % of holding	No.of shares held & % of holding
Sunny Sunil Gandhi	6,81,700 Sh - 12.79%	6,81,700 Sh - 12.79%
Gunvanti Chandrakant Gandhi	3,75,000 Sh - 7.03%	3,75,000 Sh - 7.03%
Gunial Investment and Finance Private Limited	6,39,100 Sh - 12.00%	6,39,100 Sh - 12.00%
13b Reserves and Surplus		
Capital Reserves:		
Capital Reserve	598,000	598,000
Add: Addition during the year	-	-
Closing Balance A	598,000	598,000
Revenue Reserve:		
General Reserve	569,718	430,062
Add: Transfer from Profit & Loss Account	-	139,656
Closing Balance B	569,718	569,718
Surplus in Profit & Loss Account		
Opening Balance	24,578,011	25,326,551
Add: Surplus / (Defecit) in Profit and Loss for the year	1,930,050	5,586,241
Less: Appropriations during the year		
Dividends	-	5,330,400
Dividend Distribution Tax	-	864,725
Transfer to General Reserve	-	139,656
Closing Balance C	26,508,061	24,578,011
Total (B + C)	27,077,779	25,147,729
Total (A + B + C)	27,675,779	25,745,729

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
14 Non Current Liabilities		
14a Long Term Borrowings		
Secured Borrowings		
Axis Bank Ltd.	137,418	373,812
Kotak Mahindra Prime Ltd.	424,798	1,098,092
	<u>562,216</u>	<u>1,471,904</u>
Nature of Security :-		
Secured against hypothecation of Car		
Unsecured Borrowings		
Loans From Directors	6,552,869	20,254,322
	<u>6,552,869</u>	<u>20,254,322</u>
Total	<u>7,115,085</u>	<u>21,726,226</u>
14b Deferred Tax Liabilities (Net)	<u>2,596,366</u>	<u>2,428,228</u>
	<u>2,596,366</u>	<u>2,428,228</u>
14c Long Term Provisions		
Provision for Tax	6,734,000	8,137,500
	<u>6,734,000</u>	<u>8,137,500</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
15 Current Liabilities		
15a Short Term Borrowings		
Secured Borrowings		
Loans payable on demand - Postshipment Finance from The Royal Bank of Scotland	94,600,938	100,453,769
HDFC Bank Ltd.	-	172,226
	<u>94,600,938</u>	<u>100,625,995</u>
Nature of Security :-		
Working Capital facility (Postshipment Finance) Secured against		
- Guarantee : - Personal Guarantee of the Directors		
- Collateral:		
- Hypothecation of stocks and receivables		
- Bank Fixed Deposit of ₹ 1,20,00,000 kept with The Royal Bank of Scotland		
- Equitable Mortgage of the Registered Office fo the Company		
Other Loan facility Secured against hypothecation of Car		
Unsecured Borrowings		
- Loans and advances from related parties	10,152,855	-
- Loans From Directors	6,552,869	20,254,322
	<u>16,705,724</u>	<u>20,254,322</u>
Total	<u>111,306,662</u>	<u>120,880,317</u>
15b Trade Payable	<u>89,374,654</u>	91,012,139
	<u>89,374,654</u>	<u>91,012,139</u>
15c Other Current Liabilities		
Other Payables		
Current Maturity of long term debts		
Axis Bank Ltd. - Secured against hypothecation of car	216,995	176,021
Kotak Mahindra Prime Ltd. - Secured against hypothecation of car	673,294	609,594
TDS Payable	436,203	80,571
Dividend Payable	661,399	5,330,400
Unclaimed Dividend Payable *	1,145,359	1,151,158
Sundry Creditors for Expenses	1,291,914	698,828
Security Deposits	200,000	-
Other Payables	2,451	52,113
	<u>4,627,615</u>	<u>8,098,686</u>
*Investor Education and Protection Fund to be credited by the amount as and when required.		
15d Short Term Provisions		
Provision for Tax	788,000	3,848,725
	<u>788,000</u>	<u>3,848,725</u>

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

16 Non Current Assets

Fixed Assets

16a Tangible Assets

Particulars of Asset	Rate of Dep	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		Opening ₹	Addition ₹	Deduction ₹	Closing ₹	Opening ₹	For the year ₹	Closing ₹	Opening ₹	Closing ₹
Office Premises	1.63	15,134,916	-	-	15,134,916	2,554,004	246,699	2,800,703	12,580,912	12,334,213
Vehicles	9.50	9,916,801	-	-	9,916,801	2,417,591	942,096	3,359,687	7,499,211	6,557,115
Furniture & Fixture	6.33	886,016	-	-	886,016	617,610	44,196	661,806	268,406	224,210
Office Equipments	6.33	775,972	420,788	-	1,196,760	563,836	111,230	675,066	212,136	521,694
TOTAL		26,713,705	420,788	-	27,134,493	6,153,041	1,344,221	7,497,262	20,560,665	19,637,232

ACCOUNTING OF DEPRECIATION

Depreciation is provided on Fixed Assets on Straight Line Basis in accordance with Schedule XIV of the Companies Act, 1956.

