

ANUGRAHA JEWELLERS LIMITED

COIMBATORE - 641 001.

SEVENTEENTH ANNUAL REPORT

2010 - 2011

ANUGRAHA JEWELLERS LIMITED

**473, Big Bazaar Street, Coimbatore - 641 001
Tamil Nadu, India**

17th ANNUAL REPORT 2010 - 2011

BOARD OF DIRECTORS : Sri. K.R. LOGANATHAN
Sri. N. ARUN KUMAR
Sri. B. SHASHI
Sri. IYER HARIHARAN JAYARAMAN
Smt. PRAMILA HARIHARAN
Sri. ANAND LOGANATHAN, Managing Director

BANKERS : INDIAN OVERSEAS BANK, COIMBATORE.

AUDITOR : MR. R. GURUBATHAM, B.Com., F.C.A
Chartered Accountant,
COIMBATORE - 641 005.

REGISTERED OFFICE : 473, Big Bazaar Street,
COIMBATORE - 641 001.

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore 641 001.

NOTICE

To All Shareholders

Notice is hereby given that the SEVENTEENTH Annual General Meeting of the Shareholders of the Company will be held on Thursday, the 15th September, 2011 at 04.30 P.M. at the registered Office of the Company at 473, Big Bazaar Street, Coimbatore 641 001 to transact the following business:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31-03-2011 with Schedules, the Profit and Loss Account for the year ended on that date with schedules, the Directors' Report and the Auditors' Report thereon.
2. To reappoint a Director in Place of Sri N. Arun Kumar, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To reappoint a Director in Place of Sri. B. Shashi, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

By order of the Board
For Anugraha Jewellers Limited

Place : Coimbatore
Date : 01.08.2011

Anand Loganathan
Managing Director.

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore 641 001.

Note :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT INSTEAD OF HIMSELF TO ATTEND AND VOTE ONE OR MORE PROXY(IES) AND SUCH PROXY(IES) NEED NOT BE A MEMBER. A PROXY FORM IS ENCLOSED.**
2. A proxy to be valid should be duly filed in and affixed with requisite stamp and lodged with the Company's Registered Office at least 48 hours before the commencement of the meeting.
3. Members are requested to notify change of address, if any, promptly in order to serve them better to the following address:

Cameo Corporate Services Limited,
"Subramaniam Building"
1, Club House Road,
Chennai 600 002.
4. The Register of members and share transfer registers shall remain closed 13th September, 2011 to 15th September, 2011 (both days inclusive).

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore - 641 001.

DIRECTORS' REPORT

Your Directors hereby present the Seventeenth Annual Report together with the Audited Accounts for the period ended 31st March 2011.

FINANCIAL RESULTS

The working of the Company during the year under review resulted in a Net Profit of Rs. 192,348/- (Previous year Net Profit of Rs. 34,355/-).

ABOUT THE INDUSTRY :

Your Directors have taken necessary steps to increase the rental income to the company. Expenses are being managed very prudently to enable the Company to remain profitable.

FUTURE PROSPECTS:

The Directors expect to invest further in infrastructure and thereby increase rental income to the company apart from the regular business income.

DIRECTORS:

Mr. N. Arun Kumar and Mr. B. Shashi, Directors retire at the ensuing Annual General Meeting and are eligible for re-appointment as Directors.

No Director of the company is disqualified under section 274(1) (g) of the Companies Act, 1956, from being appointed as director of this company.

AUDITORS:

Mr. R. Gurubatham, Auditor of the company retires at the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

DEPOSITS

The Company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 read with Reserve Bank of India's Directions for acceptance of Deposits by Non-Banking Non-Financial Companies.

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore - 641 001.

STATUTORY INFORMATION:

None of the employees of the company are drawing remuneration in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956, during the year under report.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors in terms of Section 217(2AA) of the Companies Act, 1956 confirm that:

- i) All applicable accounting standards have been followed in the preparation of the annual accounts.
- ii) Your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of 31st March 2011 and of the profit of the company for the 12 months period ended that date.
- iii) Proper and Sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on going concern basis as stated in Note 21 of Notes on accounts.

CONSERVATION OF ENERGY; RESEARCH & DEVELOPMENT:

The information required under Section 217 (2) (e) is not applicable since the operations of the Company are not energy incentive.

No foreign Exchange was involved during the year under report.

CASH FLOW STATEMENT AS PER LISTING AGREEMENT.

Cash Flow Statement is enclosed.

COMPLIANCE CERTIFICATE

Compliance certificate as required under section 383A of the Companies Act, 1956, obtained from a company secretary in whole time practice is attached to this report.

ACKNOWLEDGEMENT

Your Directors wish to express their full appreciation for the assistance and co-operation extended to us by its banker, Indian Overseas Bank. Your Directors wish to thank the esteemed shareholders for extending their unstinted co-operation and support in the Management of the Company.

The Directors also wish to thank all the employees for their support and co-operation.

By Order of the Board.

Place : Coimbatore
Date : 01.08.2011

Anand Loganathan
Chairman of the Meeting

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore - 641 001.

CORPORATE GOVERNANCE REPORT

(As required under Clause 49 of the Listing Agreements entered with the Stock Exchanges)
The statutory requirement of Corporate Governance envisages transparency, full disclosure and independent monitoring of the state of affairs and being fair to the Shareholders. Our Philosophy is to

- To utilize all resources optimally, to consolidate and reduce losses in these adverse conditions.
- To have transparency of all operations.
- To safeguard the interest of the customers, clients, suppliers, shareholders, and the society by innovative and quality production of the goods.

