



**RAJESH EXPORTS LIMITED**

**24<sup>th</sup>**  
**ANNUAL**  
**REPORT**  

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*Global presence in Gold & Diamond Jewellery*

# RAJESH EXPORTS LIMITED

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## BOARD OF DIRECTORS

**Mr. Rajesh Mehta**  
Executive Chairman

**Mr. Prashant Mehta**  
Managing Director

**Mr. Y. Venu Madhava Reddy**  
**Mr. G. Shanker Prasad**  
**Ms. Vijaya Lakshmi**  
Independent Directors

## KEY MANAGERIAL PERSONNEL

**Mr. B. Vijendra Rao**  
Chief Financial Officer

**Ms. Stuti Agrawal**  
Company Secretary & Compliance Officer

## SHARE TRANSFER AGENTS

M/s S. K. D. C Consultants Limited  
Kanapathy Towers, 3rd Floor ; 1391/A-1,  
Sathy Road; Ganapathy, Coimbatore - 641 006.  
Phone: 0422 - 4958995; 2539835-836  
Fax: 0422 - 2539837.  
E-mail: info@skdc-consultants.com

## STATUTORY AUDITORS

M/s P. V. Ramana Reddy & Co.  
*Chartered Accountants*  
No, 37, 2nd Floor, South End Circle,  
Basavanagudi, Bengaluru – 560004

## BANKERS

Canara Bank  
Bank of India  
IDBI Bank

## REGISTERED OFFICE

# 4, Batavia Chambers  
Kumara Krupa Road, Kumara Park East  
Bengaluru - 560 001.  
Tel: 91-80-22266735  
Fax: 91-80-22259503  
E-mail: compsect@rajeshindia.com  
CIN: L36911KA1995PLC017077

## CORPORATE OFFICE

Rajesh Group  
# 1, Brunton Road (Off M. G. Road);  
Opp. Old Passport Office, Bengaluru - 560 001.  
Tel: 91-80-40239999, Fax: 91-80-40239945  
E-mail: compsect@rajeshindia.com

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## NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of **RAJESH EXPORTS LTD** will be held at the **Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce, (Near Shivanada Circle), Bengaluru – 560 001, on Saturday 29-09-2018 at 12.00 Noon**, to transact the following business.

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Consolidated and Standalone Financial Statements for the year ended 31st March 2018 as at that date together with the reports of the Directors and Auditors thereon.
2. To confirm the dividend for the financial year 2017-18.
3. To appoint auditors and fix their remuneration.
4. To appoint a director in place of Mr. Rajesh Mehta, who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for re-appointment.

### NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy so appointed need not be a member of the Company.
2. Proxy Forms, in order to be effective, should be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22-09-2018 till 29-09-2018.
4. Members holding shares in Physical form are requested to intimate the Change of Address and their Bank Account details such as Bank Name, Branch with address and Account No. for incorporating the same in dividend warrants to the Registrars and Transfer Agents of the Company: M/s. S.K.D.C. CONSULTANTS LIMITED, Kanapathy Towers, 3rd Floor; 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641006, quoting their respective Folio Number. Members holding shares in Demat form shall intimate the above details to their Depository Participants (DP's) with whom they have Demat Account.
5. Members seeking any information with regard to the accounts are requested to write to the Company 2 days in advance, so as to enable the Management to keep the information ready.
6. The Company has appointed Mr. Deepak Sadhu, Company Secretary in Practice, as Scrutinizer.
7. Members are requested to address their correspondence, including share transfer matters and change of address to:

#### **S. K. D. C. Consultants Limited**

Kanapathy Towers, 3rd Floor; 1391/A-1, Sathy Road, Ganapathy  
Coimbatore - 641 006. (Phone: 0422 - 4958995; 2539835-836 Fax: 0422 2539837)  
E-mail: info@skdc-consultants.com

### **The instructions for shareholders voting electronically are as under:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

# RAJESH EXPORTS LIMITED

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- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2018 (9:00 am) and ends on 28th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.  
*NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".*
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put your user ID and password. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Rajesh Exports Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [csdeepak.sadhu@gmail.com](mailto:csdeepak.sadhu@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with Depository Participants(s) or requesting physical copy] :
- (i) Member may obtain a User ID and password for casting his /her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no.: 1800-222-990" providing the details such as Demat account no or Folio no, PAN no, etc.  
Please note that In case Shareholders are holding shares in demat mode, User ID is the combination of (DPID+ClientID) and in case Shareholders are holding shares in physical mode, User ID is the combination of (Even No+Folio No).  
If you are already registered with NSDL for remote e-voting then you can use your existing User ID and password/PIN for casting your vote.



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NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

*NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*

*In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*

*In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).*

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2018.

X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [info@skdc-consultants.com](mailto:info@skdc-consultants.com).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

XII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

XIII. Mr. Deepak Sadhu (ACS No: 39541), Company Secretary in Practice, has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

XV. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company not later than three days of the conclusion of the AGM and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE and NSE.

# **RAJESH EXPORTS LIMITED**

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## **PROFILE OF RETIRING DIRECTOR WHO OFFERS HIMSELF FOR REAPPOINTMENT:**

Mr. Rajesh Mehta (DIN: 00336457), aged about 54 years, is the Chairman of the Company. He is responsible for overall functioning of the company; and is in-charge of finance and marketing functions. Has experience of over thirty five years in the functioning and management of jewellery trade and has travelled extensively within India and overseas for establishing a strong network in the industry. He is also consulted by various Gold and Jewellery organizations including government and trade bodies for rendering advice on development of the trade and industry. Based on his invaluable contribution to the Company the Board considers it necessary to reappoint Mr. Rajesh Mehta as a Director.

By the Order of the Board

Sd/-

Place : Bengaluru

Date : May 30, 2018

**RAJESH MEHTA**

*Chairman*



## DIRECTORS' REPORT

Your Directors have great pleasure in presenting their 24th Annual Report on the business and operations of the Company, for the financial year ended 31st March 2018.

### FINANCIAL RESULTS

(Rs. in Millions)

	CONSOLIDATED		STANDALONE	
	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2018	For the year ended 31.03.2017
Profit before Depreciation	<b>14096.36</b>	13675.67	<b>4898.93</b>	4879.05
Less : Depreciation	<b>679.92</b>	646.31	<b>14.92</b>	18.49
Profit after depreciation	<b>13416.44</b>	13029.36	<b>4884.01</b>	4860.56
Less : Provision for taxation & Deferred tax	<b>758.57</b>	593.02	<b>472.17</b>	247.15
Profit after taxation	<b>12657.87</b>	12436.34	<b>4411.84</b>	4613.41
Add : Balance as per last account	<b>35257.79</b>	23485.80	<b>16320.68</b>	12377.27
Profit available for appropriation	<b>47915.66</b>	35922.14	<b>20732.52</b>	16990.68
Less : Transfer to general reserves	-	670.00	-	670.00
Less : Profit distributed to Partners	-	(5.65)	-	-
Balance surplus transferred to Balance Sheet	<b>47915.66</b>	35257.79	<b>20732.52</b>	16320.68

### OPERATIONS

Your Directors are pleased to report that your Company's total income during the period under review stood at Rs. 1876861.04 million. As a result, the net profit for the year under review, after provision for depreciation and income tax was Rs. 12657.87 million compared to Rs. 12436.33 million during the previous year.

### DIVIDEND

The Board of Directors are pleased to recommend the payment of dividend for the year ended 31st March 2018 @ Re.1.00 per share (100 per cent) for all the shareholders whose names appear on the Register of Members as on the Book Closure date.

### DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Policy is available on the website of the Company i.e., [www.rajeshindia.com](http://www.rajeshindia.com)

During the year 2017-2018, no complaints were received by the Company related to sexual harassment.

### BOARD MEETINGS, BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL & COMMITTEES OF DIRECTORS

#### Board Meeting

The Board of Directors of the Company met seven times during the financial year. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013 (hereinafter "the Act").

# **RAJESH EXPORTS LIMITED**

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## **BOARD COMMITTEES**

The Company has the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee and
5. Risk Management Committee

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he /she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

## **BOARD EVALUATION**

Pursuant to the provisions of the Act and Reg. 17(8) of the Listing Regulations, the Board has carried out an annual evaluation of its performance, the Directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

## **VIGIL MECHANISM**

We have established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is available on the website of the Company i.e. [www.rajeshindia.com](http://www.rajeshindia.com).

## **RELATED PARTY TRANSACTIONS**

The details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as Annexure V.

## **DEPOSITS**

In terms of the provisions of Sections 73 of the Act read with the relevant Rules of the Act, the Company had no opening or closing balances and also has not accepted any fixed deposits during the year under review and as such, no amount of principal or interest was outstanding as on March 31, 2018.

## **CORPORATE GOVERNANCE**

Your Company has been practicing the principles of good corporate governance. The Company is in compliance with the provisions on corporate governance specified in the Listing Regulations of BSE and NSE. A detailed report on corporate governance is available as a separate section in this Annual Report. Certificate of the Statutory Auditors regarding compliance with the conditions stipulated in Reg. 34(3) of the Listing Regulations is provided separately under this Annual Report.

## **AUDITORS**

### **a) STATUTORY AUDITOR**

M/s P. V. Ramana Reddy & Co., Chartered Accountants, Bengaluru, were appointed as the Statutory Auditors of the company to fillup the casual vacancy caused by M/s V Sivasankar & Co., Chartered Accountants, Bengaluru. The Audit Committee and the Board of Directors have recommended the proposal to appoint M/s. P. V. Ramana Reddy & Co., Chartered Accountants, Bengaluru, as the Statutory Auditors of Company up to the conclusion of next Annual General Meeting, and to authorize the Board





of Directors and Committees thereof to fix their remuneration. The company has received a certificate from the auditor to the effect that the appointment if made, would be, in accordance with limits specified in the Act and that, they meet the criteria of independence.

#### **b) SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Mr. Deepak Sadhu, Practicing Company Secretary, for conducting Secretarial Audit of the Company for the financial year 2017-2018.

#### **AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT**

The Auditors Report and Secretarial Audit Report do not contain any qualifications, reservations or adverse remarks. The Secretarial Audit Report is annexed herewith as Annexure II.

#### **DETAILS ABOUT SUBSIDIARIES/ASSOCIATES/JOINT VENTURES**

The Details on Subsidiaries/Associates/Joint Ventures is annexed herewith as Annexure IV.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has actively supported various initiatives in the areas of health, education and environment over the years. With the introduction of Section 135 of the Act, which came into effect during financial year 2014-15, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The CSR Committee decided to continue with the existing programmes and increase focus on health and education in the years ahead. The CSR Policy is available on the website of the Company i.e., [www.rajeshindia.com](http://www.rajeshindia.com)

The Annual Report on Corporate Social Responsibility Activities is annexed herewith as Annexure VII.

#### **Company's (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988**

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **CONSERVATION OF ENERGY**

The Details on Conservation of energy is annexed herewith as Annexure VIII.

##### **RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION**

Your Company has the largest and one of the finest R&D units in jewellery industry. The research and development team of the Company comprises of some of the finest designers, metallurgists, chemists and senior craftsman. The Company has been instrumental in developing and introducing several widely acclaimed jewellery designs. The Company has also developed several new systems, procedures and techniques in jewellery manufacturing.

The company continues to adopt and use the latest technologies to improve the productivity and quality of its services and products.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

*(Rs. in lakhs)*

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Foreign Exchange Earnings	<b>2,836,631.35</b>	4,187,894.81
Foreign Exchange Outgo	<b>3,233,762.68</b>	4,403,962.36

#### **PARTICULARS OF EMPLOYEES**

During the year under review, there were no employees who were drawing remuneration in excess of Rs. 60 Lakhs per annum or Rs. 5 lakhs per month, if employed for a part of the year.

# **RAJESH EXPORTS LIMITED**

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## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 134 of the Companies Act 2013, with respect to Directors responsibility statement, it is hereby confirmed:

1. That for the compilation of the annual accounts for the financial year ended 31.03.2018, the applicable accounting standards have been followed along with proper explanation relating to the material departures.
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year under review and of the profit of the Company for that period.
3. That the Directors have taken proper and sufficient care 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.
4. That the Directors have compiled the accounts for the financial year ended 31.03.2018 on a "going concern" basis.
5. Proper internal financial controls were followed by the Company and such internal financial controls are adequate and were operating effectively;
6. Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **OTHERS**

There are no material changes and commitments made between balance sheet date and date of directors Report.

## **INSIDER TRADING REGULATIONS**

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2016, as amended from time to time, the code of conduct for prevention of insider trading and the code for corporate disclosures ("Code"), as approved by the Board from time to time, are in force at the Company. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of Rajesh Exports Limited at the time when there is unpublished price sensitive information. No other material changes and commitments affecting the financial position of the Company have occurred between April 1, 2018 and the date of signing of this Report. The Policy is available on the website of the Company i.e., [www.rajeshindia.com](http://www.rajeshindia.com)

## **INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has a proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls.

An extensive programme of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. In addition, the Company has identified and documented the risks and controls for each process that has a relationship to the financial operations and reporting.



The Company also has an Audit Committee to interact with the Statutory Auditors, Internal Auditors and Management in dealing with matters within its terms of reference. This Committee mainly deals with accounting matters, financial reporting and internal controls.

#### **AUDIT COMMITTEE RECOMMENDATIONS**

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as Annexure III.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186**

The details of the investments made by the Company are in Note No. 3 of the audited financial statements.

The Company has not made any loans to any persons within the meaning of Section 186 and has also not given any guarantees within the meaning of that section.

#### **RISK MANAGEMENT POLICY**

The Company has a robust Enterprise Risk Management (ERM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for business segments. The Company has identified various risks and also has mitigation plans for each risk identified. The Policy is available on the website of the Company i.e., [www.rajeshindia.com](http://www.rajeshindia.com)

#### **CODE OF CONDUCT**

Your Company has laid down a Code of Conduct ("Code") for all the Board Members and Senior Management Personnel of the Company. The Code is available on the website of the Company i.e., [www.rajeshindia.com](http://www.rajeshindia.com). All Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2018. A declaration signed by the Chief Executive Officer (CEO) to this effect is attached in the Annual Report.

#### **LISTING FEES**

The shares of the Company continue to be listed at the National Stock Exchange of India Ltd, Mumbai, and the Bombay Stock Exchange Ltd, Mumbai. The annual listing fees for National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. have been paid.

#### **ACKNOWLEDGEMENTS**

Your directors specially wish to place on record, their sincere appreciation to the employees of the Company for their dedication and hard work, which have resulted in overwhelming success of the Company during the year under report. Your directors place on record their gratitude to Canara Bank, Bank of India and IDBI Bank for their continued support. Your Directors also thank all the Shareholders, Consultants, Customers, Vendors, Service providers, Government & Statutory authorities for their continued support in successful running of company's business and its continued progress.