ACCOUNTING FOR FIXED ASSETS

All Fixed Assets are valued at cost less Depreciation

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
16b Non Current Investments		
Investments in Equity Instruments	15,000	15,000
a. Rander Peoples' Co-op. Bank Limited 150 (Previous Year 150) Equity Shares of ₹ 100/- each fully paid up		
b. Investments in Share Capital of Subsidiary Company (100%) Sunraj Diamond DMCC	5,952,100	5,952,100
	5,967,100	5,967,100
Further Details		
Aggregate value of quoted investments and market value	-	-
Aggregate amount of unquoted investments	5,967,100	5,967,100
Aggregate provision for diminution in value of investments	-	-
	5,967,100	5,967,100
Accounting for Investments		
Investments are stated at cost of acquisition		
16c Long Term Loans and Advances		
(a) Capital Advances;	2,708,430	2,708,430
(b) Security Deposits;	304,908	87,408
(d) Other Loans and Advances (Income Taxes).	7,656,367	9,006,793
	10,669,705	11,802,631
(ii) The above shall also be separately sub-classified as:		
(b) Unsecured, considered good;	10,669,705	11,802,631
	10,669,705	11,802,631

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
17 Current Assets		
17a Inventories		
(a) Inventories		
Raw Materials (At cost including incidental expenses incurred for its acquisition)	-	369,200
Finished Goods (At cost or market value whichever is lower)	27,745,637	22,123,362
	<u>27,745,637</u>	<u>22,492,562</u>
Items of inventory are valued on the basis given below:		
(i) Raw Materials: - At cost including incidental expenses incurred for its acquisitions.		
(ii) Finished Goods: - At cost or market value whichever is lower. In case of finished goods which are manufactured, the cost of labour incurred for converting raw material into finished goods and which are lying in the stock are added to the stock of finished goods.		
17b Trade Receivables		
Outstanding For More than six months	35,647,875	12,193,047
Less than six months	188,854,405	248,493,077
	<u>224,502,280</u>	<u>260,686,124</u>
Sub-classified		
Unsecured, considered good	224,502,280	260,686,124
	<u>224,502,280</u>	<u>260,686,124</u>
17c Cash and Cash equivalent		
(a) Cash and Cash equivalent		
Balances with Banks	2,198,951	1,110,209
Cash on hand	90,596	30,148
Bank Fixed Deposits	12,445,788	12,321,029
	<u>14,735,336</u>	<u>13,461,387</u>
Fixed Deposit held as pledged against secured loan taken from The Royal Bank of Scotland	12,445,788	12,321,029
17d Short Term Loans and Advances		
(a) Other Loans and Advances (specify nature)		
TDS Receivable from Four Season's Hotel	13,089	23,334
TDS Receivable for F.Y. 2012-2013	-	95,804
Auto Hanger (India) Pvt. Ltd. - Honda Accord	8,845	8,845
Prepaid Insurance	84,937	83,099
Loan to Staff	158,000	-
	<u>264,871</u>	<u>211,082</u>
Sub-classified		
Secured, considered good	-	-
Unsecured, considered good	94,937	178,903

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
18 Revenue from Operations		
(a) Sale of Products	393,648,850	507,337,338
	393,648,850	507,337,338
19 Other Income		
(a) Interest Income	937,523	925,488
(b) Other non-operating Income	502,718	633,042
(c) Exchange Difference	6,710,287	6,119,452
	8,150,529	7,677,982
20 Cost of Materials Consumed		
Opening Stock of Rough Diamonds	369,200	17,181,674
Add: Purchases during the year	51,544,322	39,732,506
Less: Closing Stock of Rough Diamonds	-	369,200
	51,913,522	56,544,980
21 Purchase of Finished Goods (Cut and Polished Diamonds, Gold Jewellery & Pearls)	318,859,390	421,547,938
22 Changes in inventories of Finished Goods, Work in Progress and Stock in Trade		
Finished Goods (Cut & Polished Diamonds)		
Closing Stocks	27,745,637	22,123,362
Less: Opening Stocks	22,123,362	23,104,874
	(5,622,275)	981,511
23 Employee Benefit Expenses		
(1) Salaries and Wages	2,700,500	2,238,676
(2) Directors Remuneration	1,575,000	1,427,500
(3) Staff Welfare Expenses	171,880	33,837
	4,447,380	3,700,013
24 Finance Cost		
(1) Interest Expenses	10,039,567	6,620,289
(2) Other Borrowing Cost	2,654,540	1,928,528
	12,694,107	8,548,817
25 Depreciation and Amortisation Cost		
Deprecation on Fixed Assets	1,344,221	1,181,120