BOARD OF DIRECTORS:

The Board has Four independent Directors not related or interested in the promoters. The Board does not have a Chairman. Chairman is elected in every Board meeting. The Board meets regularly to transact the business of the Company.

5 meetings of the Board of Directors were held during the financial year on 30-04-2010, 23-07-2010, 09-08-2010, 31-10-2010 and 31-01-2011.

The names of members of the Board of Directors, their attendance at Board meetings held during the financial year and at the last Annual General Meeting, number of directorship and Membership / Chairmanship in public companies are given below:

Attendance at as on 31.03.2011

| Name of the Director | Category | Financial Year 2010- 2011 Attendance | | As on 31.03.2011 No of Directorship | Committee Position | |
|---------------------------------|-------------|--|-----|--|--------------------|----------|
| | | Board Meeting | AGM | | Member | Chairman |
| Sri K.R. Loganathan | Promoter | 4 | Yes | 1 | - | - |
| Sri Iyer Hariharan Jayaraman | Independent | - | No | 1 | - | - |
| Smt.PramillaHariharan | Independent | - | No | 1 | - | - |
| Sri Anand Loganathan | Promoter | 5 | Yes | 1 | - | - |
| Sri N. Arun Kumar | Independent | 5 | Yes | Nil | 2 | - |
| Sri B. Shashi | Independent | 4 | Yes | Nil | 2 | - |

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore 641 001.

COMMITTEES OF THE BOARD:

Audit Committee

An Audit Committee consisting of the following Directors has been formed. Similarly a Grievance Committee has also been formed consisting of the following directors.

Chairman : Mr B. Shashi

Members : Mr. N. Arun Kumar
Iyer Hariharan Jayaraman

The terms of reference to the audit committee are as per listing agreement clause 49 and such other powers as may be exercisable and delegated by the board to it from time to time.

The committee met 4 times during the financial year as on 30-04-2010, 23-07-10, 30-10-2010 and 31-01-2011 and all the members except Sri Iyer Hariharan Jayaraman attended these meetings.

REMUNERATION COMMITTEE:

The Remuneration Committee is not formed and Board itself fixes the remuneration.

For Managing Director

For Non-Executive Directors

Sitting Fees as permitted under the Companies Act 1956 plus reimbursement of actual traveling and out of pocket expenses incurred for attending such meetings and committee meetings.

ANUGRAHA JEWELLERS LIMITED

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SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The functions of the Committee is to attend to the grievance of shareholders/investors and to create and review the systems for improving the services.

The Committee consists of the following Directors.

| | | |
|----------|---|--|
| Chairman | : | Mr. B. Shashi |
| Members | : | Mr. Anand Loganathan Mr. N. Arunkumar |

The Committee met 3 times during the current year on 30.04.2010, 01.10.2010 and 31.01.2011 and all the members attended the meetings.

Mr. Anand Loganathan Is the compliance officer.

The Complaints, if any, from the shareholders are expeditiously redressed. As on 31.03.2011, all requests for transfers and requests for dematerialization were attended and acted upon.

As per the certificate received from the Registrar, there were no pending complaints as on 31st March 2011.

GENERAL BODY MEETINGS

Details of Date, Time and Venue of holding the last three Annual General Meetings.

| Year | Date | Time | Locations |
|------|------------|----------|---|
| 2010 | 30.09.2010 | 4.30 p.m | Registered Office of the company. (473, big bazaar street, Coimbatore) |
| 2009 | 30.09.2009 | 4.30 p.m | -do- |
| 2008 | 30.09.2008 | 4.30 p.m | -do- |

Other Disclosures

No related party transactions took place during the year under report.

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore 641 001.

DISTRIBUTION OF HOLDING AS ON 31.03.2011

| Share or debenture Holding | | Share / Debenture Holders | | Share / Debenture Amount | |
|----------------------------|------------|---------------------------|------------|--------------------------|------------|
| Rs. | Rs. | Number | % of Total | Rs. | % of Total |
| 10 | - 5,000 | 1924 | 70.35 | 5026460 | 11.17 |
| 5,001 | - 10,000 | 423 | 15.47 | 3721500 | 8.27 |
| 10,001 | - 20,000 | 177 | 6.47 | 2848000 | 6.33 |
| 20,001 | - 30,000 | 58 | 2.12 | 1497000 | 3.33 |
| 30,001 | - 40,000 | 28 | 1.02 | 1003000 | 2.23 |
| 40,001 | - 50,000 | 25 | 0.91 | 1200000 | 2.67 |
| 50,001 | - 1,00,000 | 55 | 2.01 | 3997000 | 8.88 |
| 1,00,001 | And Above | 45 | 1.65 | 25707040 | 57.12 |
| Total | | 2735 | 100.00 | 45,000,000 | 100.00 |

SHAREHOLDING PATTERN AS ON 31.03.2011

| Sl.No | Category | No.of Shares | % of Shares |
|-------|------------------------------|--------------|-------------|
| 1. | Promoter's Holding | 14,09,399 | 31.32 |
| 2. | Banks, Financial Institution | - | - |
| 3. | Private Corporate Bodies | 2,28,800 | 5.08 |
| 4. | Indian Public | 28,56,801 | 63.48 |
| 5. | NRIs/OBCs | 5,000 | 0.12 |
| | Grand Total | 45,00,000 | 100.00 |

ANUGRAHA JEWELLERS LIMITED

Registered Office : 473, Big Bazaar Street, Coimbatore 641 001.