For and on behalf of the Board  
Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
*Chairman*

# RAJESH EXPORTS LIMITED

## Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration) Rules, 2014

(i)	The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the FY 2017-18	Director's Name	Ratio to mean Remuneration		
		Mr. Rajesh Mehta Mr. Prashant Mehta Mr. G. Shanker Prasad Mr. Y Venu Madhva Reddy Ms. Vijaya Lakshmi	1.56 : 1 1.56 : 1 1: 0 1: 0 1: 0		
(ii)	The Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager if any in the FY 2017-18 compared to 2016-17 means part of the year	Director's/CFO/CEO/CS/ Manager's Name			
		Mr. Rajesh Mehta Mr. Prashant Mehta Mr. G. Shanker Prasad Mr. Y Venu Madhva Reddy Ms. Vijaya Lakshmi Mr. B Vijendra Rao (CFO) Ms. Stuti Agrawal (CS)	Nil Nil Nil Nil Nil 5.19% Nil		
(iii)	Percentage increase in the median remuneration of employees in the FY 2017-18 compared to 2016-17	Nil			
(iv)	Number of permanent employees on the rolls of the company	<b>As on 31.03.2018</b> <b>383</b>	<b>As on 31.03.2017</b> <b>350</b>		
(v)	Explanation on the relationship between average increase in remuneration and the company performance	There has been nominal increase in remuneration while the performance of the company has improved significantly		There has been nominal increase in remuneration while the performance of the company has improved significantly	
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	0.0001%		0.0001%	
(vii)	Variation in	<b>Details</b>	<b>31.03.2018</b>	<b>31.03.2017</b>	
		Market Capitalization	<b>218,374,265,676</b>	178,912,772,156	
		Price Earning Ratio (EPS)	<b>42.87</b>	42.12	
		% Increase/decrease of market quotations	<b>22.06</b>	(2.44)	
		Net worth of the Company	<b>71,746,461,886</b>	58,841,259,131	
(viii)	Average percentage increase in salaries of Employees other than managerial personnel	During 2016-17	During 2017-18		
		20.54%	4.58%		
(ix)	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	Name of Key Managerial personnel	Remuneration for the year ended		Reason against performance of the Company
			31.03.2018	31.03.2017	% of Change
		Mr. Prashant Mehta, Managing Director	1,19,998	1,19,998	0%
		Mr. Rajesh Mehta, CEO	1,19,998	1,19,998	0%
		Mr. B Vijendra Rao, CFO	4,24,000	4,24,000	0%
		Ms. Stuti Agrawal, CS	4,20,000	4,20,000	0%
(x)	Key parameter for any variable component of remuneration availed by the Directors	NA			
(xi)	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year	1.56			

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
Chairman



## Annexure I

### **DIVIDEND DISTRIBUTION POLICY**

The Board of Directors (the “Board”) of Rajesh Exports Limited (the “Company”) at its meeting held on May 26, 2017 had adopted this Dividend Distribution Policy (the “Policy”) as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

#### **Objective**

The objective of this Policy is to establish the parameters to be considered by the Board of Directors of the Company before recommending dividend.

The Company has consistently given dividend payout every year since listing. In future, the Company would endeavor to pay sustainable dividend keeping in view the Company’s policy of meeting the long-term growth objectives from internal cash accruals.

#### **Parameters to be considered before recommending dividend**

The Board of Directors of the Company shall consider the following financial / internal parameters while declaring or recommending dividend to shareholders:

- Profits earned during the financial year
- Retained Earnings
- Earnings outlook
- Expected future capital / liquidity requirements
- Any other relevant factor and material events

The Board of Directors of the Company shall consider the following external parameters while declaring or recommending dividend to shareholders:

- (i) Macro-economic environment - Significant changes in macro-economic environment materially affecting the businesses in which the Company is engaged in the geographies in which the Company operates
- (ii) Regulatory changes - Introduction of new regulatory requirements, which significantly affect the businesses in which the Company is engaged

#### **Utilisation of Retained Earnings**

The Company shall endeavor to utilise the retained earnings in a manner which shall be beneficial to the interests of the Company and also its shareholders.

The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

#### **Conflict in Policy**

In the event of any conflict between this Policy and the provisions contained in the Listing Regulations, the Regulations shall prevail.

#### **Amendments**

The Board may, from time to time, make amendments to this Policy to the extent required due to change in applicable laws, Listing Regulations, any other circumstances or as deemed fit on a review.

For and on behalf of the Board of Directors  
**Rajesh Mehta**  
*Chairman*

# RAJESH EXPORTS LIMITED

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Annexure II

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2018.

Form No. MR-3

*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

The Members,

**Rajesh Exports Limited**

4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru-560 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rajesh Exports Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March 2018 (the audit period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee purchase scheme) Guidelines, 1999.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (VI) Other laws as informed and certified by the management of the Company which are specifically based on their sector/industry namely:
  - a. The Special Economic Zone Act, 2005



- b. Foreign Trade (Development and Regulation) Act, 1992
- c. Bureau of Indian Standards (BIS) (Hallmarking)

**I have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- ii) SEBI (Listing Obligations and Disclosure Requirements) 2015 for the year ended 31st March 2018 with Bombay Stock Exchange Limited and National Stock Exchange of India Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. The Company has obtained all necessary approvals under the various provisions of the Act; and

There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act,

SEBI Act, SCRA, Depositories Act, Listing Regulations and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliant with the Code of Business Conduct & Ethics for Directors and Management Personnel;

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public/Rights/Preferential Issue of shares/debentures/sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section-180 of the Companies Act, 2013.
- (iv) Merger/amalgamation/reconstruction etc.
- (v) Foreign technical collaborations.

Place : Bengaluru  
Date : 30th May 2018

**DEEPAK SADHU**  
*Practising Company Secretary*  
COP No :- 14992

# RAJESH EXPORTS LIMITED

## ANNEXURE A ( To the Secretarial Audit Report )

To  
**The Members**  
**Rajesh Exports Limited**

My report of even date is to be read along with this letter.

- 1) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and process as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Place : Bengaluru  
Date : 30th May 2018

**DEEPAK SADHU**  
Practising Company Secretary  
COP No :- 14992

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

Annexure III

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1	CIN	L36911KA1995PLC017077
2	Registration Date	01/02/1995
3	Name of the Company	Rajesh Exports Limited
4	Category/Sub-category of the Company	Company Limited by shares
5	Address of the Registered office & contact details	# 4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru - 560 001
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s S. K. D. C Consultants Limited Kanapathy Towers, 3rd Floor ; 1391/A-1, Sathy Road; Ganapathy, Coimbatore - 641 006. Phone: 0422 - 4958995, 2539835-836 Fax: 0422 - 2539837. E-mail: info@skdc-consultants.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Gold Products	3211	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	REL SINGAPORE PTE.LTD.	Foreign Company	Subsidiary	100%	2(87)





#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	159273063	-	159273063	53.943%	159273063	-	159273063	53.943%	0.000%
b) Central Govt. or State Govt.”	-	-	-	0.000%	-	-	-	0.000%	0.000%
c) Bodies Corporates	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) Bank/FI	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Any other	-	-	-	0.000%	-	-	-	0.000%	0.000%
<b>SUB TOTAL: (A) (1)</b>	<b>159273063</b>	<b>-</b>	<b>159273063</b>	<b>53.943%</b>	<b>159273063</b>	<b>-</b>	<b>159273063</b>	<b>53.943%</b>	<b>0.000%</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	0.000%	-	-	-	0.000%	0.000%
b) Other Individuals	-	-	-	0.000%	-	-	-	0.000%	0.000%
c) Bodies Corp.	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) Banks/FI	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Any other...	-	-	-	0.000%	-	-	-	0.000%	0.000%
<b>SUB TOTAL: (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.000%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.000%</b>	<b>0.000%</b>
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	159273063	-	159273063	53.943%	159273063	-	159273063	53.943%	0.000%
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	1349222	-	1349222	0.457%	7850	-	7850	0.003%	-0.454%
b) Banks/FI	56032	-	56032	0.019%	1119890	-	1119890	0.379%	0.360%
c) Central govt	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) State Govt.	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Venture Capital Fund	-	-	-	0.000%	-	-	-	0.000%	0.000%
f) Insurance Companies	6232255	-	6232255	2.111%	15598690	-	15598690	5.283%	3.172%
g) FIIS	-	-	-	0.000%	-	-	-	0.000%	0.000%
h) Foreign Venture Capital Funds	-	-	-	0.000%	-	-	-	0.000%	0.000%
i) Foreign Financial Institutions	5977919	-	5977919	2.025%	30662	-	30662	0.010%	-2.015%
j) Foreign Portfolio Investment	46843767	-	46843767	15.865%	52656640	-	52656640	17.834%	1.969%
<b>SUB TOTAL (B)(1):</b>	<b>60459195</b>	<b>-</b>	<b>60459195</b>	<b>20.477%</b>	<b>69413732</b>	<b>-</b>	<b>69413732</b>	<b>23.509%</b>	<b>3.032%</b>

# RAJESH EXPORTS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	1638842	-	1638842	0.555%	1013408	-	1013408	0.343%	-0.212%
ii) Overseas	-	-	-	0.000%	-	-	-	0.000%	0.000%
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	4747438	199372	4946810	1.675%	3578374	198772	3777146	1.279%	-0.396%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	2202303	159000	2361303	0.800%	2189875	159000	2348875	0.796%	0.004%
c) Others (specify)									
Trusts	-	-	-	0.000%	-	-	-	0.000%	0.000%
Directors & Their Relatives	10000	5000	15000	0.005%	10000	5000	15000	0.005%	0.000%
Non Resident Indians	54442726	-	54442726	18.439%	50287484	-	50287484	17.032%	-1.407%
Clearing Members	1281888	-	1281888	0.434%	1846926	-	1846926	0.626%	0.192%
Hindu Undivided Families	239772	-	239772	0.081%	127498	-	127498	0.043%	-0.038%
Foreign Corporate Bodies	10601360	-	10601360	3.591%	7156677	-	7156677	2.424%	-1.167%
Foreign National	-	-	-	-	150	-	150	0.000%	0.000%
<b>SUB TOTAL (B)(2):</b>	<b>75164329</b>	<b>363372</b>	<b>75527701</b>	<b>25.580%</b>	<b>66210392</b>	<b>362772</b>	<b>66573164</b>	<b>22.548%</b>	<b>-3.032%</b>
<b>Total Public</b>	<b>135623524</b>	<b>363372</b>	<b>135986896</b>	<b>46.057%</b>	<b>135624124</b>	<b>362772</b>	<b>135986896</b>	<b>46.057%</b>	<b>0.000%</b>
<b>Grand Total (A+B)</b>	<b>294896587</b>	<b>363372</b>	<b>295259959</b>	<b>100.000%</b>	<b>294897187</b>	<b>362772</b>	<b>295259959</b>	<b>100.000%</b>	

## ii) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rajesh Jasvantrai Mehta	88181234	29.866	0.000	88181234	29.866	0.000	0.034
2	Prashant Jasvantrai Mehta	37162425	12.586	0.000	37162425	12.586	0.000	0.000
3	Mahesh Jasvantrai Mehta	24041224	8.142	0.000	24041224	8.142	0.000	0.000
4	Bipin Jasvantrai Mehta	7188180	2.435	0.000	7188180	2.435	0.000	0.000
5	Leena Rajesh Mehta	600000	0.203	0.000	600000	0.203	0.000	0.000
6	Jayshree B Mehta	600000	0.203	0.000	600000	0.203	0.000	0.000
7	Manisha P Mehta	600000	0.203	0.000	600000	0.203	0.000	0.000
8	Jasvantrai F Mehta	450000	0.152	0.000	450000	0.152	0.000	0.000
9	Chandrika J Mehta	450000	0.152	0.000	450000	0.152	0.000	0.000



iii) Change In Promoters' Shareholding : NIL

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	BRIDGE INDIA FUND						
	At the beginning of the year	01/04/2017		29361340	9.944		
	Changes during the year		Decrease	384000	0.130	28977340	9.814
	At the end of the year	31/03/2018				28977340	9.814
2	LIFE INSURANCE CORPORATION OF INDIA						
	At the beginning of the year	01/04/2017		5873690	1.989		
	Changes during the year		Increase	9725000	3.294	15598690	5.283
	At the end of the year	31/03/2018				15598690	5.283
3	DHIRAJLAL JERAMBHAI DHAKAN						
	At the beginning of the year	01/04/2017		14198702	4.809		
	Changes during the year			NIL			
	At the end of the year	31/03/2018				14198702	4.809
4	ROHITKUMAR PIPARIA						
	At the beginning of the year	01/04/2017		14164641	4.797		
	Changes during the year			NIL			
	At the end of the year	31/03/2018				14164641	4.797
5	SANDEEP DHIRAJLAL DHAKAN						
	At the beginning of the year	01/04/2017		14132796	4.787		
	Changes during the year			NIL			
	At the end of the year	31/01/2018				14132796	4.787
6	APMS INVESTMENT FUND LTD						
	At the beginning of the year	01/04/2017		10601360	3.591		
	Changes during the year		Decrease	3444683	1.167	7156677	2.424
	At the end of the year	31/03/2018				7156677	2.424
7	PARTHIBAN						
	At the beginning of the year	01/04/2017		9198301	3.115		
	Changes during the year		Decrease	2774507	0.939	6423794	2.176
	At the end of the year	3/31/2018				6423794	2.176
8	ASIA INVESTMENT CORPORATION (MAURITIUS)						
	At the beginning of the year	01/04/2017		4734248	1.603		
	Changes during the year		Increase	237500	0.081	4971748	1.684
	At the end of the year	31/03/2018				4971748	1.684

# RAJESH EXPORTS LIMITED

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares the company	No. of shares	% of total shares of the company
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES						
	At the beginning of the year	01/04/2017		0	0.000		
	Changes during the year		Increase	2493323	0.844	2493323	0.844
	At the end of the year	31/03/2018				2493323	0.844
10	VANGUARD TOTAL INTERNATIONAL STOCK						
	At the beginning of the year	01/04/2017		1798122	0.609		
	Changes during the year		Increase	75023	0.025	1873145	0.634
	At the end of the year	31/03/2018				1873145	0.634

## v) Shareholding of Directors and Key Managerial Personnel :

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding at end of the year	
				No. of shares	% of total shares the company	No. of shares	% of total shares of the company
	RAJESH MEHTA	31/03/2018		88181234	29.866	88181234	29.866
	PRASHANTH MEHTA	31/03/2018		37162425	12.586	37162425	12.586
	G SHANKER PRASAD	31/03/2018		15000	0.000	15000	0.000
	Y VENU MADHAVA REDDY	31/03/2018		0	0.000	0	0.000
	VIJAYA LAKSHMI	31/03/2018		0	0.000	0	0.000
	VIJENDRA RAO	31/03/2018		0	0.000	0	0.000
	STUTI AGRAWAL	31/03/2018		0	0.000	0	0.000

**V. INDEBTEDNESS** - The company is a debt-free company. The company has availed working capital facilities, mainly against its own fixed deposits as follows: (Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	206,329.44	2,871.47	663.01	209,863.92
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	206,329.44	2,871.47	663.01	209,863.92
<b>Change in Indebtedness during the financial year</b>				
Addition	0	0	0	0
Reduction	(7,0,616.07)	(317.03)	(18.00)	(70,951.10)
Net Change	(7,0,616.07)	(317.03)	(18.00)	(70,951.10)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	135,713.37	2,554.45	645.01	138,912.82
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	135,713.37	2,554.45	645.01	138,912.82



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in lakhs)

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Rajesh Mehta Executive Chairman	Prashant Mehta Managing Director	
1	Gross salary	1.20	1.20	2.40
	(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify	0	0	0
5	Others-contribution to funds	0	0	0
	Total (A)	1.20	1.20	2.40
	Ceiling as per the Act (10% of the net profit)			12,657.87

### B. Remuneration to other directors

(Rs. in lakhs)

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Shanker Prasad	Mr. Venu Madhav Reddy	Ms. Vijaya Lakshmi	
1	Independent Directors				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	0
	Total (B)=(1+2)	0	0	0	0
	Total Managerial Remuneration	0	0	0	0
	Overall Ceiling as per the Act. (1% of the net profit)				1,265.79

# RAJESH EXPORTS LIMITED

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in lakhs)

SN	Particulars of Remuneration	Name of Key Managerial Personnel		Total
		Vijendra Rao	Stuti Agrawal	
	Name	CFO	CS	
	Designation			
1	Gross salary	4.24	4.2	8.44
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	others, specify	0	0	0
5	Others - Contribution to funds	0	0	0
	<b>Total</b>	4.24	4.2	8.44

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no Penalties, Punishment or Compounding of offences during the year ended March 31, 2018

For and on behalf of the Board  
Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417



**Annexure IV**

**Form No. AOC-1**

As on financial year ended on 31.03.2018

*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)*

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

*Rs. in lakhs, except percentage of share holding and exchange rate*

<b>Sl. No.</b>	<b>Particulars</b>	<b>Details</b>
1.	Name of the subsidiary	REL Singapore Pte Ltd
2.	Reporting period	April to March
3.	Reporting currency and Exchange rate	US Dollar and 64.95
4.	Share capital	47,745.25
5.	Reserves & surplus	3,02,441.75
6.	Total assets	7,85,851.78
7.	Total Liabilities	7,85,851.78
8.	Investments	77,940.00
9.	Turnover	15,402,564.10
10.	Profit before taxation	85,324.29
11.	Provision for taxation	2,863.95
12.	Profit after taxation	82,460.34
13.	Proposed Dividend	Nil
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : Nil
2. Names of subsidiaries which have been liquidated or sold during the year : Nil

For and on behalf of the Board  
Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

# RAJESH EXPORTS LIMITED

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Annexure V

## Form No. AOC-2

As on financial year ended on 31.03.2018

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered in during the year ended March 31, 2018, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- |  |   |
|--|---|
| (a) Name(s) of the related party and nature of relationship:   | Valcambi S.A  |
| (b) Nature of contracts/arrangements/transactions:   | Purchase  |
| (c) Duration of the contracts / arrangements/transactions:   | N.A.  |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any:                        | Purchase (304,478,024,382)  |
| (e) Justification for entering into such contracts or arrangements or transactions                                     | World's largest gold-refinery supplying gold to the company for more than the last 10 years at fair prices and due to very high credibility in the international markets. |
| (f) Date(s) of approval by the Board:  | 13-08-2015  |
| (g) Amount paid as advances, if any:   | NIL   |
| (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: | 30-09-2015  |

For and on behalf of the Board  
Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417





## MANAGEMENT DISCUSSION AND ANALYSIS

The company performed excellently well in its export, wholesale and retail business and posted an impressive record breaking profit after tax of Rs. 12657.87 million as compared to Rs. 12436.33 million during last year and posted revenues of Rs. 1876861.04 million. We have accomplished this impressive performance in exports amid rising global trade tensions.