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
26 Other Expenses		
Advertisement and Sales Promotion	249,808	86,950
Agency Commission on Import /Export	26,675	28,500
Rates and Taxes, excluding taxes on income	13,800	-
Assortment charges	1,305,250	1,433,710
Audit Fees	308,990	112,360
Other Services	-	28,090
Office Expense	42,939	19,137
Bad debts	-	5,762
Brokerage & Commission	1,961,740	1,591,188
Business Promotion	599,698	1,380,241
Clearing & Forwarding chgs (Import & Export)	52,859	37,751
Conveyance & Travelling Expenses-Local	90,117	83,489
Donation	11,000	11,000
Exhibition Fees	244,718	233,335
Insurance	182,421	191,137
Labour Charges	5,441,990	4,578,499
Legal & Professional Fees	609,456	767,380
Listing Fees	29,213	28,090
Membership & Subscription	78,521	109,059
Miscellaneous Expenses	6,002	17,608
Postage,Telephone & telex	635,456	633,228
Printing & Stationery	145,386	80,583
Registration & Trf Agent Fees	33,708	33,708
Rent & Maintenance Charges	863,702	94,393
Expenditure for formation of Subsidiary Compnay	-	159,600
Travelling Expenses-Foreign	1,698,567	1,289,535
Vehicle Expenses	575,361	564,285
	15,207,377	13,598,619
27 Exceptional Items		
(1) Disposals of items of Fixed Assets	-	117,966
	-	117,966
28 Tax Expenses		
Current Tax	788,000	2,984,000
Add: Excess / Short provisions of taxes	69,468	74,604
	857,468	3,058,604
Deferred Tax	168,138	149,510
	1,025,606	3,208,115

SUNRAJ DIAMOND EXPORTS LTD.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956, RELATING TO SUBSIDIARY COMPANIES

1. Name of the Subsidiary : Sunraj Diamond DMCC
2. Financial year of the subsidiary ended on : 31st March, 2014
3. Shares of the subsidiary held by the Company on the above date
 - a) Number and Face Value : 400 Equity Share of AED 1000 each fully paid
 - b) Extent of holding : 100%
4. Net aggregate amount of profits/(losses) of the subsidiary for the above financial year of the subsidiary, so far as they concern members of the Company
 - a) dealt with in the accounts of the Company : (USD 13,315)
for the year ended 31st March, 2014 (Rs. 7,61,344)
 - b) not dealt with in the accounts of the Company : NIL
for the year ended 31st March, 2014
5. Net aggregate amount of profits/(losses) for previous financial years of the subsidiary, since it became a subsidiary so far as they concern members of the Company
 - a) dealt with in the accounts of the Company : USD 1,93,625
for the year ended 31st March, 2013 Rs. 1,05,17,525
 - b) not dealt with in the accounts of the Company : NIL
for the year ended 31st March, 2013

Note: Converted at the rate of Exchange USD 1 = Rs. 60.08 prevailing on 31.03.2014

For and on behalf of the Board of Directors

Dated: 14th August, 2014

SUNNY GANDHI
Executive Director

INDEPENDENT AUDITOR'S REPORT

To the Members of **SUNRAJ DIAMOND EXPORTS LIMITED**

Report on the Financial Statements

1. We have audited the accompanying consolidated financial statements of Sunraj Diamond Exports Limited and Sunraj Diamond DMCC ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with The General Circular 15/2014 dated 13th September, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2014. 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.

Auditors' Responsibility

3. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

SUNRAJ DIAMOND EXPORTS LTD.

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

Report on Other Legal and Regulatory Requirements

7. As required by section 227(3) of the Act, we report that:
- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with The General Circular 15/2014 dated 13th September, 2014 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2014;
 - 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 **Bhupendra Shroff & Co.**
Chartered Accountants
FRN: 101478W

B. N. Shroff
Partner

Membership No. 5039

Mumbai,
Date: 14th August, 2014.

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH, 2014

EQUITY & LIABILITIES	NOTE No.	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
(1) Shareholders' Funds	13		
(a) Share Capital	13a	53,304,000	53,304,000
(b) Reserves & Surplus	13b	39,141,954	36,253,776
(2) Non-Current Liabilities	14		
(a) Long Term Borrowings	14a	7,115,085	21,726,226
(b) Deferred Tax Liabilities (Net)	14b	2,596,366	2,428,228
(d) Long Term Provisions	14c	6,734,000	8,137,500
(3) Current Liabilities	15		
(a) Short Term Borrowings	15a	111,369,145	120,936,733
(b) Trade payables	15b	98,489,728	99,245,745
(c) Other Current Liabilities	15c	6,145,235	8,859,334
(d) Short Term Provisions	15d	788,000	3,848,725
TOTAL		325,683,512	354,740,268
ASSETS			
(4) Non Current Assets	16		
(a) Fixed Assets			
(i) Tangible Assets	16a	19,637,232	20,560,665
(ii) Intangible Assets	16a	38,841	38,841
(b) Non Current Investments	16b	15,000	15,000
(c) Long Term Loans and Advances	16c	10,686,071	11,817,414
(5) Current Assets	17		
(a) Inventories	17a	30,617,247	25,086,451
(b) Trade Receivables	17b	242,810,477	277,223,838
(c) Cash and Cash Equivalents	17c	15,489,642	19,428,250
(d) Short term Loans and Advances	17d	6,389,003	569,809
TOTAL		325,683,512	354,740,268

Notes on Accounts

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)

Partner

Membership No. : 5039

Mumbai, 14th August, 2014.

For and on behalf of the Board

SUNNY S. GANDHI

Director

NIRAV SHAH

Director

Mumbai, 14th August, 2014.