STOCK MARKET DATA

Our shares are not regularly traded

General Information for members

| | | |
|---|---|---|
| 17 th Annual General Meeting | : | Day, Date, Time and Venue |
| Day, Date and Time | : | Thursday, 15 th September, 2011 at 4.30 p.m |
| Venue | : | At Registered Office, 473 Big Bazaar Street, Coimbatore 641 001 |

FINANCIAL CALENDAR

| | |
|---|--------------------------|
| Annual General Meeting | September, 2011 |
| Unaudited results for the quarter ending June 2011 | July 2011 |
| Unaudited results for the quarter ending September 2011 | October 2011 |
| Unaudited results for the quarter ending December 2011 | January 2012 |
| Unaudited results for the quarter ending March 2012 | April 2012 |
| Book Closure Dates | 13.09.2011 to 15.09.2011 |

Listing of Equity Shares and stock Code

The Shares are listed at Coimbatore, Mumbai and Madras Stock Exchange.

Stock Code

| | |
|-------------------------------------|--------|
| Coimbatore Stock Exchange Ltd | |
| Madras Stock Exchange Ltd | |
| Bombay Stock Exchange Ltd | 830805 |
| Registrar and Share Transfer Agents | |

The Company has appointed Cameo Corporate Services Ltd as Registrars the full address of the Registrars and Transfer Agents is given below:

Cameo Corporate Services Ltd
"Subramaniam Building"
1 Club House Road
Chennai 600 002.

**FORM
COMPLIANCE CERTIFICATE**

[See Rule 3 of the Companies (Compliance Certificate) Rules, 2001]

To

The Members,
Anugraha Jewellers Limited
473, Big Bazaar Street,
Coimbatore - 641 001.

CIN : U36911TZ1994PLC005580

Authorized share capital : Rs. 5,00,00, 000

Paid up share capital : Rs. 4,50,00, 000

Financial Year : 31.03.2011

I have examined the registers, records, books and papers of **Anugraha Jewellers Limited**, (the company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid financial year.

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this Certificate as per the provisions and the rules made thereunder and all entries thereon have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as specified in the said annexure.
3. The Company, being a Public Limited Company, comments on minimum paid up capital and maximum number of members is not required.

4. The Board of Directors duly met 5 (Five) times respectively on 30.04.2010, 23.07.2010, 09.08.2010, 31.10.2010 and 31.01.2011 (dates) in respect of which meetings proper notices were given and the proceedings were properly recorded and signed (no circular resolutions passed) in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 28.09.2010 to 30.09.2010 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on 31-03-2010 was held on 30-09-2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in the section 295 of the Act during the financial year.
9. The Company has not entered any contract during the year falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the board of directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The company :
 - (i) has delivered all the certificates on transfer of shares and there was no allotment of securities or any lodgment for transmission of securities during the financial year.
 - (ii) was not required to deposit any amount in a separate Bank account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) has no amounts in unpaid dividend account, application money due for refund, matured deposits, debentures and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years, hence the question of transfer of the same to Investor Education and Protection Fund does not arise.
 - (v) has generally complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. There was no appointment of directors, alternate directors and directors to fulfill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole Time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares / debentures/other securities during the financial year ending 31.03.2011.
20. The company has not bought back any shares during the financial year.
21. The company has not redeemed any preference share/debentures since no preference share or debenture has been issued.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act during the financial year.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2011 is/ are within the borrowing limits of the company.
25. The company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association of the company with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association of the company with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association of the company with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to share capital of the company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the financial year.
31. According to the information furnished to me, there was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated under section 418 of the Act.

Place : Coimbatore

Signature :

Date : 25.07.2011

ANNEXURE - A

Name of the Company : Anugraha Jewellers Limited
 CIN : U36911TZ1994PLC005580
 Financial Year ended : 31.03.2011

Registers as maintained by the Company

| Sl.No. | Sections under the Companies Act, 1956 | Name of the Register |
|--------|--|--|
| 1. | 143 | Register of Charges |
| 2. | 150 | Register of Members |
| 3. | 163 | Copies of Annual Returns |
| 4. | 193 | Minutes Books for Board/General Meetings |
| 5. | 301 | Register of contracts, companies and firms in which directors are interested |
| 6. | 303 | Register of Directors |
| 7. | 307 | Register of Directors' Shareholding |

Signed by :

Place : Coimbatore

CS. R. DHANASEKARAN M.Com., A.C.S.
 COMPANY SECRETARY IN PRACTICE
 ACS 21145 / CP 7745

Date : 25-07-2011

ANNEXURE - B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2011.