The Company has achieved record EBIDTA and Profit after Tax (PAT). The Company has set its objectives for growing the profit margins and the results have exhibited that the profit margins of the Company have grown handsomely. The team will keep working towards further growth of profit margins by aggressively expanding its retail foot print and by adding more and better value added products to its global design portfolio. With its global positioning and with its innovative and relentless efforts the Company will aggressively grow in the coming years both in terms of revenue and profit. We have also been launching new products across different lines and at different price points in the retail segment regularly so that our customers have a wide range of products to select, to suit their price points.

REL is consistently working towards its goal of being the first and the only global company, which would be seamlessly integrated from mining to consumer in a sizeable manner. Currently REL is a seamlessly integrated company with a small front end and a large middle end of the operations. REL is working towards strengthening its frontend operations, wherein it would be growing its retail presence by increasing the number of its showrooms globally and by launching an E-commerce platform for global distribution of its product.

### Opportunities & Threats

There is a huge opportunity to move the gold business from unorganized to organized space in many countries including India and China. The organized segment has tremendous growth prospects. Growing consciousness of branded jewellery, increasing purchasing power in the Tier I & II locations, and increasing demand for diamond jewellery are major opportunities for the next 10 to 15 years. The major threat could be changes in government policy with regard to import and export of gold products.

### Risk & Concern

The Company has successfully been in gold business for more than three decades and has developed systems to mitigate most of the perceivable risks. The Company has ambitious expansion plans in retail to increase its profitability, these plans require large scale and meticulous execution capabilities. Even though the company has planned its execution strategy, there would always be a concern and risk of execution.

## MANAGEMENT

The Board of Directors head the Management of the Company, which also includes Whole Time Directors. The following is the composition of the Board of Directors of the Company as on 31.03.2018.

Sl. No.	Name	Designation	Profession
01.	<b>Mr. Rajesh Mehta</b>	Executive Chairman	He is responsible for the overall functioning of the company, in addition to being specifically in-charge of the finance and marketing functions. He has an experience of over 30 years in the functioning and management of the jewellery trade and has traveled extensively within India and abroad for establishing a strong network in the industry. In addition to his post as Executive Chairman of REL he is a member of the Export Trade Advisory Committee of the Bangalore Jewellers Association. He is also the president of the Karnataka Jewellery Exports Association.
02.	<b>Mr. Prashant Mehta</b>	Managing Director	He is in charge of the day-to-day functioning and holds specific charge of the production unit of REL. He has over 30 years of experience in the jewellery business and is recognized as an authority in the production of Gold products.

## RAJESH EXPORTS LIMITED

03.	<b>Mr. Y Venu Madhava Reddy</b>	Non-Executive & Independent Director	He has an experience of over 20 years in Statutory Matters. He advises the Board on statutory requirements
04.	<b>Mr. G. Shanker Prasad</b>	Non-Executive & Independent Director	Well known Practicing Company Secretary and Cost Accountant. He advises the Board with insight on Company Law-related matters.
05.	<b>Ms. Vijaya Lakshmi</b>	Non-Executive & Independent Director	She has a vast experience in Human Resource Management, and is an asset to the Company in this aspect.
06.	<b>Mr. Vijendra Rao</b>	Chief Financial Officer	He has an experience of over 35 years in the field of finance and accounting. He is incharge of the financial policies of the Company.
07.	<b>Ms. Stuti Agrawal</b>	Company Secretary	She is a qualified Company Secretary and is incharge and head of the Secretarial Department of the Company.

The Board of Directors are efficiently complemented in the day-to-day functioning by a team of highly qualified professionals with considerable experience and expertise in their respective fields.

### HUMAN RESOURCES

The one single major reason which can be attributed to the growth of Rajesh Exports Limited is its people. Rajesh Exports Limited recognizes the importance of its people, Rajesh Exports Limited has a unique culture of equality wherein each individual focuses on his task with utmost responsibility. The Company has a HR policy which emphasizes the need of attaining organizational goals through individual growth and development. Staff audit and performance appraisal are the key areas of the Company's HR Policy.

### DISCLAIMER

Statements made in Management Discussion and Analysis report may include forward looking statements and may differ from the actual situation. The important factors that would make a difference to the Company's operations include market factors, government regulations and policies, developments within and outside the country etc.

### ANALYSIS OF FINANCIAL PERFORMANCE

#### a) **Key financial Indicators:**

	2017-2018	2016-2017
Return on Net Worth	17.33%	21.14%
PAT to Sales	0.67%	0.51%
Turnover (Times)/ Fixed Assets	288.54	415.40
Sales / Total Assets (Times)	7.97	10.03

#### b) **Revenues:**

The business operations of Rajesh Exports Ltd. for the year 2017-18 resulted in the Company achieving total revenue of Rs. 1,876,861.04 Million as against Rs. 2,421,319.84 Million during the previous year.

(Rs. in Million)

	2017-2018	2016-2017
Operating Revenue	1,876,861.04	2,421,319.84
Other Income	62.01	471.48
Total Revenue	1,877,481.05	2,421,791.32



c) **Operating Income:**

Operating income (excluding other income) for the year 2017-18 has been Rs. 1,876,861.04 Million as compared to Rs. 2,421,319.84 Million in the previous year.

d) **Cost of Revenue:**

Cost of goods sold for 2017-18 has been Rs. 1,853,499.94 Million as compared to Rs. 2,400,146.75 Million in the previous year.

e) **Provision for Taxation:**

The provision for taxation for 2017-18 has been Rs. 758.57 Million as compared to Rs. 593.03 Million during the previous year.

f) **Debt:**

The Company is a debt free Company. As at 31st March 2018 the Company had working capital facilities outstanding with the consortium of member Banks of Rs. 5,500.00 million. The Company has not availed any long term debt.

g) **Fixed Assets:**

The book value of fixed assets for the year ended 31.03.2018 after providing for depreciation has been Rs 6,504.67 Million.

h) **Loans and Advances:**

The loans and advances as on 31st March 2018 were Rs. 4,923.24 Million as compared to Rs. 4,113.99 Million during the previous year.

i) **Cash and Bank Balances:**

REL continues to be a cash positive Company. As on 31st March 2018 the Company had Rs. 144,695.50 Million (Net) as cash and bank balances.

h) **Current Liabilities:**

The current liabilities as on 31.03.2018 have been Rs. 160,289.49 Million.

For and on behalf of the Board

Sd/-

**RAJESH MEHTA**

*Chairman*

Place : Bengaluru

Date : May 30, 2018

# RAJESH EXPORTS LIMITED

## REPORT ON CORPORATE GOVERNANCE

Rajesh Exports Limited recognises the ideals and importance of corporate governance and acknowledges its responsibilities towards all its shareholders, employees, customers and regulatory authorities. The Company believes that a good corporate governance process aims to achieve a balance between the shareholders' interest and corporate goals of the Company. It aims to attain the highest levels of transparency, accountability and integrity to all its shareholders by implementing transparent corporate governance, thereby enhancing the value of the shareholders and their Company.

Accountability improves decision-making and transparency helps to explain rationale behind decision-making and reinforces the shareholders' confidence in the company.

### BOARD OF DIRECTORS

The Composition of the Board of Directors

The Board of the Company is comprised of Executive and Non-Executive Directors. As on March 31, 2018, the strength of the Board was Five Directors comprising of two Executive including the Chairman of the Company and three Non-Executive Directors. Sixty per cent of the Board is comprised of Independent Directors.

The details of the Board of Directors as on March 31, 2018 are given below:

Category	Name of the Directors	Number of Directors	Composition %	No. of Directorship's in other Companies	No. of Board Meetings of REL Held	No. of Board Meetings of REL Attended
<b>Executive Directors</b>		<b>2</b>	<b>40%</b>			
<b>Promoter Executive Chairman</b>	1. Mr. Rajesh Mehta			Rajesh Global Solutions Limited	07	07
<b>Managing Director</b>	2. Mr. Prashant Mehta			Rajesh Global Solutions Limited	07	07
<b>Independent &amp; Non-Executive Directors</b>		<b>3</b>	<b>60%</b>			
	1. Mr. Y Venu Madhava Reddy			Rajesh Global Solutions Limited	07	05
	2. Mr. G. Shanker Prasad			1.SME Development Center 2.Gopichand Rohra & Associates Pvt. Ltd	07	07
	3. Ms. Vijaya Lakshmi			Nil	07	07

The Company has not entered into any transactions with its Directors or relatives which would affect the interest of the Company at large.



## BOARD MEETINGS

During the year 2017-18, seven (7) board meetings were held as follows and the necessary quorum was present for all the meetings:

Sl. No.	1	2	3	4	5	6	7
Date	15.04.2017	26.05.2017	05.07.2017	11.08.2017	23.10.2017	13.11.2017	12.02.2018

## COMMITTEES OF DIRECTORS

The Board has constituted Committees of Directors to deal with matters which need quick decisions and timely monitoring of the activities falling within their terms of reference. The Board Committees are as follows.

### AUDIT COMMITTEE

The Audit Committee presently comprises of one Executive Director viz Mr. Rajesh Mehta, and two non-executive Directors viz Mr. G. Shanker Prasad and Mr. Y. Venu Madhava Reddy. During the year under review the Committee held four meetings.

The terms of reference of the Audit Committee are in accordance with Clause 18(i) and (ii) of Listing Regulations of the Stock Exchanges read with section 177 of the Act which inter-alia includes the following:

- Overseeing the Company's financial reporting process and to ensure correct, adequate and credible disclosure of financial information.
- Recommending the appointment and removal of external auditors and fixing their fees.
- Reviewing the annual financial statements, with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
- Reviewing the adequacy of the audit and compliance function, including their policies, procedures, techniques and other regulatory requirements.

The Audit Committee of the Company met four times during the year. (26.05.17, 11.08.17, 13.11.17 & 12.02.18)

Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Y. Venu Madhava Reddy	Chairman	Independent & Non-Executive Director	4	4
Mr. G Shanker Prasad	Member	Independent & Non-Executive Director	4	4
Mr. Rajesh Mehta	Member	Executive Chairman	4	4

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The **Stakeholders Relationship Committee** presently comprises of Mr. Y. Venu Madhava Reddy, Mr. G Shanker Prasad and Mr. Rajesh Mehta. The Committee approves and monitors transfers, transmissions, redressal, splitting and consolidation of shares issued by the Company and issue of duplicate share certificates. The Committee also monitors Redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet, dividends etc. and reviewing the share transfers executed by S.K.D.C. Consultants Ltd.

No. of investor complaints received during the year	: 0
No. of complaints resolved	: 0
No. of complaints pending	: 0

The Committee is chaired by Mr. Y. Venu Madhava Reddy, who is a non executive director. The Committee held four meetings during the year. (15.04.17, 05.07.17, 23.10.17 & 12.02.18)

## RAJESH EXPORTS LIMITED

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Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Y. Venu Madhava Reddy	Chairman	Independent & Non-Executive Director	4	4
Mr. G Shanker Prasad	Member	Independent & Non-Executive Director	4	4
Mr. Rajesh Mehta	Member	Executive Chairman	4	4

Mrs. Stuti Agrawal, Company Secretary is the Secretary to the Stakeholders Relationship Committee and the Compliance Officer of the Company.

During the financial year, there were no complaints from shareholders which were pending as on March 31, 2018.

### NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Reg. 19 of the Listing Regulations and Section 178 of the Act, the Board has re-constituted and renamed the Remuneration Committee as Nomination and Remuneration Committee and adopted new terms of reference.

The terms of reference for the Nomination and Remuneration Committee includes:

- To formulate a Nomination and Remuneration Policy on:
  - ❖ determining qualifications, positive attributes and independence of a director.
  - ❖ guiding remuneration of Directors, Key Managerial Personnel (“KMP”) and other employees and Board diversity.
- Recommend Nomination and Remuneration Policy to the Board.
- Identify candidates who are qualified to become Directors.
- Identify persons who are qualified to become Senior Management (Senior Management of the Company means employees of the Company who are Divisional Heads and Corporate Functional Heads).
- Recommend to the Board the appointment and removal of Directors and Senior Management.
- Lay down the process for evaluation of the performance of every Director on the Board.
- The Chairman of the Committee to attend the General Meeting to respond to the queries of shareholders.

During the period under review, the Nomination and Remuneration Committee met twice on October 23, 2017 and February 12, 2018. The Policy on Nomination, Remuneration and Evaluation of Directors and KMP is annexed herewith as Annexure VI.

Constitution of the Nomination and Remuneration Committee and attendance details during the financial year ended March 31, 2018 are given below:

Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Y. Venu Madhava Reddy	Chairman	Independent & Non-Executive Director	2	2
Mr. G Shanker Prasad	Member	Independent & Non-Executive Director	2	2
Ms. Vijaya Lakshmi	Member	Independent & Non-Executive Director	2	2
Mr. Rajesh Mehta	Member	Executive Chairman	2	2

### RISK MANAGEMENT COMMITTEE

Evaluation of Business Risk and managing the risk has always been an ongoing process in the Company. The Company has set up a robust risk management framework to identify, monitor and minimize risk

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and also to identify business opportunities. The Audit Committee also functions as the Risk Management Committee. The objectives and scope of the RMC committee comprises of an oversight of risk management performed by the executive management, review RMC policy and framework in line with local legal framework and SEBI guidelines and defining framework in identification, assessment, monitoring, mitigation and reporting risks.

During the financial year under review the RMC committee met one time on January 10, 2018.

Details of constitution and attendance details of the RMC Committee as on March 31, 2018 are given below:

Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Prashant Mehta	Chairman	Managing Director	1	1
Mr. Y. Venu Madhava Reddy	Member	Independent & Non-Executive Director	1	1
Ms. Vijaya Lakshmi	Member	Independent & Non-Executive Director	1	1

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Pursuant to Section 135 of the Act the Board constituted the CSR Committee. The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include:

- Formulate a CSR Policy which shall indicate activities to be undertaken by the Company.
- Recommend the CSR Policy to the Board.
- Recommend the amount of expenditure to be incurred on the activities.
- Monitor the Policy from time to time as per the CSR Policy.

During the financial year under review the CSR Committee met two times on November 13, 2017 and February 12, 2018.

Details of constitution and attendance details of the CSR Committee as on March 31, 2018 are given below:

Name of the Member	Status	Category	No. of Meetings held	No. of Meetings Attended
Mr. Rajesh Mehta	Chairman	Executive Chairman	2	2
Mr. Y. Venu Madhava Reddy	Member	Independent & Non-Executive Director	2	2
Mr. G Shanker Prasad	Member	Independent & Non-Executive Director	2	2

Annual Report on CSR activities which is a part of the Directors' Report detailing the CSR projects undertaken by the Company is annexed herewith as Annexure VII.

#### **INDEPENDENT DIRECTORS MEETING**

During the year under review, the Independent Directors met on 13.11.2017 *interalia*, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
2. Evaluation of the performance of Chairman of the Company taking into account, the views of Executive and Non Executive Directors.
3. Evaluation of the quality content and time lines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting. The terms and conditions of appointment of independent directors are disclosed in the website of the company.