SUNRAJ DIAMOND EXPORTS LTD.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	Note No.	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
Revenue			
I Revenue from Operations	18	393,648,850	658,159,999
II Other Income	19	9,870,000	7,668,503
III Total Revenue (I+II)		403,518,850	665,828,502
Expenses:			
Cost of Material Consumed	20	51,913,522	56,544,980
Purchase of Finished Goods	21	318,859,390	564,056,545
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	22	(5,622,275)	(1,612,378)
Employee Benefit Expenses	23	4,447,380	3,700,013
Finance Cost	24	12,694,107	8,548,816
Depreciation and Ammortisation Expenses	25	1,344,221	1,181,120
Other Expenses	26	15,968,721	13,989,036
IV Total Expenses		399,605,066	646,408,133
V Profit before Exception and Extraordinary Items and Tax (III-IV)		3,913,784	19,420,369
VI Exceptional Items	27	-	117,966
VII Profit before Extraordinary Items and Tax (V-VI)		3,913,784	19,302,403
VIII Extraordinary Items		-	-
IX Profit before Tax (VII - VIII)		3,913,784	19,302,403
X Tax Expenses:	28		
(1) Current Tax		857,468	3,058,604
(2) Deferred Tax		168,138	149,510
XI Profit/(Loss) for the period from Continuing Operations (IX-X)		2,888,178	16,094,288
XII Profit/(Loss) from discontinued Operations		-	-
XIII Tax Expenses of discontinued Operations		-	-
XIV Profit/(Loss) from discontinuing Operations after Tax (XII-XIII)		-	-
XV Profit/(Loss) for the period (XI - XIV)		2,888,178	16,094,288
XVI Earnings per Equity Share			
(1) Basic		0.54	3.02
(2) Diluted		0.54	3.02

Notes on Accounts

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)
Partner

Membership No. : 5039

Mumbai, 14th August, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director

NIRAV SHAH
Director

Mumbai, 14th August, 2014.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

PARTICULARS	31.03.2014		31.03.2013	
	₹	₹	₹	₹
I Cash Flow from Operating Activities				
Net Profit before tax from Profit and Loss A/c		3,913,784		19,311,881
Adjustments for -				
Loss on sale of Assets	-		117,966	
Interest on Loans Paid	10,039,567		8,548,817	
Unrealised Foreign Exchange	(1,561,359)		1,127,415	
Interest income	(937,523)		(925,488)	
Bad Debts	-		5,762	
Depreciation	1,344,221	8,884,906	1,181,120	10,055,593
Operating Profit before working capital changes		12,798,689		29,367,474
Adjustments for -				
Trade & other Receivables	35,964,924		(79,266,448)	
Loans and Advances	(6,038,276)		11,137,020	
Inventories	(5,530,796)		15,200,096	
Trade & Other Payables	(3,347,163)	21,048,688	45,697,387	(7,231,944)
Cash generated from Operations		33,847,378		22,135,530
Direct Taxes Paid (Net of refund of Taxes)	(1,350,426)	(1,350,426)		(3,209,145)
NET CASH FLOW FROM OPERATING ACTIVITIES		35,197,803		18,926,386
II Cash Flow from Investing Activities				
Purchase of Fixed Assets	(420,788)			(2,456,440)
Proceeds from sale of Assets	-			56,130
Interest Received	937,523			925,488
NET CASH USED IN INVESTING ACTIVITIES		516,735		(1,474,822)
III Cash from Financial Activities				
Loans Received	323,759,272			303,636,495
Loans Repaid	(347,833,327)			(300,403,981)
Dividend & Dividend Distribution Tax Paid	(5,539,525)			(6,195,125)
Interest on Loans Paid	(10,039,567)			(8,548,817)
NET CASH USED IN INVESTING ACTIVITIES		(39,653,148)		(11,511,428)
Net increase/(decrease) in cash and cash equivalents		(3,938,609)		5,940,135
Cash and Cash Equivalents - Opening Balance		19,428,250		13,488,115
Cash and Cash Equivalents - Closing Balance		15,489,642		19,428,250

AUDITORS' CERTIFICATE

We have checked the attached Cash Flow Statement of SUNRAJ DIAMOND EXPORTS LIMITED, for the year ended 31st March, 2014 from the books maintained by the company in the course of business and has been in accordance therewith.

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)
Partner
Membership No. : 5039
Mumbai, 14th August, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director

NIRAV SHAH
Director

Mumbai, 14th August, 2014.

SUNRAJ DIAMOND EXPORTS LTD.

SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED ON MARCH 31, 2014

1. Basis for Preparation of Consolidated Financial Accounts

- (a) The consolidated financial statement relates to Sunraj Diamond Exports Ltd. (Holding Company) and its subsidiary "Sunraj Diamonds DMCC" has been prepared in compliance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provision of the Companies Act, 1956.
- (b) The consolidated financial statement has been prepared under historical cost convention on an accrual basis.