(a) Forms and Returns filed with Registrar of Companies.

| Sl. No. | E Form No / Return | Filed Under Section | Description of the Form | Date of Filing and SRN | Whether filed within prescribed time Yes/No | If delay in filing whether requisite additional fee paid Yes/No |
|---------|--------------------|---------------------|---|-------------------------|--|--|
| 1 | 66 | 383A | Compliance Certificate for the financial year ended 31-03-2010 | P54643317 15.10.2010 | Yes | N.A |
| 2 | 23AC and 23ACA | 220 | Balance Sheet as at 31.3.10 & Profit or loss a/c for the financial year ended 31-3-2010 | P54644489 15.10.2010 | Yes | N.A |
| 3 | 20B | 159 | Annual Return made up to 30.09.2010 | P59120386 08.11.2010 | Yes | N.A |

(b) Forms and Returns filed with Regional Director : Nil

(c) Forms and Returns filed with Central Government or other authorities : Nil

Place : Coimbatore

Date : 25-07-2011

Signature :

CS. R. DHANASEKARAN M.Com., A.C.S.
COMPANY SECRETARY IN PRACTICE
ACS 21145 / CP 7745

CEO/CFO CERTIFICATION AS PER CLAUSE 49 OF LISTING AGREEMENT OF M/S ANUGRAHA JEWELLERS LIMITED

I, ANAND LOGANATHAN, CEO cum MANAGING DIRECTOR certify to the Board that:

(a) I have reviewed financial statements and the cash flow statement for the year ended 31.03.2011 and to the best of my knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) I have indicated to the Auditors and the Audit committee :

- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system over financial reporting.

ANUGRAHA JEWELLERS LTD., COIMBATORE

AUDITOR'S REPORT

1. I have audited the attached Balance Sheet of Anugraha Jewellers Ltd., as at 31st March 2011 and the Profit and Loss account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.
2. I conducted my audit in accordance with the auditing standards generally accepted in India. Those standards require that, I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to my comments in the Annexure referred to above, I report that:
 - i) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of my audit;
 - ii) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - iv) In my opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub - section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of the written representations received from directors, as on 31st March, 2011 and taken on record by the Board of Directors. I report that none of the directors are not disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) In my opinion and to the best of my information and according to the explanations given to me, the said Balance Sheet and Profit and Loss Account read together with the notes, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view.
 - a) In the case of the Balance Sheet, of the state of the affairs of the company as at 31st March, 2011;
 - b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date;
 - c) In the case of Cash flow statement, of the cash flows for the year ended on that date.

Place : Coimbatore
Date : 01.08.2011

R. Gurubatham, B.Com., F.C.A.
Chartered Accountant, Auditor
Membership No. 200/21556

ANUGRAHA JEWELLERS LTD., COIMBATORE

ANNEXURE TO AUDITOR'S REPORT

Referred to in paragraph 3 of my report of even date.

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The Fixed Assets of the Company have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
c) None of the fixed assets of the Company have been disposed off during the year.
2. a) The stock of Raw materials have been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.
b) The procedures of physical verification of stock of Raw materials followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
c) The Company has maintained proper records of inventories and the discrepancies between the physical inventories and the book records which have been properly dealt with in the books of account were not material.
3. The Company has neither granted nor taken any loans, secured and unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the companies Act, 1956. Hence, the question of reporting whether the terms and conditions of such loans are prejudicial to the interest of the Company, whether reasonable steps for recovery / repayment of overdue of such loans are taken, does not arise.
4. In my opinion and according to the information and explanations given to me, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for purchase of inventory and fixed assets and for the sale of goods. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in internal controls.
5. In my opinion and according to the information and explanations given to me, there are no transactions that needs to be entered into the register maintained under Section 301 of the Companies Act 1956.
6. In my opinion and according to the information and explanations given to me, the company has not accepted any deposits from Public.
7. In my opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. As explained to me no order for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 has been made by the Central Government for any of the products of the Company.

9. a) The company is regular in depositing undisputed statutory dues including, Income - tax, Sales tax, Service tax and any other statutory dues with the appropriate authorities. According to the information and explanation given to me no undisputed arrears of statutory dues were outstanding as such 31-3-2011 for a period of more than 6 months from the date they become payable.
- b) According to the records of the company, there are no statutory dues which have not been deposited on account of any disputes.
10. The accumulated loss of the Company as at the end of the financial year is not more than fifty percent of the Company's net worth. The Company has not incurred cash loss during the financial year and also in the immediately preceding financial year.
11. In my opinion and according to the information and explanations given to me, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. During the year the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of special statute applicable to chit fund. Nidhi/Mutual Benefit fund/societies are not applicable to the company.
14. The company is not dealing or trading in shares, securities, debentures and other investments.
15. In my opinion, the Company has not given any guarantee for the loan taken by any others from Banks or Financial Institutions.
16. To the best of my knowledge and belief and according to the information and explanations given to me, the company has not availed any loans during the year.
17. In the basis of review of utilization of funds on an overall basis, in my opinion, the funds raised on short term basis have not been used during the year for long term investment or vice versa.
18. The company has not made any preferential allotment of shares during the year.
19. During the period covered by my audit, the Company has not raised money by public issue.
20. The company has not issued any debentures
21. During the course of my examination of the books of account carried out in accordance with the generally accepted auditing practices in India, I have not come across any instance of fraud on or by the Company nor have informed by the management of any such instance being noticed or reported during the year.

Place : Coimbatore
Date : 01.08.2011

R. Gurubatham, B.Com., F.C.A.,
Chartered Accountant, Auditor
Membership No. 200/21556

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE PER CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES.

To THE MEMBERS OF ANUGRAHA JEWELLERS LIMITED

I have examined the compliance of conditions of Corporate Governance by ANUGRAHA JEWELLERS LIMITED, for the year ended 31-03-2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

I state that no investor grievances is pending for a period exceeding one month against the company as per the records maintained by the Investor Grievance Committee.

I 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.