# RAJESH EXPORTS LIMITED

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## REMUNERATION OF DIRECTORS

The Directors' remuneration includes consolidated remuneration paid to Mr. Rajesh Mehta, Executive Chairman, and Mr. Prashant Mehta, Managing Director, amounting to Rs. 2,39,976/- per annum. Independent and non executive directors do not receive any remuneration or sitting fees from the Company.

## ANNUAL GENERAL BODY MEETINGS

Details of Previous Annual General Meetings of the company held during last three years;

Last 3 AGM's	Date/Time of AGM	Venue
21st AGM	September 30, 2015 @ 11.30 A.M	Guru Raja Kalyana Mantap, Crescent Road, Bengaluru
22nd AGM	September 30, 2016 @ 12.00 Noon	Guru Raja Kalyana Mantap, Crescent Road, Bengaluru
23rd AGM	September 29, 2017 @ 12.00 Noon	Guru Raja Kalyana Mantap, Crescent Road, Bengaluru

No resolutions were passed through postal ballot during the last three financial years other than AGM.

## DISCLOSURE

*Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.*

These disclosures have been made under related party transactions in Note No. 25 to financial statements of the Company, which form part of annual report.

No penalties or strictures were imposed on the Company by any of the Stock Exchanges, Securities and Exchange Board of India or any statutory authority, on any matters related to capital market, during the last three years.

## MEANS OF COMMUNICATION

The Company's quarterly and half yearly un-audited results and audited annual results were published in the leading print media, both in regional language and English having nation-wide circulation and also through various information notices sent to Stock Exchanges about the latest developments in the Company. Our Company's web site i.e. [www.rajeshindia.com](http://www.rajeshindia.com) is regularly updated regarding the corporate actions undertaken by the Company.

## GENERAL SHAREHOLDER INFORMATION

**Annual General Meeting** : 29th September 2018, Saturday at 12.00 Noon  
at Guru Raja Kalyana Mantap, No 21, Crescent Road,  
Bengaluru - 560 001.

## INVESTOR HELP-DESK

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of our Registrars and Transfer Agents. For lodgment of transfer deeds and any other documents for any grievances / complaints kindly contact at the following address:-

### M/s. S.K.D.C. CONSULTANTS LIMITED

Kanapathy Towers, 3rd Floor ; 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006.  
Phone: 0422 - 4958995; 2539835-36 Fax: 0422-2539837. E-mail: [info@skdc-consultants.com](mailto:info@skdc-consultants.com).

The powers to approve share transfers and dematerialization requests have also been delegated to some of the executives of the company in order to avoid delays that may arise due to non-availability of the Members of the Stakeholders Relationship Committee.





Name of the Company Secretary and Compliance Officer: Mrs. Stuti Agrawal, Phone No: 080-42842151.  
E-mail: compsect@rajeshindia.com

No request for share transfers received up to 31st March 2018.

## FINANCIAL CALENDAR FOR THE YEAR 2017-18

### Financial Year April 1, 2017 to March 31, 2018

Board Meeting for considering audited accounts and recommendation of dividend for the year ended March 31, 2017	May 26, 2017
Board Meeting for considering Un-Audited Results for the First Quarter	August 11, 2017
Board Meeting for considering Un-Audited Results for the Second Quarter	November 13, 2017
Board Meeting for considering Un-Audited Results for the Third Quarter	February 12, 2018
Board Meeting for considering Audited Results for the financial year ended March 31, 2018 and recommendation of Dividend	May 30, 2018
Posting of Annual Reports	On/before September 05, 2018
Book Closure Date	September 22, 2018 to September 29, 2018
Date of Annual General Meeting	September 29, 2018
Probable date for dispatch of Dividend Warrants	Second week of October 2018

## LISTING ON STOCK EXCHANGES

National Stock Exchange of India Ltd. (Exchange Code: rajeshexpo)

Bombay Stock Exchange Ltd. (Exchange Code: 531500)

## MONTHLY HIGH AND LOW QUOTATION AND VOLUME OF SHARES TRADED FROM 01.04.2017 TO 31.03.2018

Period	Highest Quotation in Rs.		Lowest Quotation in Rs.		Volume of shares Traded		Turnover Rs. in Millions	
	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE
April, 2017	622.00	621.45	583.00	585.00	14650146	1365416	8913.17	826.68
May, 2017	660.00	661.00	613.00	615.55	17023250	1430784	10775.40	908.88
June, 2017	711.55	714.00	635.50	637.05	11107955	1212483	7421.82	811.11
July, 2017	725.50	725.50	657.35	658.00	7896419	1048010	5400.08	715.65
August, 2017	775.00	774.00	705.00	705.50	10848505	1356893	7891.10	989.48
September, 2017	825.00	824.00	730.60	731.15	10931964	1394844	8332.25	1062.96
October, 2017	865.00	858.15	781.20	781.00	4739509	958875	3870.81	781.19
November, 2017	794.00	800.00	749.05	750.10	3522132	1022770	2709.61	789.78
December, 2017	827.70	826.80	752.50	754.00	8967073	884450	7180.64	708.18
January, 2018	874.00	872.30	802.00	803.55	12053043	1139273	9951.50	941.18
February, 2018	845.00	843.35	685.75	684.10	4774178	1034827	3855.87	831.19
March, 2018	838.00	842.95	711.00	712.00	2508198	774090	1927.41	592.77

# RAJESH EXPORTS LIMITED

## DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2018

Value (in Rs.)	No. of share holders	%	Amount (Rs)	%
Up to 5,000	26774	98.98	3,454,490	1.17
5,001 to 10,000	83	0.31	607,490	0.21
10,001 to 20,000	47	0.17	681,021	0.23
20,001 to 30,000	16	0.06	410,982	0.14
30,001 to 40,000	15	0.06	520,198	0.18
40,001 to 50,000	13	0.05	591,282	0.20
50,001 to 1,00,000	29	0.11	2,160,653	0.73
1,00,001 and above	74	0.27	286,833,843	97.15
<b>TOTAL</b>	<b>27051</b>	<b>100</b>	<b>295,259,959</b>	<b>100</b>

## CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH 2018

Category	No of Shares	%
Indian Promoters	159,273,063	53.943
Foreign Institutional Investors	52,687,302	17.844
Private Corporate Bodies	1,013,408	0.343
Indian Public/Mutual Fund/ Financial Institutions etc	57,444,161	8.414
NRI's / OCB's	24,842,025	19.456
<b>TOTAL</b>	<b>295,259,959</b>	<b>100</b>

## DEMATERIALIZATION OF EQUITY SHARES

The Company's shares are under compulsory dematerialization list and can be transferred only through depository system. The Company has entered into tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the dematerialization of shares. As on 31.03.2018, 99.88% shares of the Company were in electronic form.

	No. of shares	% of holding
No of shares held in CDSL	4,199,920	1.422
No of shares held in NSDL	290,697,267	98.455
Total No. of shares held in DE-Mat form	294,897,187	99.877
No. of shares held in Physical form	362,772	0.123
<b>GRAND TOTAL</b>	<b>295,259,959</b>	<b>100</b>

## CODE OF CONDUCT

Declaration by the Managing Director under Reg. 26 of the Listing Regulations regarding compliance with Code of Conduct in accordance with Reg. 26 of the Listing Regulations with the Stock Exchanges.

I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2018.

Place: Bengaluru  
Date : May 30, 2018

**PRASHANTH MEHTA**  
Managing Director



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## CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To  
The Board of Directors  
Rajesh Exports Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Rajesh Exports Limited ("the Company"), to the best of our knowledge and belief certify that:

- a. We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31st March, 2018 and based on our knowledge and belief, we state that :
  - i. These statements do not contain any materially untrue statements 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. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls.
- e. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
  - i. that there are no significant changes in internal control over financial reporting during the year;
  - ii. that there are no significant changes in accounting policies during the year; and
  - iii. that there are no instances of significant fraud of which we have become aware

Place: Bengaluru  
Date: May 30, 2018

**VIJENDRA RAO**  
*Chief Financial Officer*

**PRASHANT MEHTA**  
*Managing Director*  
DIN- 00336417

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## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,  
**M/s. RAJESH EXPORTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by Rajesh Exports Limited ("the Company") for the year ended on 31st March 2018, as stipulated in Reg. 27 of the Listing Regulations of the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Reg. 27 of the above-mentioned Listing Regulations.

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.

Place : Bengaluru  
Date : May 30, 2018

For **M/S P. V. RAMANA REDDY & CO.**  
*Chartered Accountants*  
Firm Regn. No. 0071565  
Sd/-  
**(P. V. Ramana Reddy)**  
*Proprietor*  
Mem No 204588

## NOMINATION AND REMUNERATION POLICY

**Introduction :** This Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors. Details of the Committee and of the Policy are as under:

**Objectives of the Committee:** The Committee shall:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal vide Section 178 of Companies Act, 2013
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees vide Section 178 of Companies Act, 2013.

**Applicability:-** The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

**General Appointment Criteria:**

- i. The Company is required to appoint a MD/Manager/CEO and in their absence a WTD as one of the KMPs. The Company is also required to appoint a Company Secretary and a Chief Financial Officer. The Company may also appoint a Chief Executive Officer who may or may not be a Director.
- ii. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- iii. The Company shall ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Regulations or any other enactment for the time being in force.
- iv. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Regulations or any other enactment for the time being in force.
- v. The appointees in various designations shall be qualified for the post.
- vi. Letters of Appointment - Each Director/KMP/Senior Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

**Additional Criteria for Appointment of Independent Directors:**

The Committee shall consider qualifications and appointment for Independent Directors as per the provisions of Clause 19 (1) and (2) of the Listing Regulations and the Companies Act, 2013.

**Remuneration:** The Committee will recommend the remuneration to be paid to the Managing Director, Whole-Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and



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meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay wherever considered reasonable, reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Payment of bonus, contribution to Provident and other Funds, ESI etc. shall be in accordance with the regulations.

**Constitution of the Nomination and Remuneration Committee:** The Board has the power to constitute/reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee has been constituted by the Board of Directors.

**Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc. or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

**Deviations and Changes to the Policy:** The Board may vary the above policy on need basis in accordance with the applicable laws in force. The Remuneration Committee may review the above policy from time to time to cope with the changed scenario and manpower requirements and suggest suitable changes on its own or at the request of the Board.

For and on behalf of the Board

Sd/-

Place : Bengaluru  
Date : May 30, 2018

**RAJESH MEHTA**  
*Chairman*  
DIN : 00336457

**PRASHANT MEHTA**  
*Managing Director*  
DIN : 00336417

# RAJESH EXPORTS LIMITED

Annexure VII

## CORPORATE SOCIAL RESPONSIBILITY REPORT

1. A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken is available on the Company's website.

The Company will take up community and socially focused activities, with particular emphasis on the following activities, hereinafter referred to as "CSR activities":

- i. Promoting preventive and general health care, sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and provision of safe drinking water.
- ii. Promoting education by providing financial assistance to deserving educational institutions, meritorious students, including special education and employment enhancing vocation skills especially among children, women elderly and differently abled, promoting livelihood enhancement projects and road safety projects with special emphasis on training programmes.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes day care center and such other facilities for senior citizens.
- iv. Ensuring environmental sustain-ability, ecological balance, protection of Flora and Fauna, animal welfare, agroforestry conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of the Ganga.
- v. Protection of National heritage, art and culture, including restoration of building and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.
- vi. Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- vii. Contributing to rural development projects; and
- viii. Such other activities and projects covered in Schedule VII to the Companies Act, 2013 and notifications made by the Ministry from time to time.

### 2. Composition of the CSR Committee as on 31st March 2018

Sl No.	Name of Member	Status	Category
1	Mr. Rajesh Mehta	Chairman	Executive Chairman
2	Mr. G. Shanker Prasad	Member	Independent Director
3	Mr. Y V Madhva Reddy	Member	Independent Director

### 3. Average net profit of the Company on standalone basis for last three financial years u/s 135 of Companies Act 2013

Particulars	Rs. in lakhs
Net Profit for the year 2014-15	33,281.89
Net Profit for the year 2015-16	51,005.08
Net Profit for the year 2016-17	48,605.63
Average Net Profit	44,297.53

### 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)

2% on the Average Net Profits as stated above shall amount to Rs. 885.95 lakhs



## 5. Details of CSR Expenditure in FY 2017-18

Total amount spent in the Financial Year 2017-18 is Rs. 69.21 lakhs

## 6. Details of the Amounts Spent on CSR Projects during the Financial Year 2017-18

S.No.	CSR Project or activity identified	Sector in which the project is covered	Product or Programme (i) Local Area (ii) Specify state	Amount Outlay (Budget) or programme wise	Amount Spent on the projects or programme	Amount Spent directly or through Agency
1	Health	Health Care	Local Area	531.57 lakhs	52.10 lakhs	Directly
2.	Social	Social	Local Area	354.38 lakhs	17.11 lakhs	Directly

## 7. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The average Net Profit of the Company on a standalone basis during the last three Financial Years amounts to Rs.44,297.53 lakhs and 2% of such average Net Profit works out to Rs. 885.95 lakhs which is the amount of CSR expenditure the Company was required to incur during the Financial Year 2017-18. As against this, the total amount spent by the Company on CSR Projects during FY 2017-18 was Rs.69.21 lakhs. The reasons for the shortfall in CSR expenditure is primarily that the Company did not get adequate number of eligible projects.

## 8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Place: Bengaluru  
Date: May 30, 2018

**RAJESH MEHTA**  
Chairman, CSR Committee

# RAJESH EXPORTS LIMITED

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Annexure VIII

## BUSINESS RESPONSIBILITY REPORT

*(As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.*

### Introduction

Our objective is to firmly establish ourselves as a global leader in the value chain of Gold. Currently in terms of revenues REL is the largest gold company in the world. REL is the only company which is fully integrated across the value chain of gold. REL has nurtured a team of professionals who are specialized in the relevant vertical of gold business. REL has built the required infrastructure and developed practices and systems to emerge as a global leader in gold business in terms of quality, innovation, revenues and profits.

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN):** L36911KA1995PLC017077
- Name of the Company:** Rajesh Exports Limited
- Registered address:** #4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru-560001
- Website:** www.rajeshindia.com
- E-mail id:** corpcomm@rajeshindia.com
- Financial Year reported:** 2017-18
- Sector(s) that the Company is engaged in (industrial activity code-wise)**  
Manufacturer of Gold and Gold Products. National Industrial Classification (NIC) Code: 321
- Three key products/services manufactured (as in balance sheet):**
  - Gold Products
- Total number of locations where business activity is undertaken:**  
Business activities of REL are spread across multiple locations in India and other parts of the world.
- Markets served by the Company:**  
REL serves markets across the world mainly in Europe, Asia, North America and Australia.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital :** Rs. 29.52 Crores
- Total Turnover :** Rs. 1,876,861.04 million
- Total profit after taxes :** Rs. 12,657.87 million
- Total spending on Corporate Social Responsibility (CSR) as percentage of PAT:** Rs. 6.92 million which is 0.16% of the Standalone PAT
- List of activities in which expenditure has been incurred:
  - Health Care
  - Social





## SECTION C : OTHER DETAILS

1. Does the Company have any subsidiary company/ companies?

Yes.

2. Do the subsidiary company/companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

Each subsidiary company has its own BR initiative in its respective area of operations.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [>30%, 30-60%, < 60%]

No.

## SECTION D : BR INFORMATION

1. a. Details of Director/Directors responsible for BR implementation of the BR policy/policies

- i. Name : Mr. Prashant Mehta
- ii. DIN Number : 00336417
- iii. Designation : Managing Director
- iv. Telephone Number : 080-42842112
- v. E-mail id : md@rajeshindia.com

b. Details of BR head

- i. Name : Mr. T.D. Joseph
- ii. Designation : BR Head
- iii. Telephone Number : 080-42842150
- iv. E-mail id : compsect@rajeshindia.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

<b>P1</b>	Business should conduct and govern themselves with Ethics, Transparency and Accountability
<b>P2</b>	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
<b>P3</b>	Businesses should promote the well-being of all employees
<b>P4</b>	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
<b>P5</b>	Businesses should respect and promote human rights
<b>P6</b>	Business should respect, protect and make efforts to restore the environment
<b>P7</b>	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
<b>P8</b>	Businesses should support inclusive growth and equitable development
<b>P9</b>	Businesses should engage with and provide value to their customers and consumers in a responsible manner

# RAJESH EXPORTS LIMITED

	Principle Wise Policies	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international conventions and are they captured in the policies standards? If yes, specify? (50 words)	The spirit and intent of the policies is to ensure that all applicable national and international laws as well as international conventions are captured in the policies.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	<a href="http://www.rajeshindia.com/corporate-governance">http://www.rajeshindia.com/corporate-governance</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

### 3. Governance related to BR

- i. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within three months, 3-6 months, annually, more than 1 year:

Quarterly

- ii. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Corporate Sustainability Report for Rajesh Exports is published annually and uploaded on its website.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1 - Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? (Yes/No). Does it extend to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/Others?