2. Principle of Consolidation

- (a) The Subsidiary considered in the financial statement is :

Name of Subsidiary	Country of Incorporation	Ownership Interest / Voting Power	Financial Period
Sunraj Diamonds DMCC	Dubai	100%	April 13 to March 14

- (b) The Consolidated financial statement has been prepared on the following basis.
 - (i) The consolidated financial statement has been prepared in accordance with the Accounting Standard 21, - "Consolidated Financial Statement" issued by The Institute of Chartered Accountants of India.
 - (ii) The financial statements of SDEL Group have been consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
 - (iii) The consolidated financial statement has been prepared by using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as those of the parent company's independent financial statements unless stated otherwise.
 - (iv) The operations of foreign subsidiary have been considered by the management, as non integral operations as described Accounting Standard - AS 11 (revised) "Accounting for the effects of changes in foreign exchange rates" issued by ICAI.
 - (v) The difference between the cost to the company of its investments in the subsidiary and its portion of equity of subsidiary at the date it became subsidiary is recognized in the financial statement as Goodwill or Capital Reserve, as the case may be. This is based upon determination of pre-acquisition profits/losses and of net worth on the date of acquisition determined by the management on the basis of certain estimates which have been relied upon by the auditors.
 - (vi) There is no minority interest identified and recognized in the consolidated financial statement.
 - (vii) As per requirement of AS-28 "Impairment of Assets" issued by ICAI, the management is of the opinion that there is no impairment of goodwill (on consideration) except as provided in the financial statement.

- (viii) The exchange difference amounting to ₹ 17,19,471 on conversion of all the assets and liabilities of the foreign subsidiary as on Balance Sheet date has been credited to 'Exchange Difference' appearing in Schedule 19 - Other Income.
- (ix) The financial statements of Sunraj Diamonds DMCC for the period April 2013 to March 2014 have been prepared & are audited as per the generally accepted principles (GAAP) of the country in which it operates, and the same is being considered for the purpose of consolidation.
- (x) Other significant accounting policies are as set out in standalone financial statement of Sunraj Diamond Exports Ltd., to the extent applicable.

CONSOLIDATED STOCK STATEMENT AS ON 31.03.2014

Items	Units	Opening Stock		Closing Stock		Turnover/Consumption	
		Quantity	Value ₹	Quantity	Value ₹	Quantity	Value ₹
Finished Goods							
Cut & Polished Diamonds	Cts	232.62 (573.20)	9,889,955 (10,809,403)	1,277.63 (232.62)	15,512,230 (9,889,955)	15,413.39 (29,038.99)	424,562,390 (565,365,666)
Jewellery	Gms	1,757.45 (1,779.93)	4,989,003 (5,001,133)	1,757.45 (1,757.45)	4,989,003 (4,989,003)	NIL (322.98)	NIL (4,322,698)
Jewellery	Nos.	77.00 Nil	2,593,889 Nil	77.00 (77.00)	2,871,610 (2,593,889)	4.00 (3,028.00)	896,433 (2,045,179)
Emerald Cut & Polished Stones	Cts	103.34 (116.88)	365,066 (415,000)	103.34 (103.34)	365,066 (365,066)	NIL (13.54)	NIL (49,934)
Synthetic Crystals	Cts	200.18 (200.18)	6,879,337 (6,879,337)	200.18 (200.18)	6,879,337 (6,879,337)	NIL (Nil)	NIL (Nil)
Raw Materials							
Rough Diamonds	Cts	NIL (653.54)	NIL (14,083,552)	NIL NIL	NIL NIL	12,374.19 (7,720.98)	51,544,322 (53,816,058)
Synthetic Rought Diamonds	Cts	27,930.00 (28,046.31)	369,200 (3,098,122)	NIL (27,930.00)	NIL (369,200)	27,930.00 (116.31)	445,063 (2,728,922)

Previous year figures are given in brackets.

As per our report attached
For **BHUPENDRA SHROFF & CO.**
Chartered Accountants
Firm No. : 101458W

(B. N. SHROFF)
Partner
Membership No. : 5039

Mumbai, 14th August, 2014.

For and on behalf of the Board
SUNNY S. GANDHI
Director

NIRAV SHAH
Director

Mumbai, 14th August, 2014.

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
13 Shareholders' Fund		
13a Share Capital		
The details of Authorised, Issued, Subscribed and paid up, capital as under :-		
Authorised		
8,000,000 Equity Shares of ₹ 10/- each	80,000,000	80,000,000
Issued, Subscribed & Paid-up		
Opening Balance (5,330,400 Equity Shares of ₹ 10/- each)	53,304,000	53,304,000
Add: Issued during the year	-	-
Less: Shares Forfeited	-	-
Closing Balance	53,304,000	53,304,000
The details of shareholders holding more than 5% equity shares as at the reporting date are as under :-		
Name of the Shareholders	No.of Shares held & % of holding	No.of shares held & % of holding
Sunny Sunil Gandhi	6,81,700 Sh - 12.79%	6,81,700 Sh - 12.79%
Gunvanti Chandrakant Gandhi	3,75,000 Sh - 7.03%	3,75,000 Sh - 7.03%
Gunial Investment and Finance Private Limited	6,39,100 Sh - 12.00%	6,39,100 Sh - 12.00%
13b Reserves and Surplus		
Capital Reserves:		
Capital Reserve	598,000	598,000
Add: Addition during the year	-	-
Closing Balance A	598,000	598,000
Revenue Reserve:		
General Reserve	569,718	430,062
Add: Transfer from Profit & Loss Account	-	139,656
Closing Balance B	569,718	569,718
Surplus in Profit & Loss Account		
Opening Balance	35,086,058	25,326,551
Add: Surplus / (Defecit) in Profit and Loss for the year	2,888,178	16,094,288
Less: Appropriations during the year		
Dividends	-	5,330,400
Dividend Distribution Tax	-	864,725
Transfer to General Reserve	-	139,656
Closing Balance C	37,974,236	35,086,058
Total (B + C)	38,543,954	35,655,776
Total (A + B + C)	39,141,954	36,253,776