Place: Coimbatore

Date: 01-08-2011

R. Gurubatham, B.Com., F.C.A.,
Chartered Accountant, Auditor
Membership No. 200/21556

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

| 31.03.2010 Rs. | PURCHASES AND EXPENDITURE | 31.03.2011 Rs. |
|-------------------|----------------------------------|-------------------|
| | To Opening Stock | |
| 1,852,437 | Raw Materials | 2,133,376 |
| 924,135 | Work-in Progress | 828,845 |
| 853,807 | Finished Goods | <u>585,913</u> |
| | | 3,548,134 |
| 305,116 | Purchases | 120,540 |
| 67,600 | Salary, Wages, etc | 138,103 |
| 78,292 | Power and Fuel | 97,249 |
| 4,415 | Labour Charges | 4,866 |
| 84,000 | Managing Director's Remuneration | 84,000 |
| 14,940 | Postage and Telephone | 15,924 |
| 27,598 | Printing & Stationery | 30,267 |
| 7,890 | Licences & Taxes | 17,670 |
| 68,434 | Interest and Bank Charges | 54,937 |
| 55,000 | Legal and Professional Charges | 64,772 |
| 11,000 | Audit Fees | 11,000 |
| 23,805 | Travelling Expenses | 23,090 |
| 57,644 | Repairs and Maintenance | 168,857 |
| 409,911 | Depreciation | 413,307 |
| 34,355 | Net Profit for the year | 192,348 |
| <u>4,880,379</u> | Total | <u>4,985,064</u> |
| 23,475,772 | To Balance Brought Forward | 23,657,113 |
| 215,696 | Deferred Tax Liability | - |
| <u>23,691,468</u> | Total | <u>23,657,113</u> |

AS PER MY REPORT ATTACHED

R.GURUBATHAM, B.Com., F.C.A.,
Chartered Accountant, Auditor

Place : Coimbatore

Date : 01-08-2011

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ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

| 31.03.2010 Rs. | SALES AND INCOME | 31.03.2011 Rs. |
|-------------------|--------------------------------|-------------------|
| 875,705 | By Sale of Finished Goods | 989,325 |
| 2,990 | .. Labour Charges Received | 1,700 |
| | <u>CLOSING STOCK</u> | |
| 2,133,376 | Raw Materials | 2,324,940 |
| 828,845 | Work-in progress | 790,826 |
| 585,913 | Finished Goods | <u>392,123</u> |
| | | 3,507,889 |
| 453,550 | Rent receipts | 486,150 |
| <u>4,880,379</u> | TOTAL | <u>4,985,064</u> |
| 34,355 | By Net Profit for the year | 192,348 |
| - | Deferred Tax Reserve(Asset) | 53,638 |
| 23,657,113 | Balance Taken to Balance Sheet | 23,411,127 |
| <u>23,691,468</u> | Total | <u>23,657,113</u> |

ANAND LOGANATHAN
Managing Director

K.R. LOGANATHAN
Director

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
BALANCE SHEET AS AT 31 ST MARCH 2011

| DESCRIPTION | Schedule No | 31.03.2011 Rs. | 31.03.2010 Rs. |
|---|----------------|--------------------------|--------------------------|
| I SOURCES OF FUNDS: | | | |
| 1. EQUITY FUNDS: | | | |
| Equity Share Capital | I | 45,000,000 | 45,000,000 |
| Total Own Funds | | <u>45,000,000</u> | <u>45,000,000</u> |
| 2. DEFERRED TAX LIABILITY | II | 424,899 | 4,78,537 |
| 3. LOAN FUNDS: | | | |
| Secured Loans | III | 359,528 | 461,517 |
| TOTAL FUNDS EMPLOYED | | <u><u>45,784,427</u></u> | <u><u>45,940,054</u></u> |
| II APPLICATION OF FUNDS: | | | |
| 1. FIXED ASSETS: | IV | | |
| Gross Block | | 19,973,849 | 19,268,154 |
| Less: Depreciation | | <u>6,604,202</u> | <u>6,190,895</u> |
| | | 13,369,647 | 13,077,259 |
| 2. CURRENT ASSETS, LOANS & ADVANCES | V | | |
| Inventories | | 3,507,849 | 3,548,134 |
| Cash and Bank Balances | | 107,562 | 186,896 |
| Loans and Advances | | 6,366,308 | 6,366,108 |
| Other Current Assets | | <u>44,350</u> | <u>39,250</u> |
| TOTAL | | <u><u>10,026,109</u></u> | <u><u>10,140,388</u></u> |
| Less: CURRENT LIABILITIES & PROVISIONS | VI | | |
| Current Liabilities | | 1,022,456 | 934,706 |
| Provisions | | - | - |
| TOTAL | | <u><u>1,022,456</u></u> | <u><u>934,706</u></u> |
| NET CURRENT ASSETS | | 9,003,653 | 9,205,682 |
| 3. MISCELLANEOUS EXPENDITURE & LOSSES | VII | | |
| TOTAL | | <u><u>23,411,127</u></u> | <u><u>23,657,113</u></u> |
| | | <u><u>45,784,427</u></u> | <u><u>45,940,054</u></u> |

NOTE: Schedule I to VII and Notes on the Accounts form part of this Balance Sheet
AS PER MY REPORT ATTACHED

Place : Coimbatore RGURUBATHAM, BCom, F.C.A., ANANDLOGANATHAN KR LOGANATHAN
Date : 01-08-2011 Chartered Accountant, Auditor Managing Director Director