Yes. The policy extends to the whole Group.



2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved? If so, provide details thereof, in about 50 words or so.**

No complaint has been received in the past financial year.

**Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- **Non cadmium jewellery:** We have developed laser soldered jewellery which ensures that the jewellery is free from cadmium soldering. Removing the usage of cadmium has resulted in better environment and better health of the workers working on the jewellery.

- **No Making Charges No Wastage:** We have introduced Real Rate Per Gram to retail consumers by which we are not charging Wastage and Making Charges to the consumers, which is ensuring the demolition of the age old practice wherein the consumers were made to pay for non existent costs like wastage and making charges. This has ensured a saving of 10 to 15% to the retail consumer.

- **Exact 22 Cts purity:** We have introduced gold jewellery of exact 22 Cts purity even upon melting the jewellery. Each one of the pieces of our jewellery is hall marked as per BIS standards, which ensures that the consumers get the correct purity of gold which they are buying. This has ensured that the customers do not pay for 22 Cts and get inferior quality.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

- i. **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

All the three products which have been mentioned above have resulted in savings to the consumers, better working environment for the workers and have negated the harmful effect of cadmium on the environment. It is not feasible to measure the reduction of resource use in these products.

- ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Our products are gold products which are for consumer usage and investment hence there is no usage of energy or water by the consumers in our products.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof.**

Yes. 100% of the inputs were sourced sustainably.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes. Other than the basic raw material (Gold) REL procures a large part of its requirements of goods and services from local and small producers. We constantly advice and guide the local and small producers for improving their capacity and capability.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.**

We do not produce any significant waste and all our products are recyclable because they are gold products.

# RAJESH EXPORTS LIMITED

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## **Principle 3 - Businesses should promote the well-being of all employees**

1. **Total number of employees:** 383
2. **Total number of employees hired on temporary/ contractual/casual basis:** NIL
3. **Number of permanent women employees:** 25
4. **Number of permanent employees with disabilities:** NIL
5. **Do you have an employee association that is recognised by management?**  
No.
6. **What percentage of your permanent employees is members of this recognised employee association?**  
N.A
7. **Please indicate the number of complaints relating to:**
  - (i) Child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year; (ii) Sexual harassment; (iii) Discriminatory employment.  
No complaints with regard to the above mentioned categories were reported in Financial Year 2017-18
8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**  
100% of our employees have been given safety training and 100% of our employees are given skill development training in their respective fields.

## **Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised**

1. **Has the Company mapped its internal and external stakeholders?**  
Yes.
2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?**  
Yes.
3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**  
We have provided residential facilities to all our employees who do not have their residential facility. We have ensured good education to the children of our marginalized employees and we have provided medical facilities to our marginalized employees and their children. We have also provided free canteen facility to all our employees.

## **Principle 5 - Businesses should respect and promote human rights**

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**  
Policy extends to all suppliers/contractors while their provisions also being applicable to other business partners.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved?**  
There have been no stake holder complaints received in this category during the past financial year.



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**Principle 6 - Business should respect, protect and make efforts to restore the environment**

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

Policy extends to all suppliers/contractors while their provisions also being applicable to other business partners.

2. **Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

No.

3. **Does the Company identify and assess potential environmental risks?**

Yes.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, is any environmental compliance report filed?**

None of our activities damage the environment most of our activities are environment friendly.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.**

No. Our activities use minimum energy and they are environment friendly.

6. **Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.**

NIL

**Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. **Is your Company a member of any trade and chamber or association? If Yes, name only those major ones that your business deals with.**

Yes. REL is a part of:

- i. The Jewellers Association Bangalore (JAB)
- ii. Federation of Karnataka Chamber of Commerce and Industries (FKCCI)
- iii. Federation of Indian Export Organisation (FIEO)
- iv. Export Promotion Council for EOU's and SEZ's (EPCES)
- v. India Bullion and Jewellers Association Limited (IBJA)

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No. If yes specify the broad areas.**

Yes. The broad areas were:

- Governance and Administration
- Economic Reforms
- Inclusive Development Policies
- Energy Security
- Sustainable Business Principles

# RAJESH EXPORTS LIMITED

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## Principle 8 - Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

Yes. REL focusses on responsible business practices with community centric interventions.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?**

The programmes are undertaken through in house teams.

3. **Have you done any impact assessment of your initiative?**

No.

4. **What is your Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

REL direct contribution to community development is Rs. 69.21 lakhs.

This amount was spent under the broad categories of:

- a) Health Care
- b) Social

5. **Have you taken steps to ensure that the community successfully adopts this community development initiative? Please explain in 50 words, or so.**

We have put in our efforts to provide these facilities to the respective community, the adoption of these measures is taken care of by the respective institutions to whom we have provided the funds.

## Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**

NIL

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

Not Applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

There is no case against REL during last five years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

Yes weekly consumer satisfaction trends are recorded and changes are effectively made if required.

For and on behalf of the Board

Sd/-

**RAJESH MEHTA**

*Chairman*

Place : Bengaluru

Date : May 30, 2018



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## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
**M/S. RAJESH EXPORTS LIMITED**

### **Report on standalone Indian Accounting Standard (Ind AS) Financial Statement**

1. We have audited the accompanying standalone financial statements of Rajesh Exports Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Standalone Ind AS Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement. We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the company's Director, as well as evaluating the overall presentation of the standalone Ind AS Financial Statements.
7. We believe that the audit evidences we have obtained is sufficient and appropriate to provide as a basis for our audit opinion on the standalone Ind AS Financial Statement.

#### **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, of the state of affairs of the company as at March 31st 2018, and its total comprehensive income (Comprising of profit and other Comprehensive income), its Cash flow and the Change of equity for the year ended on that date.

#### **Other matters**

9. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by the previous firm of chartered accountants who, vide their report dated May 26, 2017, expressed a opinion on those financial statements.

#### **Reporting on other legal and regulatory requirement**

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

# RAJESH EXPORTS LIMITED

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11. As required by Section 143(3) of the Act ,We report that :
- a) We have sought and obtained all the information and explanation which to 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 it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, aforesaid standalone Ind AS Financial statement complies with Indian accounting statement specified under section 133 of the Act.
  - e) On basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us
    - I. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its standalone Ind AS financial statements. (Refer Note No. 25)
    - II. Company did not have any derivative contracts as at March 31st 2018
    - III. The unpaid dividend amount to be transferred to investor education and protection fund for the year 2009-10 has been paid later than the required date of payment. (Refer Note No. 25)
    - IV. Reporting on Disclosures relating to specified bank notes not applicable to the company for the year ended March 31, 2018

For **P V RAMANA REDDY & CO**  
*Chartered Accountants*  
Firm Regn. No. 007156S  
Sd/-  
**(P V RAMANA REDDY)**  
*Proprietor*  
M.No. 204588

Place : Bengaluru  
Date : May 30, 2018

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

**Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Rajesh Exports Limited on the standalone financial statements for the year ended March 31, 2018**  
**Reports of the Internal Financial controls under Clause (i) of sub section 3 of section 143 of the Act**

- 1. We have audited the internal financial controls over financial reporting of Rajesh Exports Limited (the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statement of the company for the year ended on the date.**

### **Management's Responsibility for Internal Financial Controls:**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor Responsibility:**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, applicable to an audit of internal financial controls and both issued by the





ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Rajesh Exports Limited on the standalone financial statements for the year ended March 31, 2018

#### **Meaning of Internal Financial Controls Over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitation of the Internal Financial Controls over the financial statement:**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and may not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion :**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P V RAMANA REDDY & CO**  
*Chartered Accountants*  
Firm Regn. No. 007156S  
Sd/-  
**(P V RAMANA REDDY)**  
*Proprietor*  
M.No. 204588

Place : Bengaluru  
Date : May 30, 2018

# RAJESH EXPORTS LIMITED

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Rajesh Exports Limited on the standalone financial statements as of and for the year ended March 31, 2018

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.  
(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.  
(c) The title deeds of immovable properties, as disclosed in Note 2 on fixed assets to the financial statements, are held in the name of the Company
2. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the Company.
4. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company
5. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
7. i. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax and value added tax, GST which have not been deposited on account of any dispute. The particulars of dues of income tax, duty of customs and duty of excise as at March 31, 2018 which have not been deposited on account of a dispute, are as follows

Name of the Statute	Nature of the due	Disputed amount Rs. in lakhs	Period to which the amount	Forum where dispute is pending relates
ESI of Karnataka	ESI	89.27	2000-03	The Appeals Authority ESI, Karnataka
ESI of Karnataka	ESI	37.78	2006-07	The Appeals Authority ESI, Karnataka
Service Tax	Service Tax	367.25	2006-07	The Appellate Tribunal Service tax

8. According to records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
9. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.



10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014/ Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **P V RAMANA REDDY & CO**

*Chartered Accountants*

Firm Regn. No. 007156S

Sd/-

**(P V RAMANA REDDY)**

*Proprietor*

M.No. 204588

Place : Bengaluru

Date : May 30, 2018

# RAJESH EXPORTS LIMITED

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

(Rs. in lakhs)

	Note No	As on 31.03.2018	As on 31.03.2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant & equipment			
(i) Tangible Assets	2	6,527.97	6,643.50
(ii) Intangible Assets	2	0.34	0.34
(iii) Capital Work-in-Progress	2	186.40	122.04
Non-Current Investments	3	71,953.48	73,151.62
Long - Term Loans and Advances	4	191,872.03	191,931.76
<b>Current Assets</b>			
Inventories	5	105,084.15	53,172.45
Trade Receivables	6	159,690.91	334,480.13
Cash and Cash Equivalents	7	1,362,599.26	1,377,408.96
Short- Term Loans and Advances	8	43,177.44	34,371.99
Other Current Assets	9	51,846.28	48,618.18
<b>TOTAL</b>		<b>1,992,938.26</b>	<b>2,119,900.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	10	2,952.60	2,952.60
Reserves and Surplus	11	412,070.28	371,199.77
<b>Non-Current Liabilities</b>			
Other Long Term Liabilities	12	645.00	663.00
Deferred tax liabilities (net)	13	461.67	462.69
Long Term Provisions	14	58.93	48.72
<b>Current Liabilities</b>			
Short Term Borrowings	15	859,454.59	543,493.01
Trade Payables	16	710,248.01	1,197,553.40
Other Current Liabilities	17	2,324.43	1,562.10
Short - Term Provisions	18	4,722.75	1,965.68
<b>TOTAL</b>		<b>1,992,938.26</b>	<b>2,119,900.97</b>

Company Information and significant accounting Policies 1

Accompanying notes are an integral part of these financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

(**CA. P V RAMANA REDDY**)  
Proprietor  
M.No. 204588



## STATEMENT OF STANDALONE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in lakhs)

	Note No	As on 31.03.2018	As on 31.03.2017
<b>REVENUE FROM OPERATIONS</b>			
Revenue from Operations	19	3,366,046.34	4,494,773.47
Other Income	20	3,825.43	4,367.19
<b>TOTAL REVENUE</b>		<b>3,369,871.77</b>	<b>4,499,140.66</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	3,273,107.20	4,410,637.66
Employee Benefit Expenses	22	619.13	661.43
Selling, Administrative and Other Expenses	23	4,072.75	3,943.27
Finance Costs	24	43,083.39	35,107.82
Depreciation and Amortization Expenses	2	149.19	184.85
<b>TOTAL EXPENSES</b>		<b>3,321,031.66</b>	<b>4,450,535.03</b>
<b>Profit / (Loss) before extraordinary &amp; exceptional items</b>		<b>48,840.11</b>	<b>48,605.63</b>
Extraordinary items - gain / (loss)		-	-
Exceptional items - gain / (loss)		-	-
<b>Profit Before Tax - PBT</b>		<b>48,840.11</b>	<b>48,605.63</b>
<b>Tax expense:</b>			
Current tax expense for current year		4,722.75	1,926.62
Deferred tax expense / (income)		(1.02)	544.92
<b>PROFIT FOR THE YEAR</b>		<b>44,118.38</b>	<b>46,134.09</b>
<b>Earning Per Share (Re. 1 Per Share for Each)</b>			
Basic		14.94	15.62
Diluted		14.94	15.62

Company Information and significant accounting Policies 1

Accompanying notes are an integral part of these financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

(**CA. P V RAMANA REDDY**)  
Proprietor  
M.No. 204588

# RAJESH EXPORTS LIMITED

## STANDALONE CASH FLOW STATEMENT

(Rs. in lakhs)

	2017-2018	2016-2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	<b>48,840.11</b>	48,605.63
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	149.19	184.85
Net (gain) / loss on sale of investments	-	-
(Profit)/Loss on fixed assets sold, scrapped, etc. (net)	-	-
Interest income	-	-
Dividend income	-	-
Bad debts/advances written off & provision made	-	-
Interest expense	-	-
Finance cost	43,083.39	35,107.82
Rent received	(9.23)	(8.17)
Profit on sale of Fixed assets	-	-
	<b>43,223.35</b>	35,284.50
<b>Cash Generated from operations before working capital changes</b>	<b>92,063.46</b>	83,890.13
<i>Adjustments for:</i>		
(Increase)/Decrease in Inventories	(51,911.70)	(13,266.54)
Adjustments for Decrease/(increase) in Trade and - other receivables including Loans & Advances	170,562.08	31,965.46
Increase/(Decrease) in Current - Non Current Liabilities & Provisions	(488,516.53)	65,930.41
	<b>(369,866.15)</b>	84,629.33
<b>Cash generated from operations</b>	<b>(277,802.70)</b>	168,519.46
Taxes paid (net of refunds)	(7,746.66)	(8,900.19)
<b>Net cash generated from operating activities - [A]</b>	<b>(285,549.36)</b>	159,619.27
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(98.02)	(126.22)
Sale proceeds of Fixed Assets	-	0.65
(DECREASE IN FIXED ASSETS)	-	-
(Purchase)/ Sale proceeds of Investments	1,198.13	(9,543.16)
Rent received	9.23	8.17
<b>Net cash generated/(used in) from investing activities-[B]</b>	<b>1,109.34</b>	(9,660.56)
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in Secured Loan	316,278.61	97,636.02
Increase/(Decrease) in Unsecured Loan	(317.03)	(316.93)
Interest paid	(43,083.39)	(35,107.82)
Dividends paid	(3,247.87)	-
<b>Net cash used in financing activities - [C]</b>	<b>269,630.32</b>	62,211.27
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	(14,809.70)	212,169.98
Cash and cash equivalents at the beginning of the year	1,377,408.96	1,165,238.98
Cash and cash equivalents at the end of the year	1,362,599.26	1,377,408.96
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	57.60	2.93
Balances with banks:		
In current accounts	318.81	5,669.86
Earmarked Balances with banks	55.17	44.44
Term deposits with original maturity of More than three months	1,362,167.68	1,371,691.73
	<b>1,362,599.26</b>	1,377,408.96

Notes:

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7, "Cash Flow Statements"
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S

Sd/-

(**CA. P V RAMANA REDDY**)

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

Proprietor  
M.No. 204588



## STATEMENT IN CHANGE OF EQUITY

(Rs. in lakhs)

Amount

### a Equity share capital

Equity share of Rs. 1 each, issued, subscribed and paid up capital	2,952.60
<b>Balance as at 1 April 2016</b>	<b>2,952.60</b>
Changes in equity share capital during the year 2016-17	nil
<b>Balance as at 31 March 2017</b>	<b>2,952.60</b>
Changes in equity share capital during the year 2017-18	nil
<b>Balance as at 31 March 2018</b>	<b>2,952.60</b>