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
14 Non Current Liabilities		
14a Long Term Borrowings		
Secured Borrowings		
Axis Bank Ltd.	137,418	373,812
Kotak Mahindra Prime Ltd.	424,798	1,098,092
	<u>562,216</u>	<u>1,471,904</u>
Nature of Security :-		
Secured against hypothecation of Car		
Unsecured Borrowings		
Loans From Directors	6,552,869	20,254,322
	<u>6,552,869</u>	<u>20,254,322</u>
Total	<u>7,115,085</u>	<u>21,726,226</u>
14b Deferred Tax Liabilities (Net)	<u>2,596,366</u>	<u>2,428,228</u>
	<u>2,596,366</u>	<u>2,428,228</u>
14c Long Term Provisions		
Provision for Tax	6,734,000	8,137,500
	<u>6,734,000</u>	<u>8,137,500</u>

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
15 Current Liabilities		
15a Short Term Borrowings		
Secured Borrowings		
Loans payable on demand - Postshipment Finance from The Royal Bank of Scotland	94,600,938	100,453,769
HDFC Bank Ltd.	-	172,226
	94,600,938	100,625,995
Nature of Security :-		
Working Capital facility (Postshipment Finance) Secured against		
- Guarantee : - Personal Guarantee of the Directors		
- Collateral:		
- Hypothecation of stocks and receivables		
- Bank Fixed Deposit of ₹ 1,20,00,000 kept with The Royal Bank of Scotland		
- Equitable Mortgage of the Registered Office fo the Company		
Other Loan facility Secured against hypothecation of Car		
Unsecured Borrowings		
- Loans and advances from related parties	10,152,855	-
- Loans From Directors	6,615,352	20,310,738
	16,768,207	20,310,738
Total	111,369,145	120,936,733
15b Trade Payable	98,489,728	99,245,745
	98,489,728	99,245,745
15c Other Current Liabilities		
Other Payables		
Current Maturity of long term debts		
Axis Bank Ltd. - Secured against hypothecation of car	216,995	176,021
Kotak Mahindra Prime Ltd. - Secured against hypothecation of car	673,294	609,594
TDS Payable	436,203	80,571
Dividend Payable	661,399	5,330,400
Unclaimed Dividend Payable *	1,145,359	1,151,158
Sundry Creditors for Expenses	2,809,534	1,459,476
Security Deposits	200,000	-
Other Payables	2,451	52,113
	6,145,235	8,859,334
*Investor Education and Protection Fund to be credited by the amount as and when required.		
15d Short Term Provisions		
Provision for Tax	788,000	3,848,725
	788,000	3,848,725

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014**16 Non Current Assets****Fixed Assets****16a Tangible Assets**

Particulars of Asset	Rate of Dep	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		Opening ₹	Addition ₹	Deduction ₹	Closing ₹	Opening ₹	For the year ₹	Closing ₹	Opening ₹	Closing ₹
Office Premises	1.63	15,134,916	-	-	15,134,916	2,554,004	246,699	2,800,703	12,580,912	12,334,213
Vehicles	9.50	9,916,801	-	-	9,916,801	2,417,591	942,096	3,359,687	7,499,211	6,557,115
Furniture & Fixture	6.33	886,016	-	-	886,016	617,610	44,196	661,806	268,406	224,210
Office Equipments	6.33	775,972	420,788	-	1,196,760	563,836	111,230	675,066	212,136	521,694
TOTAL		26,713,705	420,788	-	27,134,493	6,153,041	1,344,221	7,497,262	20,560,665	19,637,232
Intangible Assets										
Goodwill on Consolidation		38,841	-	-	38,841	-	-	-	38,841	38,841
Total		38,841	-	-	38,841	-	-	-	38,841	38,841

ACCOUNTING OF DEPRECIATION

Depreciation is provided on Fixed Assets on Straight Line Basis in accordance with Schedule XIV of the Companies Act, 1956.

ACCOUNTING FOR FIXED ASSETS

All Fixed Assets are valued at cost less Depreciation.