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SCHEDULES ANNEXED TO THE BALANCE SHEET AS AT 31 ST MARCH 2011

| 31.03.2010 Rs. | DESCRIPTION | 31.03.2011 Rs. |
|--|--|-------------------|
| <u>SCHEDULE - I: SHARE CAPITAL</u> | | |
| <u>AUTHORISED</u> | | |
| 50,000,000 | 5000000 Equity Shares of Rs.10 each | 50,000,000 |
| <u>ISSUED SUBSCRIBED & PAID-UP</u> | | |
| 45,000,000 | 4500000 Equity Shares of Rs.10 each Fully Paid up | 45,000,000 |
| 45,000,000 | TOTAL | 45,000,000 |
| <u>SCHEDULE - II: DEFERRED TAX LIABILITY/ASSET:</u> | | |
| 262,841 | As per Last Balance Sheet | 478,537 |
| (215,696) | LESS : Current Year Asset | 53,638 |
| 478,537 | TOTAL | 424,899 |
| <u>SCHEDULE - III : SECURED LOANS:</u> | | |
| 461,517 | From Veerakeralam Co-op Urban Bank Ltd., (Secured by the equitable Mortgage of the Land and Building of the Company) | 359,528 |
| 461,517 | TOTAL | 359,528 |

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

SCHEDULES ANNEXED TO BALANCE SHEET AS AT 31ST MARCH 2011**SCHEDULE IV - FIXED ASSETS**

| S.NO. | ASSETS | GROSS BLOCK | | DEPRECIATION | | | NET BLOCK | | |
|-------|------------------------------------|--------------------------|-----------|--------------------------|--------------------|-----------------|--------------------|--------------------|--------------------|
| | | COST UP TO 31.03.2010 | ADDITIONS | COST UP TO 31.03.2011 | UPTO 31.03.2010 | FOR THE YEAR | UPTO 31.03.2011 | ASAT 31.03.2011 | ASAT 31.03.2010 |
| 1 | LAND | 8,690,315 | | 8,690,315 | | | 8,690,315 | 8,690,315 | |
| 2 | BUILDINGS | 5,906,639 | 651,500 | 6,558,139 | 2,252,648 | 173,938 | 2,426,586 | 4,131,553 | 3,653,991 |
| 3 | PLANT & MACHINERY | 1,545,061 | | 1,545,061 | 1,054,933 | 73,390 | 1,128,323 | 416,738 | 490,128 |
| 4 | COMPUTER EQUIPMENTS | 550,689 | 37,000 | 587,689 | 550,689 | 2,499 | 553,188 | 34,501 | . |
| 5 | FURNITURE AND OFFICE EQUIPMENTS | 2,575,450 | 17,195 | 2,592,645 | 2,332,625 | 163,480 | 2,496,105 | 96,540 | 242,825 |
| | TOTAL | 19,268,154 | 705,695 | 19,973,849 | 6,190,895 | 413,307 | 6,604,202 | 13,369,647 | 13,077,259 |

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
SCHEDULES ANNEXED TO BALANCE SHEET AS AT 31 ST MARCH 2011

| 31.03.2010 Rs. | DESCRIPTION | | 31.03.2011 Rs. |
|---|---------------------------------|----------------|-------------------|
| <u>SCHEDULE-V: CURRENT ASSETS, LOANS AND ADVANCES:</u> | | | |
| <u>CURRENT ASSETS:</u> | | | |
| <u>INVENTORIES</u> | | | |
| (As per lists Certified by the Managing Director) | | | |
| 2,133,376 | Raw materials | 2,324,940 | |
| 828,845 | Work-in-Progress | 790,826 | |
| 585,913 | Finished Goods | 392,913 | |
| <u>3,548,134</u> | | | 3,507,889 |
| <u>CASH AND BANK BALANCES:</u> | | | |
| 185,237 | Cash on Hand | 101,949 | |
| | Cash with Scheduled Banks in | | |
| 1,659 | Current Account | 5,613 | |
| <u>186,896</u> | | | 107,562 |
| <u>OTHER CURRENT ASSETS:</u> | | | |
| 39,250 | Income Receivable | | 44,350 |
| <u>LOANS AND ADVANCES:</u> | | | |
| (Unsecured, Considered Good, Recoverable in Cash Or in Kind) | | | |
| 100,307 | Advance for Others | 100,507 | |
| 0 | Advance for Capital Expenditure | 0 | |
| 107,998 | Deposits | 107,998 | |
| <u>208,305</u> | | <u>208,505</u> | |
| 6,157,803 | Debts Considered Doubtful | 6,157,803 | 6,366,308 |
| <u>10,140,387</u> | TOTAL | | <u>10,026,109</u> |

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

SCHEDULES ANNEXED TO BALANCE SHEET AS AT 31ST MARCH 2011

| 31.03.2010 Rs. | DESCRIPTION | 31.03.2011 Rs. |
|--|-------------------------------------|-------------------|
| <u>SCHEDULE-VI: CURRENT LIABILITIES & PROVISIONS:</u> | | |
| <u>A. CURRENT LIABILITIES:</u> | | |
| 27,205 | Creditors for Supplies and Services | 27,205 |
| 30,000 | Liabilities for Expenses | 37,750 |
| 852,501 | Liabilities for Other Finance | 957,501 |
| 25000 | Due to Managing Director | 0 |
| <u>934,706</u> | | <u>1,022,456</u> |
| <u>B. PROVISIONS:</u> | | |
| — | | — |
| <u>934,706</u> | TOTAL | <u>1,022,456</u> |