### b Other Equity

For the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Reserves and Surplus		Security Premium	Other comprehensive Income Fair value of equity instruments	Total equity attributable to the company
	General Reserve	Retained Earnings			
Balance as at 1 April 2017	143,500.00	163,206.82	64,492.95	0	371,199.77
Profit during the year	-	44,118.38	-	0	44,118.38
Other comprehensive income during the year	-	-	-	0	-
Dividend expense	-	(3,247.87)	-	0	(3,247.87)
Corporate dividend tax	-	-	-	0	-
Realised profits of equity instruments measured at FVOCI	-	-	-	-	-
<b>Balance as at 31 March 2018</b>	<b>143,500.00</b>	<b>204,077.32</b>	<b>64,492.95</b>	<b>0</b>	<b>412070.28</b>

For the year ended 31 March 2017

(Rs. in lakhs)

Particulars	Reserves and Surplus		Security Premium	Other comprehensive Income Fair value of equity instruments	Total equity attributable to the company
	General Reserve	Retained Earnings			
Balance as at 1 April 2016	1,368.00	123,772.73	64,492.95	0	325,065.68
Profit during the year	0.00	46134.09	0	0	46,134.09
Other comprehensive income during the year	0	0	0	0	-
Transfer to general reserve	6,700.00	(6,700.00)	0	0	-
<b>Balance as at 31 March 2017</b>	<b>143,500.00</b>	<b>163,206.82</b>	<b>64,492.95</b>	<b>0</b>	<b>371,199.77</b>

Significant accounting policies

The notes referred to above form an integral part of these standalone financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-  
**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588

Place: Bengaluru  
Date : May 30, 2018

# RAJESH EXPORTS LIMITED

Note No.	
1	<p><b>The Company Information and significant accounting Polices</b></p> <p><b>i. Reporting Entity:</b></p> <p>1. Rajesh Export Limited (REL) with registered office at #4, Batavia Chambers, Kumara Krupa Road, Kumara park East, Bengaluru-560 001 is an Indian public company limited by shares incorporated under the provisions of The Companies Act 1956. The Company's shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). REL is in the business of gold refining, gold jewellery and various gold products manufacturing, gold jewellery and gold products exports, wholesale and retail. REL is a seamlessly integrated company across the value chain of gold from mining to retailing. REL retails its products through its own retail showrooms under the brand name of "SHUBH Jewellers". REL has setup various manufacturing facilities in India and other countries.</p> <p><b>ii. Basis of Preparation</b></p> <p><b>A. Statement of Compliances</b></p> <p>The standalone financial Statements are prepared on accrual basis of accounting except for the statement of cash flows and comply with the Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards ) Rules 2015 and subsequent Amendments thereto, The companies Act 2013( to the extent notified and applicable), other relevant provisions of the Act and Guidelines issued by the Security Exchange Board of India (SEBI).</p> <p><b>B. Basis of Measurement:</b></p> <p>The Financial statement have been prepared on a historical cost basis except</p> <ul style="list-style-type: none"> <li>• Defined benefit plan - plan assets measured at fair value.</li> <li>• Certain Financial Assets and Liabilities measured at fair market value</li> </ul> <p><b>C. Functional and Presentation Currency</b></p> <p>The Financial statements are presented in Indian Rupees (INR), which is the company's functional currency . All financial information presented in INR has been rounded off to the nearest in Lakhs</p> <p><b>D. Use of Estimate and Judgments</b></p> <p>In preparing these financial statements, management has made judgments, estimates and assumptions, and reported certain items. Actual results may differ from these estimates.</p> <p>Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.</p> <p><b>Judgments</b></p> <p>Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:</p> <p>Note : 2 :- Lease Classification</p> <p><b>Assumption and Estimation Uncertainties</b></p> <p>Information about assumptions and estimation uncertainties that have a risk significant of resulting in material adjustments in the year ended 31st March 2018 is included in following notes:</p> <ul style="list-style-type: none"> <li>• Note 1 and 2 : Depreciation and amortization method and useful life of items of properties, Plant &amp; Equipments and Investment properties</li> <li>• Note 1 &amp; 22 : Measurement of defined benefit obligations : Key actuarial assumptions</li> <li>• Note 1, 18 &amp; 25 : Reorganization and measurement of provisions and contingencies : Key assumptions about the likelihood and magnitude of an outflow of resources.</li> </ul>





Note No.																																		
1	<p><b>E. Measurement of Fair Value</b></p> <p>Some of the company's accounting policies and disclosures required the measurement of fair values, for both financial and Non financial assets and liabilities</p> <p>The Company uses valuation techniques that are appropriate in the circumstances and for which significant data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.</p> <p><b>iii. Significant accounting Policies:</b></p> <p><b>a) Property, Plant and Equipments</b></p> <p><b>Reorganization and Measurement</b></p> <p>Fixed assets are stated at historical cost less accumulated depreciation and impairment loss if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and includes financing cost if any, relating to borrowed funds attributable to construction or acquisition of fixed assets, up to the date when the asset is ready for intended use, any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure on fixed assets after its purchase/ completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Intangible assets are stated at cost less accumulated amortization and impairment.</p> <p>Intangible assets are amortized over their respective individual estimated useful life on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence, demand, competition and other economic factors, and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful life are reviewed periodically including at each financial year end. Expenditure on research and development eligible for capitalization is carried as intangible assets under development where such assets are not yet ready for their intended use.</p> <p><b>Work in Progress</b></p> <p>Cost of fixed assets not ready for use before the balance sheet date is disclosed under capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.</p> <p><b>Depreciation :</b></p> <p>The Company has provided depreciation on straight line method over the useful lives of the assets estimated by the management as per Schedule II of the Companies Act, 2013. Depreciation on additions or extensions to existing assets is provided so as to co-terminate with the life of the original asset if it becomes internal part of the existing asset or on the useful life of the asset if it is capable of independent use.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Asset</th> <th style="text-align: center;">Management Estimate of useful life</th> <th style="text-align: center;">Useful life as per Schedule II</th> </tr> </thead> <tbody> <tr> <td>Building</td> <td style="text-align: center;">30-60 years</td> <td style="text-align: center;">30-60 years</td> </tr> <tr> <td>Plant and Machinery</td> <td style="text-align: center;">15 years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Generator</td> <td style="text-align: center;">15 Years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Furniture and Fixtures</td> <td style="text-align: center;">10 Years</td> <td style="text-align: center;">10 Years</td> </tr> <tr> <td>Office Equipment</td> <td style="text-align: center;">05 Years</td> <td style="text-align: center;">05 Years</td> </tr> <tr> <td>Weighing Scale</td> <td style="text-align: center;">15 years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Borewell</td> <td style="text-align: center;">30-60 years</td> <td style="text-align: center;">30-60 years</td> </tr> <tr> <td>Technical Knowhow</td> <td style="text-align: center;">8 Years</td> <td style="text-align: center;">8 Years</td> </tr> <tr> <td>Motor Vehicles</td> <td style="text-align: center;">8 Years</td> <td style="text-align: center;">8 Years</td> </tr> <tr> <td>Lease hold land</td> <td style="text-align: center;">Lease Term</td> <td style="text-align: center;">Lease Term</td> </tr> </tbody> </table> <p>Depreciation on additions(disposals ) provided on prorata basis, i.e from (up to) the date on which asset is ready for use (Disposed of)</p>	Asset	Management Estimate of useful life	Useful life as per Schedule II	Building	30-60 years	30-60 years	Plant and Machinery	15 years	15 years	Generator	15 Years	15 years	Furniture and Fixtures	10 Years	10 Years	Office Equipment	05 Years	05 Years	Weighing Scale	15 years	15 years	Borewell	30-60 years	30-60 years	Technical Knowhow	8 Years	8 Years	Motor Vehicles	8 Years	8 Years	Lease hold land	Lease Term	Lease Term
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# RAJESH EXPORTS LIMITED

Note No.	
1	<p><b>b) Investment Property</b></p> <p>Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of the business, use in the production or supply of goods or services or for administrative purposes. Upon initial reorganization, investment property is measured at cost. Subsequent to initial reorganization, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.</p> <p><b>c) Impairment of Assets</b></p> <p>Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.</p> <p><b>iv. Inventories</b></p> <p>Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost, calculated on weighted average basis, and net realizable value. Cost of raw materials and stores comprise of cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Items held for use in the production of inventory are not written below cost if the finished product in which these will be incorporated are expected to be sold at or above cost.</p> <p><b>v. Revenue Recognition</b></p> <p>Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, sales tax, value added taxes, Goods &amp; Service Tax (GST) and amounts collected on behalf of third parties.</p> <p><b>a) Revenue from sale of Goods</b></p> <p>Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, revenue can be measured reliably, the cost incurred can be measured reliably.</p> <p><b>b) Dividend Income</b></p> <p>Dividend income on investments is accounted for when the right to receive the payment is established, which is generally when shareholders approve the dividend.</p> <p><b>c) Interest Income</b></p> <p>For all financial instruments measured at amortised cost, interest income is recognized using the effective interest rate (EIR), which is the rate that exactly discounts the</p>



Note No.	
1	<p>estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in Other Income in the Statement of Profit and Loss.</p> <p><b>vi. Leases</b></p> <p>At inception of an arrangement, company determines whether the arrangement is or contains a lease</p> <p><b>1. Assets Held under lease</b></p> <p>The assets held under lease don't transfer the company sustainably all risks and rewards of ownership (Operating Lease) are not considered in company's balance sheet.</p> <p><b>2. Lease Payments</b></p> <p>Payments made under operating leases are generally recognized in profit or loss on straight line basis over the term of lease. Minimum lease payment made under financial leases are apportioned between finance charge and deduction of the outstanding liability.</p> <p><b>3. Lease Income</b></p> <p>Lease income from operating leases where the group is a lessor is recognized in income on actual basis over the lease term. Since the lease receipts are in line with general inflation rate.</p> <p><b>vii. Financial Instruments</b></p> <p><b>a) Financial Assets :</b></p> <p><b>Recognition and Measurement:</b></p> <p>Trade Receivables and debt securities issued are initially recognized when they originate. All other financial assets and financial liabilities are initially recognized when the company becomes the party to the contractual provisions of the instruments.</p> <p><b>b) Financial Liabilities :</b></p> <p>Recognition and Measurement</p> <p>Financial Liabilities initially recognized at fair value less transaction cost, that are directly attributable and subsequently measured at amortized cost</p> <p><b>Classification</b></p> <p>Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability atleast 12 months after the reporting period.</p> <p><b>viii. Employee Benefits</b></p> <p>Provident Fund contributions are charged to the Statement of profit and loss of the period as and when the contribution to the respective fund is due. The Company has no obligation, other than the contribution payable under the respective scheme. Company's employees are not participants in Superannuation Schemes/ Plan.</p> <p>The company provides for gratuity, a defined benefit retirement plan (the Gratuity plan) covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee salary and tenure of employment with the company.</p> <p>Liabilities with regard to the gratuity plan are determined by actuarial valuation, performed by independent actuary, at each balance sheet date using the projected unit credit method.</p>

# RAJESH EXPORTS LIMITED

Note No.	
1	<p>The Company does not provide leave encashment and carry forward of accumulated leave to next year to its employees.</p> <p><b>ix. Foreign Currency Transactions :</b></p> <p>For its import and export transactions the company is exposed to currency fluctuations on foreign currency transactions, the company hedges its foreign exchange transactions against its own imports and exports and also by way of forward contracts with banks.</p> <p>Premium paid on forward contracts is recognized over the life of the contracts.</p> <p><b>x. Income Tax</b></p> <p>The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.</p> <p>The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities</p> <p>Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.</p> <p>Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.</p> <p>Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.</p> <p>Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.</p> <p>Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.</p> <p>Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively</p> <p>For operations carried out in Special Economic Zones which are entitled to tax holiday under the Income tax Act, 1961 no deferred tax is recognized in respect of timing differences which reverse during the tax holiday period, to the extent company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which timing difference originate.</p>



Note No.	
1	<p>Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.</p> <p><b>xi. Provisions and Contingent Liabilities (Other than for employee benefit):</b></p> <p>Provisions are recognized when the company has legal and constructive obligations arising from past events, outflow of future economic benefits should be probable and it should be measured.</p> <p>Provisions for onerous contracts i.e contract where the expected unavoidable cost of meeting the obligation under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligations.</p> <p>Disclosures of contingent liability is present obligation as a result of past obligation events.</p> <p><b>xii. Cash and cash equivalents</b></p> <p>For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet</p> <p>Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.</p> <p><b>xiii. Earning Per Share :</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.</p> <p><b>xiv. Amendment to Ind AS 21 The effect of changes in Foreign exchange Rates</b></p> <p>On March 28, 2018 , Ministry of Corporate Affairs ('MCA') has notified the companies (Indian Accounting Standards ) Amendment Rule ,2018 containing Appendix B to Ind AS 21.</p>

# RAJESH EXPORTS LIMITED

Note No.	
1	<ul style="list-style-type: none"> <li>• Appendix B to Ind AS 21 applies when               <ol style="list-style-type: none"> <li>a) Pays or receives consideration denominated or Priced in a foreign currency and</li> <li>b) Recognized a non monetary obligation prepayment asset or deferred income liability -eg: Non-refundable advance consideration before recognizing the related items at later date.</li> </ol> </li> <li>• Date of transaction for the purpose of determination of the exchange rate to use on initial recognition of the related asset, expenses or income (or part of it) is the date on which an entity initially recognises the non monetary assets or liability arising from the payment or receipt of the advance consideration.</li> <li>• If there are multiple payments or receipts in advance , the entity should determine a date of the transaction for each payment or receipt of advance consideration.</li> </ul> <p>The amendment will come into force from April 1, 2018 . The Company has evaluated the effects of this on the financial statements and the impact is not material.</p> <p><b>xv.Amendment to Ind AS 40 Investment Property</b></p> <p>The Amendment lays down the principle with regard to when a company should transfer an asset to or form, investment property</p> <ul style="list-style-type: none"> <li>• A transfer made when and only when :               <ol style="list-style-type: none"> <li>a) There is an actual change of use i.e an asset meets or ceases to meet definition of the investment property.</li> <li>b) There is evidence of the change of use.</li> </ol> </li> <li>• In isolation, a change in management intention for the use of property does not provide evidence of change in use.</li> </ul> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effects of this on the financial statements and the impact is not material</p> <p><b>xvi.Amendment to Ind AS 12 Income Tax</b></p> <ul style="list-style-type: none"> <li>• Decrease below the cost in the carrying amount of a fixed rate of debts instrument measured at fair value for which the tax base remains at cost gives rise to deductible temporary difference, this applies irrespective of whether debt instrument holders expect to recover the carrying amount of the instruments by sale or by use i.e continuing to hold it, or whether its probable that the issuer will pay all contractual cash flows.</li> <li>• The amendment explains that determining temporary difference and estimating probable future taxable profit against which deductible temporary difference are assessed for utilization are two separate steps.</li> <li>• Carrying amount of the asset is relevant only to determining temporary difference. It does not limit the estimation of probable future taxable profits.</li> </ul> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effects of this on the financial statements and the impact is not material.</p> <p><b>xvii. Recent Accounting Pronouncement:</b></p> <p>Ind AS 115- Revenue from Contract with Customers: The Company is in the process of assessing the detailed impact of Ind AS 115. Consistent with the current practice, recognition of revenue will continue to occur when the significant risks and rewards of ownership have been transferred to the buyer, which is also when the control of the asset is transferred to the customer under Ind AS 115.</p> <p>The company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognized in retained earnings as of 1 April 2018 and that comparatives will not be restated.</p>



## NOTES ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

### Note - 2 : FIXED ASSETS

(Rs. in lakhs)

Reconciliation of gross block and net block at the beginning and at the end of the year