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
16b Non Current Investments		
Investments in Equity Instruments	15,000	15,000
a. Rander Peoples' Co-op. Bank Limited		
150 (Previous Year 150) Equity Shares of ₹ 100/- each fully paid up	<u>15,000</u>	<u>15,000</u>
Further Details		
Aggregate value of quoted investments and market value	-	-
Aggregate amount of unquoted investments	15,000	15,000
Aggregate provision for diminution in value of investments	-	-
	<u>15,000</u>	<u>15,000</u>
Accounting for Investments		
Investments are stated at cost of acquisition		
16c Long Term Loans and Advances		
(a) Capital Advances;	2,708,430	2,708,430
(b) Security Deposits;	321,274	102,191
(d) Other Loans and Advances (Income Taxes).	7,656,367	9,006,793
	<u>10,686,071</u>	<u>11,817,414</u>
(ii) The above shall also be separately sub-classified as:		
(b) Unsecured, considered good;	10,686,071	11,817,414
	<u>10,686,071</u>	<u>11,817,414</u>

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
17 Current Assets		
17a Inventories		
(a) Inventories		
Raw Materials (At cost including incidental expenses incurred for its acquisition)	-	369,200
Jewellery (At cost or market value whichever is lower)	2,871,610	2,593,889
Finished Goods (At cost or market value whichever is lower)	27,745,637	22,123,362
	<u>30,617,247</u>	<u>25,086,451</u>
Items of inventory are valued on the basis given below:		
(i) Raw Materials: - At cost including incidental expenses incurred for its acquisitions.		
(ii) Finished Goods: - At cost or market value whichever is lower. In case of finished goods which are manufactured, the cost of labour incurred for converting raw material into finished goods and which are lying in the stock are added to the stock of finished goods.		
17b Trade Receivables		
Outstanding For More than six months	35,647,875	12,193,047
Less than six months	207,162,602	265,030,791
	<u>242,810,477</u>	<u>277,223,838</u>
Sub-classified		
Unsecured, considered good	242,810,477	277,223,838
	<u>242,810,477</u>	<u>277,223,838</u>
17c Cash and Cash equivalent		
(a) Cash and Cash equivalent		
Balances with Banks	2,953,258	7,077,072
Cash on hand	90,596	30,148
Bank Fixed Deposits	12,445,788	12,321,029
	<u>15,489,642</u>	<u>19,428,250</u>
Fixed Deposit held as pledged against secured loan taken from The Royal Bank of Scotland N.V.	12,445,788	12,321,029
17d Short Term Loans and Advances		
(a) Other Loans and Advances (specify nature)		
TDS Receivable from Four Season's Hotel	13,089	23,334
TDS Receivable for F.Y. 2012-2013	-	95,804
Auto Hanger (India) Pvt. Ltd. - Honda Accord	8,845	8,845
Prepaid Insurance	501,469	441,826
Advance to Supplier	5,707,600	-
Loan to Staff	158,000	-
	<u>6,389,003</u>	<u>569,809</u>
Sub-classified		
Secured, considered good	-	-
Unsecured, considered good	94,937	537,630

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
18 Revenue from Operations		
(a) Sale of Products	393,648,850	658,159,999
	<u>393,648,850</u>	<u>658,159,999</u>
19 Other Income		
(a) Interest Income	937,523	925,488
(b) Other non-operating Income	502,718	633,042
(c) Exchange Difference	8,429,758	6,109,973
	<u>9,870,000</u>	<u>7,668,503</u>
20 Cost of Materials Consumed		
Opening Stock of Rough Diamonds	369,200	17,181,674
Add: Purchases during the year	51,544,322	39,732,506
Less: Closing Stock of Rough Diamonds	-	369,200
	<u>51,913,522</u>	<u>56,544,980</u>
21 Purchase of Finished Goods	318,859,390	564,056,545
(Cut and Polished Diamonds, Gold Jewellery & Pearls)		
22 Changes in inventories of Finished Goods, Work in Progress and Stock in Trade		
Finished Goods		
Cut & Polished Diamonds	27,745,637	981,511
Jewellery DMCC	22,123,362	(2,593,889)
	<u>(5,622,275)</u>	<u>(1,612,378)</u>
23 Employee Benefit Expenses		
(1) Salaries and Wages	2,700,500	2,238,676
(2) Directors Remuneration	1,575,000	1,427,500
(3) Staff Welfare Expenses	171,880	33,837
	<u>4,447,380</u>	<u>3,700,013</u>
24 Finance Cost		
(1) Interest Expenses	10,039,567	6,620,288
(2) Other Borrowing Cost	2,654,540	1,928,528
	<u>12,694,107</u>	<u>8,548,816</u>
25 Depreciation and Amortisation Cost		
Deprecation on Fixed Assets	1,344,221	1,181,120