SCHEDULE - VII: MISCELLANEOUS EXPENDITURE AND LOSSES:

| | | |
|-------------------|-----------------------|-------------------|
| 23,657,113 | Profit & Loss Account | 23,411,127 |
| <u>23,657,113</u> | TOTAL | <u>23,411,127</u> |

AS PER MY REPORT ATTACHED

R.GURUBATHAM, B.Com.,F.C.A.,
Chartered Accountant, Auditor

ANAND LOGANATHAN
Managing Director

K.R. LOGANATHAN
Director

Place : Coimbatore

Date : 01-08-2011

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2011

1 ACCOUNTING POLICIES:

- a) **System of Accounting:** The Financial Statements are prepared under historical cost convention and on accrual basis in accordance with the applicable accounting standards.
- b) **Use of Estimates:** The preparation of the financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.
- c) **Recognition of Income and Expenditure:** Revenue from sale transaction is recognized as and when the property in the goods is sold/transferred to the buyer for a definite consideration. Revenue from service transactions and other source is recognized on the completion of the contract.
- d) **Fixed Assets / Borrowing Costs:**
- i) Fixed Assets are capitalized at cost inclusive of erection expenses and other incidental expenses in connection with the acquisition of the assets and net of Cenvat Credit and VAT, if any. The borrowing cost on the additions to fixed assets is capitalized in accordance with AS 16.
 - ii) **Depreciation :** The Depreciation on the Fixed Assets has been provided in Straight Line Method in accordance with Straight Line Method in accordance with schedule XIV of the Companies Act, 1956.
- e) **VALUATION OF INVENTORIES**
 Inventories are valued as follows
- i) Raw materials at cost
 - ii) Work-in-Progress at cost
 - iii) Finished Goods at Cost/Selling Price whichever is lower
- f) **Employee Benefits:** There is no liability towards Gratuity
- g) **Impairment of Assets:** The carrying amount of the fixed assets is reviewed for provision for impairment as required under AS 28. In the opinion of the company, the recoverable amount of the fixed assets of the company will not be lower than the book value of the fixed assets. Hence no provision has been made for.
- h) **Provisions, Contingent liabilities and contingent assets:** Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2011

- i) **Earnings Per Share:** Basic Earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
- j) **Cash flow Statement:** Cash flows are reported using the indirect method. Closing balances of cash includes cash and cash equivalents in hand and balances in bank in current accounts.
- k) **Segment Reporting:** The operations of the company primarily relate to one segment, viz., the manufacture of jewellery only.

| | <u>2010-2011</u> | <u>2009-2010</u> |
|---|-------------------|-------------------|
| 2. <u>LICENCED AND INSTALLED CAPACITY:</u> | NOT APPLICABLE | NOT APPLICABLE |
| 3. <u>DETAILS OF TURNOVER:</u> | Rs. | Rs. |
| Gold Jewellery | 943210 | 722646 |
| Others | 46115 | 153059 |
| | <u>989325</u> | <u>875705</u> |
| 4. <u>RAW MATERIALS CONSUMED:</u> | | |
| <u>GOLD</u> | | |
| Value in Rs. | 492579 | 183266 |
| <u>OTHER METALS</u> | | |
| Value in Rs. | 26694 | 59355 |
| 5. <u>FINISHED GOODS:</u> | | |
| <u>Gold Jewellery</u> | Grams | Grams |
| Opening Stock | 1299 | 1893 |
| Production | 585 | 384 |
| Sales | 1015 | 978 |
| Closing Stock | 869 | 1299 |

6. RELATED PARTY DISCLOSURE:

As per the Accounting Standard on "Related Parties Disclosure"(AS18) issued by the Institute of Chartered Accountants of India, the related parties, the nature and volume of transactions of the company are as follows:

a. Associate Company : Nil

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2011

b. Key Management Personnel

1. Sri. Anand Loganathan

c. Relatives of Key Management Personnel

1. Sri. K.R.Loganathan

2. Sri. Hari Loganathan

(Amount in Rs.)

| Particulars | Associates | Keymanagement Personnel | Other Relatives | Total |
|---|------------|-------------------------|------------------|------------------|
| Remuneration | - | 84000 | - | 84000 |
| 7. Value of Imports | | | NIL | NIL |
| 8. Earnings in Foreign Currency | | | NIL | NIL |
| 9. <u>Managing Director's Remuneration:</u> | | | | |
| Salary | | | <u>2010-2011</u> | <u>2009-2010</u> |
| | | | 84000 | 84000 |
| 10. <u>Auditor's Remuneration:</u> | | | | |
| Statutory Audit Fees | | | 11000 | 11000 |
| Taxation Matters & Others | | | 8000 | - |
| Total | | | <u>19000</u> | <u>11000</u> |

11. As at 31st March 2011, no supplier has intimated the company about its status as Micro or Small enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act. 2006.

11. The deferred tax liability and deferred tax assets as at 31.03.2011 computed as per AS 22 is given below:

| | <u>31.03.2011</u> | <u>31.03.2010</u> |
|---|-------------------|-------------------|
| Deferred Tax Liability | 424899 | 478537 |
| Deferred Tax Assets | - | - |
| Net Deferred Tax Liability (Asset) | 424899 | 478537 |

12. Figures have been rounded off to the nearest rupee. Previous years have been regrouped/ rearranged wherever necessary.