SUNRAJ DIAMOND EXPORTS LTD.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

	AS AT 31.03.2014 ₹	AS AT 31.03.2013 ₹
26 Other Expenses		
Advertisement and Sales Promotion	249,808	86,950
Agency Commission on Import /Export	26,675	28,500
Rates and Taxes, excluding taxes on income	13,800	-
Assortment charges	1,305,250	1,433,710
Audit Fees	308,990	112,360
Other Services	-	28,090
Office Expense	42,939	19,137
Bad debts	-	5,762
Brokerage & Commission	1,961,740	1,591,188
Business Promotion	599,698	1,380,241
Clearing & Forwarding chgs (Import & Export)	52,859	37,751
Conveyance & Travelling Expenses-Local	90,117	83,489
Donation	11,000	11,000
Exhibition Fees	244,718	233,335
Insurance	182,421	191,137
Labour Charges	5,441,990	4,578,499
Legal & Professional Fees	973,230	1,093,233
Listing Fees	29,213	28,090
Membership & Subscription	78,521	109,059
Miscellaneous Expenses	149,581	22,409
Postage,Telephone & telex	635,456	633,228
Printing & Stationery	145,386	80,583
Registration & Trf Agent Fees	33,708	33,708
Rent & Maintenance Charges	1,117,692	154,156
Expenditure for formation of Subsidiary Compnay	-	159,600
Travelling Expenses-Foreign	1,698,567	1,289,535
Vehicle Expenses	575,361	564,285
	<u>15,968,721</u>	<u>13,989,036</u>
27 Exceptional Items		
(1) Disposals of items of Fixed Assets	-	117,966
	-	117,966
28 Tax Expenses		
Current Tax	788,000	2,984,000
Add: Excess / Short provisions of taxes	69,468	74,604
	<u>857,468</u>	<u>3,058,604</u>
Deferred Tax	168,138	149,510
	<u>1,025,606</u>	<u>3,208,115</u>

SUNRAJ DIAMOND EXPORTS LIMITED

(CIN: L36912MH1990PLC057803)

Regd. Office : 1008, Panchratna, M. P. Marg, Opera House, Mumbai - 400 004.

Corporate Identity Number: L36912MH1990PLC057803

Phone: 91-22-4230 4444, Fax: +91-22-4230 4408, Email: info@sunrajdiamonds.com, Website: www.sunrajdiamonds.com

ATTENDANCE SLIP

24TH ANNUAL GENERAL MEETING - SEPTEMBER 30, 2014 AT 11:30 A.M.

Name of the Member(s) :	
Registered Address :	
E-mail ID :	
Folio No./DP ID-client ID :	No. of Shares :
<p>I/We certify that I/We am/are the registered Member(s)/proxy for the registered Member(s) of the Company. I/We hereby record my/our presence at the 24th ANNUAL GENERAL MEETING of the Company at the Registered Office at 1008, Panchratna, M. P. Marg, Opera House, Mumbai – 400004, on Tuesday, September 30, 2014 at 11:30 a.m.</p>	
..... Member's / Proxy's Signature	
Note: Please complete this slip and hand it over at the entrance of the Meeting venue.	

**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 No. :	L36912MH1990PLC057803
Name of the Company :	SUNRAJ DIAMOND EXPORTS LIMITED
Registered Office :	1008, Panchratna, M. P. Marg, Opera House, Mumbai - 400 004.
Name of the Member(s) :	
Registered Address :	
E-mail ID :	
Folio No./DP ID-client ID :	

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

1 Name	Address	
E-mail id	Signature	or failing him
2 Name	Address	
E-mail id	Signature	or failing him
3 Name	Address	
E-mail id	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Tuesday, September 30, 2014 at 11:30 a.m. at the Registered Office at 1008, Panchratna, M. P. Marg, Opera House, Mumbai – 400004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	Optional *	
		For	Against
Ordinary Business			
1	To receive, consider and adopt the audited Statement of Profit & Loss for the financial year ended March 31, 2014 and the Balance Sheet as on that date and the Report of the Directors' and Auditor's thereon.		
2	To appoint a Director in place of Mr. Nirav Shah, who retires by rotation and being eligible offers himself for re-appointment.		
3	To reappoint Statutory Auditors and fix their remuneration.		
Special Business			
4	To appoint Mr. Jimit Shah as an Independent Director of the Company to hold office for five consecutive years.		
5	To appoint Mr. Hargovind Shah as an Independent Director of the Company to hold office for five consecutive years.		
6	To approve appoint of Mrs. Shruti Gandhi as Director of the company liable to retire by rotation.		
7	To approve the reappointment of Mr. Nirav Shah as a whole time director & remuneration payable to him.		
8	To give consent to board of directors to enter into contracts with related parties as per provisions of section 188.		
9	To keep register of members and other related books at the premises of Adroit Corporate Services Pvt. Ltd. the new R&TA of the company.		

Signed this day of 2014.

Signature of Proxyholder(s) Signature of Member

**Affix Re.1
Revenue
Stamp**

Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 24th Annual General Meeting.
- It is optional to put a 'x' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of Member(s) in above box before submission.

Book - Post

To,

If undelivered, please return to :

Sunraj Diamond Exports Ltd.

Bharat Diamond Bourse, DC-6111-B,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.

FORM A

1.	Name of the Company	SUNRAJ DIAMOND EXPORTS LTD.
2.	Annual financial statements for the year ended	31 st March, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	N.A
5.	To be Signed by- <ul style="list-style-type: none"> • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman 	Mr. Sunny Gandhi – Director N.A Bhupendra Shroff & Co. (Chartered Accountants) Mr. Bhupendra N. Shroff - Partner Mr. Hargovind Shah

For Sunraj Diamond Exports Ltd.



Sunny Gandhi
Director



CIN NO.:-L36912MH1990PLC057803

SUNRAJ DIAMOND EXPORTS LTD.
SUNRAJ INVESTMENTS & FINANCE PVT. LTD.