AS PER MY REPORT ATTACHED

R.GURUBATHAM, B.Com.,F.C.A.,
Chartered Accountant, Auditor

ANAND LOGANATHAN
Managing Director

K.R. LOGANATHAN
Director

Place : Coimbatore

Date : 01-08-2011

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ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

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

Registration No. : 181-5580 State Code: : 18
 Balance Sheet Date : 31.03.2011

II. CAPITAL RAISED DURING THE YEAR

Public Issue : NIL Rights Issue : NIL
 Bonus Issue : NIL Private Placement : NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF (Rs in 000's)

(Rs.in 000's)

Total Liabilities : 45784 Total Assets : 45784

Sources of Funds:

Paid-up Capital : 45000 Reserves & Surplus : NIL
 : : Deferred Tax Liability : 425
 Secured Loans : 360 Unsecured Loans : NIL

Application of Funds:

Net Fixed Assets : 13370 Investments : NIL
 Net Current Assets : 9004 Misc.Expenditure : 0
 Accumulated Losses: 23411

IV PERFORMANCE OF THE COMPANY

Turnover : 4985 Total Expenditure : 4793
 (Including Other Income)
 Profit Before Tax : 192 Profit after Tax : 192
 Earnings per share in Rs.: 0.04 Dividend : NIL

V GENERIC NAME OF PRINCIPAL PRODUCT OF THE COMPANY:

Item : Gold Jewellery
 Item Code No. : 711319.01 to 711319.04
 (ITCCODE)

AS PER MY REPORT ATTACHED

R.GURUBATHAM, B.Com.,F.C.A., ANAND LOGANATHAN K.R. LOGANATHAN
 Chartered Accountant, Auditor Managing Director Director

Place : Coimbatore

Date : 01-08-2011

ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH 2011

| | |
|--|------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES: | Rs. |
| Net Profit Before Tax and Extraordinary items | 192348 |
| <u>ADJUSTMENTS FOR:</u> | |
| Depreciation | 413307 |
| | |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 605655 |
| | |
| <u>ADJUSTMENTS FOR:</u> | |
| Trade and Other Receivables | -5298 |
| Inventories | 40245 |
| Trade Payables | 87748 |
| Repayment of Term Loan | <u>-101989</u> |
| Net Cash From Operating Activities | <u>20706</u> 626361 |
| | |
| B CASH FLOW FROM INVESTING ACTIVITIES | |
| Capital Expenditure | 705695 |
| | |
| C CASH FLOW FROM FINANCING ACTIVITIES | NIL |
| | |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | - 79334 |
| | |
| CASH AND CASH EQUIVALENTS AS AT 01.04.2010 | 186896 |
| (OPENING BALANCE) | |
| | |
| CASH AND CASH EQUIVALENTS AS AT 31.03.2011 | 107562 |
| (CLOSING BALANCE) | |
| | |
| (-)VE SIGN BEFORE THE FIGURES REPRESENT CASH OUT FLOWS | |

AS PER MY REPORT ATTACHED

R.GURUBATHAM, B.Com., F.C.A.,
Chartered Accountant, Auditor

ANAND LOGANATHAN
Managing Director

K.R. LOGANATHAN
Director

Place : Coimbatore

Date : 01-08-2011

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ANUGRAHA JEWELLERS LTD., COIMBATORE - 641 001.

AUDITOR'S CERTIFICATE

I have examined the above Cash Flow Statement of ANUGRAHA JEWELLERS LIMITED for the year ended 31 st March 2011. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by my report dated 1st August, 2011 to the members of the Company.

Place : Coimbatore
Date : 01.08.2011

R. GURUBATHAM, B.Com., F.C.A.,
Chartered Accountant, Auditor
Membership No.200/21556

ANUGRAHA JEWELLERS LIMITED

473, Big Bazaar Street, Coimbatore 641 001.

ADMISSION SLIP

Name & Address of the Member / Proxy

Regd. Folio

I certify that I am a registered Shareholder of the Company and hold..... shares.

Please indicate whether Member / Proxy

Member's / Proxy's Signature

- Notes :
1. Shareholder / Proxy holder must bring this admission Slip to the meeting and handover at the entrance duly signed.
 2. Shareholders are requested to advice their change in address if any, to the above address, quoting Folio Members.

ANUGRAHA JEWELLERS LIMITED

473, Big Bazaar Street, Coimbatore 641 001.

PROXY FORM

I/We of being a member / member's of ANUGRAHA JEWELLERS LIMITED hereby appoint Sri of or failing him Sri of as my / our proxy to vote for me / us on me / our behalf at the 17TH ANNUAL GENERAL MEETING of the company to be held on Thursday the 15th of September, 2011 at 04.30 p.m. at 473, Big Bazaar Street, Coimbatore - 641 001. and of any adjournment thereof.

Signed this day of 2011

(Rs. 1/-
Revenue
Stamp)

Signature

- Notes :
- Proxy form must reach Registered Office of the company 473, Big Bazaar Street, Coimbatore - 641 001 not less than fortyeight hours before the time for holding the afforesaid meeting.

BOOK - POST

If undelivered please return to :

ANUGRAHA JEWELLERS LIMITED

473, Big Bazaar Street,
Coimbatore - 641 001.