Particulars	Gross block / Original cost				Accumulated depreciation				Net block	
	As on 31.03.2017	Additions	Disposals/ Transfers	As on 31.03.2018	As on 31.03.2017	Charge for the year	Eliminated on disposal of assets	As on 31.03.2018	As on 31.03.2018	As on 31.03.2017
<b>A. BUSINESS ASSETS</b>										
Land	440.80	-	-	440.80	-	-	-	-	440.80	440.80
Building	3,269.90	-	-	3,269.90	1,434.76	36.48	-	1,471.24	1,798.66	1,835.15
Plant & Machinery	1,345.60	31.84	-	1,377.44	806.87	85.26	-	892.13	485.31	538.74
Generator	32.95	-	-	32.95	18.33	2.20	-	20.53	12.42	14.62
Furniture & Fixtures	197.86	0.96	-	198.82	180.05	3.86	-	183.91	14.91	17.82
Office Equipments	87.46	0.23	-	87.69	46.73	5.76	-	52.49	35.20	40.71
Computer	53.56	-	-	53.56	50.51	1.39	-	51.90	1.66	3.05
Weighing Scale	45.49	-	-	45.49	17.35	2.49	-	19.84	25.65	28.13
Borewell	1.48	-	-	1.48	0.35	0.03	-	0.38	1.10	1.13
Technical Knowhow (Intangible)	6.70	-	-	6.70	6.36	-	-	6.36	0.34	0.34
Motor Vehicle	117.17	-	-	117.17	84.96	11.72	-	96.68	20.49	32.20
	<b>5,598.97</b>	<b>33.03</b>	<b>-</b>	<b>5,632.00</b>	<b>2,646.27</b>	<b>149.19</b>	<b>-</b>	<b>2,795.46</b>	<b>2,836.54</b>	<b>2,952.69</b>
WIP Whitefield	35.04	-	-	35.04	-	-	-	-	35.04	35.04
WIP Commercial Street	85.64	64.36	-	150.00	-	-	-	-	150.00	85.63
SEZ Jew Unit (Wip)	1.35	-	-	1.35	-	-	-	-	1.35	1.35
<b>Sub Total</b>	<b>5,721.00</b>	<b>97.39</b>	<b>-</b>	<b>5,818.39</b>	<b>2,646.27</b>	<b>149.19</b>	<b>-</b>	<b>2,795.46</b>	<b>3,022.93</b>	<b>3,074.73</b>
<b>B. OTHER IMMOVABLE PROPERTIES</b>										
Sujatha Complex Building	205.05	-	-	205.05	-	-	-	-	205.05	205.05
Mohan Building	977.16	-	-	977.16	-	-	-	-	977.16	977.16
Volga Hotel Building	26.09	-	-	26.09	-	-	-	-	26.09	26.09
Land At Kumbalgod	200.23	-	-	200.23	-	-	-	-	200.23	200.23
Land At Akkuppette	111.95	-	-	111.95	-	-	-	-	111.95	111.95
Property In Kerala	314.19	-	-	314.19	-	-	-	-	314.19	314.19
Property At Nandi	121.74	-	-	121.74	-	-	-	-	121.74	121.74
Land At Peenya	13.68	-	-	13.68	-	-	-	-	13.68	13.68
Jayashree Complex	131.83	-	-	131.83	-	-	-	-	131.83	131.83
Property At										
Commercial Street	882.64	-	-	882.64	-	-	-	-	882.64	882.64
Malleswaram	371.50	0.63	-	372.13	-	-	-	-	372.13	371.50
Magadi Road Prop	40.04	-	-	40.04	-	-	-	-	40.04	40.04
MG Road Property	295.05	-	-	295.05	-	-	-	-	295.05	295.05
	<b>3,691.15</b>	<b>0.63</b>	<b>-</b>	<b>3,691.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,691.78</b>	<b>3,691.15</b>
<b>TOTAL FIXED ASSETS</b>	<b>9,412.15</b>	<b>98.02</b>	<b>-</b>	<b>9,510.17</b>	<b>2,646.27</b>	<b>149.19</b>	<b>-</b>	<b>2,795.46</b>	<b>6,714.71</b>	<b>6,765.88</b>
<b>Previous Year</b>	<b>9,286.57</b>	<b>126.22</b>	<b>0.65</b>	<b>9,412.14</b>	<b>2,461.41</b>	<b>184.88</b>	<b>0.03</b>	<b>2,646.27</b>	<b>6,765.88</b>	<b>6,825.16</b>
<b>INVESTMENT PROPERTY</b>				<b>AMOUNT RECOGNISED IN PROFIT AND LOSS ACCOUNT</b>						
Particulars	As at 31st March 2018	As a 31st March 2017		Particulars as on 31st March 2018						
Opening balance	131.83	131.83		Particulars	As at 31st March 2018	As a 31st March 2017				
Add: Additions	-	-		Rental Income from investment property	9.23	8.17				
Less : Deletions	-	-		Direct Expenses	-	-				
Closing balance	131.83	131.83		Profit	9.23	8.17				
Accumulated Depreciations				Less : Depreciation	-	-				
Opening balance	-	-		Profit from investment properties before indirect expenses	9.23	8.17				
Add: Charged for the year	-	-								
Less: Deletion	-	-								
Closing balance	-	-								
Net carrying Amount	131.83	131.83								
<p>“Note: Investment property comprises of commercial property which is leased to third party. The lease contains an initial and non cancellable period.</p>										

## RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>3</b>	<b>NON CURRENT INVESTMENTS</b>		
	(i) Investment in Equity instruments (Unquoted)	541.17	541.17
	(ii) Investments in Government or Trust - securities and others	22.36	22.36
	(iii) Investments in Subsidiary Firms/Companies	47,912.83	59,000.65
	(iv) Investments in Mutual Funds	23,477.12	13,587.44
	<b>Total Non Current Investments</b>	<b>71,953.48</b>	<b>73,151.62</b>
	<b>Investment wise details</b>		
	<b>i. Investment in Equity Investment (Unquoted)</b>		
	(a). Rajesh Global Solutions Ltd 3399980 shares of Rs. 10/- each fully paid up	340.00	340.00
	(b). Eaglesight media Pvt Ltd 200000 Shares, Face Value of Rs. 10/- each Fully Paid up	200.00	200.00
	(c). Sri Ashtalaxmi Mktg Pvt Ltd	1.17	1.17
	<b>Total of Investment in Equity Investment</b>	<b>541.17</b>	<b>541.17</b>
	<b>ii. Investments in Government or Trust</b>		
	Securities and others		
	Sovereign Gold Bonds	22.36	22.36
	<b>Total</b>	<b>22.36</b>	<b>22.36</b>
	<b>iii. Investments in Subsidiary Firms/Companies</b>		
	(a). A One Exports	-	11,087.82
	(b). Global Gold refineries	167.58	167.58
	(c). REL Singapore PTE Ltd	47,745.25	47,745.25
	<b>Total of Investments in Subsidiary Firms/Companies</b>	<b>47,912.83</b>	<b>59,000.65</b>
	<b>iv. Investments in Mutual funds</b>		
	Canara Robeco Mutual Fund	13,808.24	4,556.22
	DSP Blackrock Mutual Fund	1,072.87	1,001.98
	ICICI Mutual Fund	1,075.94	1,006.48
	HDFC Mutual Fund	1,069.25	1,002.12
	IDFC Mutual Fund	1,074.08	1,002.87
	Kotak Mutual Fund	1,073.44	1,002.28
	Reliance Mutual Fund	1,075.33	1,003.82
	SBI Mutual Fund	1,076.94	1,005.60
	UTI Mutual Fund	1,074.29	1,003.89
	Birla Mutual Fund	1,076.74	1,002.18
	<b>Total of Investments in Mutual funds</b>	<b>23,477.12</b>	<b>13,587.44</b>





Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>4</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	(i) Security Deposits Furnished (Considered good)	4,155.02	4,153.93
	(ii) Capital Advances (Considered good)	823.68	884.50
	(iii) Other Advances (Considered good)	186,893.33	186,893.33
	<b>Total Long Term Loans and Advances</b>	<b>191,872.03</b>	<b>191,931.76</b>
<b>5</b>	<b>INVENTORIES</b>		
	(i) Gold Jewellery and Gold	101,037.31	48,894.41
	(ii) Diamonds	1,675.36	1,677.83
	(iii) Silver	1,999.39	2,228.12
	(iv) Oysterbay Items	372.09	372.09
	<b>Total Inventories</b>	<b>105,084.15</b>	<b>53,172.45</b>
<b>6</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured,		
	a. (i) Outstanding for less than 6 months, Considered Good (Net)	153,721.97	328,272.12
	(ii) Outstanding for more than 6 months, Considered good (Net)	440.22	526.28
	b. Sundry debtors of ICD's interest	5,528.72	5,681.73
	<b>Total Trade Receivables</b>	<b>159,690.91</b>	<b>334,480.13</b>
<b>7</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	(i) Unpaid Dividend Bank Accounts	55.17	44.44
	(ii) Bank Balances in Current Accounts	318.81	5,669.86
	(iii) Cash on hand	57.60	2.93
	(iv) Fixed Deposits with banks	1,362,167.68	1,371,691.73
	<b>Total Cash and Cash Equivalents</b>	<b>1,362,599.26</b>	<b>1,377,408.96</b>
<b>8</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	(i) Advances Recoverable In Normal Course Of Business	15,529.76	6,363.52
	(ii) Advances to employees	19.62	130.03
	(iii) Inter Corporate Deposits	27,628.06	27,878.44
	<b>Total Short Term Loans and Advances</b>	<b>43,177.44</b>	<b>34,371.99</b>
<b>9</b>	<b>OTHER CURRENT ASSETS</b>		
	(i) Balances with Govt departments	51,733.13	48,505.03
	(ii) Other Receivables	113.15	113.15
	<b>Total Other Current Assets</b>	<b>51,846.28</b>	<b>48,618.18</b>

# RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2018		As on 31.03.2017	
		Number	Rs. in lakhs	Number	Rs. in lakhs
<b>10</b>	<b>SHARE CAPITAL</b> <b>Authorised Share Capital</b> 30,00,00,000 Equity Shares of Re.1/- each Issued, Subscribed & Paidup Share Capital	<b>3,000.00</b> <b>2,952.60</b>	<b>3,000.00</b> <b>2,952.60</b>	3,000.00 2,952.60	3,000.00 2,952.60
	<b>Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b> Number of shares outstanding as at the beginning of the year <b>Add:</b> Number of shares allotted as fully paid-up bonus shares during the year Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash Number of shares allotted to employees pursuant to ESOPs/ESPs Number of shares allotted for cash pursuant to public issue <b>Less:</b> Number of shares bought back during the year <b>Number of shares outstanding as at the end of the year</b>	<b>2,952.60</b>  Nil Nil Nil Nil  Nil <b>2,952.60</b>	<b>2,952.60</b>  Nil Nil Nil Nil  Nil <b>2,952.60</b>	2,952.60  Nil Nil Nil Nil  Nil 2,952.60	2,952.60  Nil Nil Nil Nil  Nil 2,952.60
<b>Number of shares held by each shareholder holding more than 5 percent of the Equity Shares of the Company are as follows:</b>					
Name of the shareholder		As at 31st March, 2018		As at 31st March, 2017	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr.Rajesh J Mehta		<b>88,181,234</b>	<b>29.87%</b>	88,181,234	29.87%
Mr.Prashanth J Mehta		<b>37,162,425</b>	<b>12.59%</b>	37,162,425	12.59%
M/s.Bridge India Fund		<b>28,977,340</b>	<b>9.81%</b>	29,361,340	9.94%
Mr.Mahesh J Mehta		<b>24,041,224</b>	<b>8.14%</b>	24,041,224	8.14%
Life Insurance Corp. of India		<b>15,598,690</b>	<b>5.28%</b>	5,873,690	1.99%
i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash - <b>NIL</b> (Previous Year - <b>NIL</b> ) ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares - <b>NIL</b> (Previous Year - <b>NIL</b> ) iii) Aggregate number and class of shares bought back - <b>NIL</b> (Previous Year - <b>NIL</b> ) iv) Each Equity Share entitles the holder to one vote and carries an equal right to dividend.					
Note No.	Particulars	As on 31.03.2018 Rs. in lakhs		As on 31.03.2017 Rs. in lakhs	
<b>11</b>	<b>RESERVES AND SURPLUS</b>				
	<b>(A) Securities Premium Reserve</b>				
	(i) As per last Balance Sheet	64,492.95		64,492.95	
	(ii) Additions during the year	-		-	
	<b>Total Securities Premium Reserve</b>	<b>64,492.95</b>		<b>64,492.95</b>	
	<b>(B) General Reserve:</b>				
	(i) As per last Balance Sheet	143,500.00		136,800.00	
	Add : Transferred from Profit and Loss Account	-		6,700.00	
	<b>Total General Reserve</b>	<b>143,500.00</b>		<b>143,500.00</b>	
	<b>(C) Surplus in Statement of Profit and Loss</b>				
	(i) As per last Balance Sheet	163,206.82		123,772.73	
	(ii) Add: Profit for the year	44,118.38		46,134.09	
	<b>Less: Appropriations</b>				
	a) Dividend on equity shares	(3247.88)		-	
	b) Transferred to General Reserve	-		(6,700.00)	
	<b>Available Surplus in Statement of Profit and Loss</b>	<b>204,077.32</b>		<b>163,206.82</b>	
	<b>(D) Total Reserves and Surplus</b>	<b>412,070.28</b>		<b>371,199.77</b>	



Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>12</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	(i) Franchise Deposit Received	430.77	460.77
	(ii) Rent Advance	214.23	202.23
	<b>Total Other Long Term Liabilities</b>	<b>645.00</b>	<b>663.00</b>
<b>13</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>		
	Deferred Tax Liabilities	461.67	462.69
	<b>Deferred Tax liabilities ( Net )</b>	<b>461.67</b>	<b>462.69</b>
<b>14</b>	<b>LONG-TERM PROVISIONS</b>		
	Provision for gratuity (Ref. Note 25)	58.93	48.72
	<b>Total Long Term Provisions</b>	<b>58.93</b>	<b>48.72</b>
<b>15</b>	<b>SHORT TERM BORROWINGS</b>		
	<b>(a) Secured</b>		
	(i) Working Capital Loans (secured against stocks, book debts, - - Immoveable properties and export bills)	123,448.37	194,598.70
	(ii) Loans against Company's own - - Fixed deposits with Banks	733,451.77	346,022.83
	<b>(b) Unsecured</b>		
	(i) From Directors	2,554.45	2,871.48
	<b>Total Short Term Borrowings</b>	<b>859,454.59</b>	<b>543,493.01</b>
<b>16</b>	<b>TRADE PAYABLES</b>		
	(i) Raw Materials	205,759.24	126,586.32
	(ii) FLC liabilities	504,488.77	1,070,967.08
	<b>Total Trade Payables</b>	<b>710,248.01</b>	<b>1,197,553.40</b>
<b>17</b>	<b>OTHER CURRENT LIABILITIES</b>		
	(i) Tax Deducted at Source	-	7.63
	(ii) Value Added Tax	-	489.19
	(iii) Unclaimed Dividend	55.17	44.44
	(iv) Advance Received From Customers	888.77	906.95
	(v) Other Payables	1,380.49	113.89
	<b>Total Other Current Liabilities</b>	<b>2,324.43</b>	<b>1,562.10</b>

## RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>18</b>	<b>SHORT-TERM PROVISIONS</b>		
	(i) Provision for income tax	4722.75	1,926.62
	(ii) Provision for Audit Fee	-	9.20
	(iii) Provision for Salary	-	29.86
	<b>Total Short Term Provisions</b>	<u>4722.75</u>	<u>1,965.68</u>
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	Revenue from operations*	3,366,046.34	4,494,773.47
	<b>Total Revenue from Operations</b>	<u>3,366,046.34</u>	<u>4,494,773.47</u>
	*includes interest received on fixed deposits & Mutual Funds made for margin purposes for the sake of procurement of Raw Materials		
<b>20</b>	<b>OTHER INCOME</b>		
	(i) Interest on ICD's	3,815.80	4,401.78
	(ii) Other Miscellaneous income	0.40	10.88
	(iii) Rent received	9.23	8.17
	(iv) Share in Income Of Associates	-	(53.64)
	<b>Total Other Income</b>	<u>3,825.43</u>	<u>4,367.19</u>
<b>21</b>	<b>COST OF MATERIAL CONSUMED</b>		
	(i) Raw material consumed	3,219,960.94	4,411,287.58
	(ii) Currency Hedging and Forex Fluctuation cost	53,146.26	(649.92)
	<b>Total Cost of Material Consumed</b>	<u>3,273,107.20</u>	<u>4,410,637.66</u>



Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>22</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	(i) Salaries and wages	551.00	598.94
	(ii) Contribution to PF, ESIC and gratuity	33.48	19.72
	(iii) Staff Welfare Expenses	34.65	42.77
	<b>Total Employee Benefit Expenses</b>	<b>619.13</b>	<b>661.43</b>
<b>23</b>	<b>SELLING &amp; ADMINISTRATION, OTHER EXPENSES</b>		
	Rent	34.56	44.04
	Repairs & Maintenance	88.98	66.01
	Legal, Professional and consultancy charges	80.05	143.20
	Postage & Telegrams & Telephones	10.83	9.43
	Insurance	84.89	138.01
	Rates, Taxes & Octroi Charges	92.61	173.81
	Auditors Fees	14.16	9.20
	Advertisement, Publicity and others	51.44	60.63
	Travelling and Conveyance	27.88	37.75
	Freight Charges	274.06	307.62
	Printing & Stationery	7.06	1.84
	Membership Fees	18.04	13.18
	Donation	69.21	219.01
	Commission and other Misc expenses	101.45	159.59
	Other Manufacturing and Processing Expenses	73.37	76.29
	Bad debts written off	3,044.16	2,483.66
	<b>Total S&amp;A and Other Expenses</b>	<b>4,072.75</b>	<b>3,943.27</b>
<b>24</b>	<b>FINANCE COST</b>		
	(i) Bank charges	1,189.08	1,362.07
	(ii) Interest on working capital	41,894.31	33,745.75
	<b>Total Finance Costs</b>	<b>43,083.39</b>	<b>35,107.82</b>

# RAJESH EXPORTS LIMITED

Note No.						
25	<b>NOTES TO FINANCIAL STATEMENTS</b>					
	<b>1. Related Party Disclosure</b> <span style="float: right;"><i>(Rs. in lakhs)</i></span>					
	Loans and advances	<b>Current Year Balance</b>	Previous Year Balance	Max. Balance at any time during the year	Relationship	
	Laabh Jewels Gold Pvt Ltd	18.25	18.25	18.25	Associate Entity	
	Shubhlaabh Housing Pvt Ltd	379.00	379.00	379.00	Associate Entity	
	REL Singapore Pte Ltd	186,893.33	186,893.33	186,893.33	Subsidiary Entity	
	Global Gold Refineries	167.58	167.58	167.58	Step Down Subsidiary	
	Valcambi SA	190,471.02	9,884.83	190,471.02	Step Down Subsidiary	
	<b>2. Transactions with related parties</b> <span style="float: right;"><i>(Rs. in lakhs)</i></span>					
	Name of the related party	Description of the nature of relation	Description of the nature of transaction	<b>31.03.2018</b>	31.03.2017	Relationship
	Rajesh. J. Mehta	Chairman	Remuneration	1.20	1.20	Brother
	Prashanth.J.Mehta	Managing Director	Remuneration	1.20	1.20	Brother
	Bhavesh B Mehta	Relative of Director	Remuneration	1.80	1.80	Nephew
	Prashanth.J.Mehta	Managing Director	Loan	725.35	844.49	
	Rajesh.J.Mehta	Chairman	Loan	1,829.11	2,026.99	
<b>3. Contingent Liabilities</b> <span style="float: right;"><i>(Rs. in lakhs)</i></span>						
Name of the Statute	Nature of the due	Disputed amount	Period to which the amount relates	Forum where dispute is pending		
ESI of Karnataka	ESI	89.27	2000-03	The Appeals Authority ESI, Karnataka		
ESI of Karnataka	ESI	37.78	2006-07	The Appeals Authority ESI, Karnataka		
Service Tax	Service Tax	367.25	2006-07	The Appellate Tribunal Service tax		
<b>4. Earnings and Expenditure in foreign currency</b> <span style="float: right;"><i>(Rs. in lakhs)</i></span>						
<b>Particulars</b>		<b>2017-18</b>	<b>2016-17</b>			
Foreign Exchange Earnings		<b>2,836,631.35</b>	4,187,894.81			
Foreign Exchange Outgo		<b>3,233,762.68</b>	4,403,962.36			



Note No.			
<b>25</b>	<b>5. Employee Benefits:</b>	<i>(Rs. in lakhs)</i>	
	Particulars	As at 31st March 2018	As at 31st March 2017
	Opening defined benefit obligation	48.72	41.19
	Add:		
	Current Service Cost	16.69	15.64
	Interest Cost	3.04	2.78
	Components of actuarial gains/losses on obligations		
	a) Due to Change in financial assumptions	(1.35)	-
	b) Due to experience adjustments	(7.11)	(10.88)
	Less:		
	Benefits Paid	(1.06)	-
	Closing defined benefit obligation	58.93	48.73
	6. In Accordance with the Accounting Standards on "Income Taxes" issued by the Institute of Chartered Accountant of India, The Company has recognized the Deferred tax liabilities on account of timing differences of Rs. 461.67 lakhs as on 31st March 2018 (Previous Year Rs. 462.69 lakhs) as there is no virtual certainty that such deferred assets can be realized against future taxable profits. The breakup of deferred tax liabilities not recognized is furnished here under:		
	Particulars	Current Year	Previous Year
	<b>Deferred Tax Liability</b>		
	Time Difference on account of Depreciation & Other Inadmissible Expenditure	1.02	(544.92)
	Less: Deferred tax asset/(liabilities) accounted Previously	(462.69)	82.23
	Net Deferred tax liability Recognized during the year	(461.67)	(462.69)
	<b>7. Leases</b>		
	<b>Operating lease:</b>		
	The Company has let-out and taken premises under cancelable operating lease agreements, which the Company intends to renew in the normal course of its business. The lessee cannot sublease these properties. Total lease rentals recognized as income ( on cash basis) in the Profit and Loss Account for the year with respect to above is Rs. 9.23 lakhs (Previous year Rs. 8.17 lakhs) and total lease rentals paid recognized as expenditure is Rs. 34.56 lakhs (Previous year Rs. 44.04 lakhs).		
	<b>i. Capital and other commitments</b>		
	Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (Previous Year is NIL).		
	<b>ii. Micro and Small Enterprises dues</b>		
	Based on the information / Documents available with the Company, amounts due to micro and small enterprises are NIL.		

## RAJESH EXPORTS LIMITED

Note No.				
<b>25</b>	<p>8. Brief Particulars of Employees who were entitled to receive or were in receipt of emoluments aggregating to Rs.60 lakhs or more per annum and/or Rs.5 lakhs or more per month, if employed, for a part of the year is Nil (Previous Year Nil)</p> <p><b>9. Segment reporting policies:</b> The Company and other Companies in the group are mainly engaged in the business of gold and gold products. These, in the context of accounting standard 17 on segment reporting, issued by The Institute of Chartered Accountants of India are considered to constitute one single primary segment.</p> <p>10. Company has identified that there is no material impairment of assets and as such no provision is required as per Accounting Standards issued by the ICAI.</p> <p>11. In the opinion of the management, no provision is required against contingent liabilities.</p> <p>12. Additional information required pursuant of the Part II of Schedule III of the Companies Act 2013: -</p>			
	Particulars	Unit	Quantity	Rs. in lakhs
	<b>A. OPENING STOCK</b>			
	Gold and Gold Products	Kgs	1889.0277 (1321.418)	48,894.41 (36,104.65)
	Diamond	Cts	372,850 (372516)	1,678.73 (1,676.32)
	Silver	Kgs	5863.4820 (5869.992)	2,228.12 (2,124.94)
	<b>B. PURCHASES</b>			
	Gold and Gold Products	Kgs	127,545.5591 (158500.000)	3,219,960.94 (4,314,333.21)
	Silver	Kgs	26.3070 (-)	- (-)
	Alloys	Kgs	- (0.344)	- (-)
	<b>C. SALES TURNOVER</b>			
	Gold and Gold Products	Kgs	125,685.9120 (157,673.285)	3,330,470.28 (4,405,342.50)
	Diamond	Cts	543 (-334)	2.93 (-1.59)
	Silver	Kgs	7.58 (5.53)	2.75 (2.48)
	<b>D. CLOSING STOCK</b>			
	Gold and Gold Products	Kgs	3662.8011 (1889.0277)	101,03,7.31 (48,894.41)
	Diamond	Cts	372,307 (372850)	1,675.36 (1,677.83)
	Silver	Kgs	5880.573 (5863.482)	1,999.40 (2,228.12)
	<b>E. WASTAGE</b>			
	Gold and Gold Products	Kgs	85.8737 (259.45)	- (-)
	Silver	Kgs	1.636	-
	<p>Note:</p> <p>(i). Previous Year's figures are furnished in brackets.</p> <p>(ii). the previous year's figures are regrouped / rearranged wherever deemed necessary.</p>			





Note No.			
<b>25</b>	<b>13. Earning Per Share</b>		
	<b>(a) Basic</b>		
	Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the financial year held by the Company.		
	Particulars	<b>2018</b>	2017
		Rs. in lakhs	Rs. in lakhs
	Profit attributable to equity holders of the parent company	44,118.38	46,134.09
	Number of shares in issue (net of treasury shares) as at beginning of year	2,952.60	2,952.60
	Effect of treasury shares	-	-
	Effect of rights shares	-	-
	Effect of warrants	-	-
	Effect of share options	-	-
	Weighted average number of ordinary shares in issue	2,952.60	2,952.60
	Basic earnings per share (s)	14.94	15.62
	<b>(b) Diluted</b>		
	For the purpose of calculating diluted earnings per share, the profit attributable to equity holders of the parent and the weighted average number of ordinary shares outstanding during the financial year have been adjusted for the dilutive effects of all potential ordinary shares, warrants and share options granted to employees. The dilutive earning per share is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of shares that would have been in issue upon full exercise of the remaining warrants, adjusted by the number of such shares that would have been issued at fair value as follows:		
	Particulars	<b>2018</b>	2017
		Rs. in lakhs	Rs. in lakhs
	Profit attributable to equity holders of the parent company	44,118.38	46,134.09
	Weighted average number of ordinary shares in issue	2,952.60	2,952.60
	Effect of dilution due to warrants	-	-
	Adjusted weighted average number of ordinary shares	2,952.60	2,952.60
	Diluted earnings per share (s)	14.94	15.62
	14. Previous Year's figures are furnished in brackets.		
	15. The previous year's figures are regrouped / rearranged wherever deemed necessary.		

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588

# RAJESH EXPORTS LIMITED

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## CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To the Members of Rajesh Exports Limited

Bengaluru - 560001

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Rajesh Exports Limited ('the holding Company'), except its subsidiary M/s. REL Singapore PTE Ltd (collectively referred to as 'the company' or 'the Group'), which comprise the Consolidated balance sheet as at 31 March 2018, the Consolidated statement of profit and loss (including other comprehensive income), the Consolidated statement of cash flows and the Consolidated statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financials statements in terms of the requirements of the companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flow and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting standards prescribed under section 133 of the Act read with relevant rules issued there under. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls; that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation of the consolidated financials statements that give a true and fair view and are free from material misstatement, where due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid. In preparing consolidated financial statements , the respective board of directors of the company included in the group are responsible for assessing the ability of the group to continue as a going concern, disclosing , as applicable , matters related to going concern and using the going concerns basis of accounting.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Consolidated Financial Statements in accordance with the standard on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 including the Accounting Standards, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Other Matters:-

We have not audited the financial statements of foreign subsidiary M/s. REL Singapore PTE Ltd. REL Singapore PTE Ltd is solely a holding Company and the financials of the step down subsidiary companies which are the operating Companies have been audited by the other firm/s. A copy of financial statements of subsidiary , approved by the board of directors of Rajesh exports Ltd have been furnished to us and our report in respect of subsidiary is based solely on the board of the directors approved Financial Statements. Our opinion is not modified in respect of this matter.



The Comparative Financial Information of the group for the year ended 31st March 2017 included in this Consolidated Financial Statements, are based on the previously issued statutory financial statement audited by the predecessor auditor who's report for the year ended 31st March 2017 dated 26th May 2017 ,expressed an unmodified opinion on those consolidated Financial Statements.

Our opinion above on the consolidated financial statements and our report on the other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on work done and the reports of the other auditor.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Financial statements.
  - (b) in our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated Financial statements have been kept so far as it appears from the examination of those books.
  - (c) the consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and the consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated Financial statements.
  - (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) on the basis of the written representations received from the directors of Holding company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the consolidated financial statements disclose the impact of the pending litigations on its financial position in its consolidated financial statements.
    - ii. Provision has been made in the consolidated Financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as disclosed in consolidated financial statement.
    - iii. The unpaid dividend amount to be transferred to investor education and protection fund for the year 2009-10 has been paid later than the required date of payment. (Refer Note No. 25)
    - iv. Reporting on Disclosures relating to specified bank notes not applicable to the company for the year ended March 31, 2018.

For **P V RAMANA REDDY & CO**  
*Chartered Accountants*  
Firm Regn. No. 007156S  
Sd/-  
**(P V RAMANA REDDY)**  
*Proprietor*  
M.No. 204588

Place : Bengaluru  
Date : May 30, 2018

## **ANNEXURE - A TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under (i) of sub – section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31 March, 2018, we have audited the internal financial controls over the financial reporting of Rajesh Exports Limited ('the holding company') as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include

# RAJESH EXPORTS LIMITED

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the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and may not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Opinion**

In our opinion, the Indian Holding Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## **Other Matters :**

Our aforesaid report U/s.143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to a subsidiary company incorporated in Singapore is based solely on the report of auditor of such subsidiary company incorporated in Singapore.

Place : Bengaluru  
Date : May 30, 2018

For **P V RAMANA REDDY & CO**  
*Chartered Accountants*  
Firm Regn. No. 007156S  
Sd/-  
**(P V RAMANA REDDY)**  
*Proprietor*  
M.No. 204588



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

(Rs. in lakhs)

	Note No	As on 31.03.2018	As on 31.03.2017
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant & equipment			
(i) Tangible Assets	2	65,046.38	58,288.62
(ii) Intangible Assets	2	63,875.12	61,563.07
(iii) Capital Work-in-Progress	2	527.16	8,835.95
Non-Current Investments	3	101,980.65	91,910.97
Long -Term Loans and Advances	4	4978.70	5,038.43
<b>Current Assets</b>			
Inventories	5	172,196.57	116,276.74
Trade Receivables	6	399,256.97	501,985.54
Cash and Cash Equivalents	7	1,446,955.00	1,484,019.88
Short- Term Loans and Advances	8	44,253.68	36,101.47
Other Current Assets	9	54,442.63	49,071.65
<b>TOTAL</b>		<b>2,353,512.86</b>	<b>2,413,092.32</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
(a) Share Capital	10	2,952.60	2,952.60
(b) Reserves and Surplus	11	683,901.63	560,570.79
(c) FCTR		30,610.39	24,889.20
<b>Non-Current Liabilities</b>			
Other Long Term Liabilities	12	25,062.30	35,684.52
Deferred tax liabilities (net)	13	7871.63	10,875.58
Long Term Provisions	14	219.40	970.37
<b>Current Liabilities</b>			
Short Term Borrowings	15	871,719.59	555,223.76
Trade Payables	16	716,297.87	1,214,525.21
Other Current Liabilities	17	2,726.84	2,579.77
Short- Term Provisions	18	12,150.61	4,820.52
<b>TOTAL</b>		<b>2,353,512.86</b>	<b>2,413,092.32</b>

Company Information and significant accounting Policies 1

Accompanying notes are an integral part of these financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588

# RAJESH EXPORTS LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2018

(Rs. in lakhs)

	Note No	As on 31.03.2018	As on 31.03.2017
<b>REVENUE FROM OPERATIONS</b>			
Revenue from Operations	19	18,768,610.44	24,213,198.42
Other Income	20	6,200.07	4,714.84
<b>TOTAL REVENUE</b>		<b>18,774,810.51</b>	<b>24,217,913.26</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	21	18,534,999.37	24,001,467.46
Employee Benefit Expenses	22	14,691.03	15,690.06
Selling, Administrative and Other Expenses	23	30,489.00	20,972.36
Finance Costs	24	53,667.55	43,026.70
Depreciation and Amortization Expenses	2	6,799.17	6,463.08
<b>TOTAL EXPENSES</b>		<b>18,640,646.12</b>	<b>24,087,619.66</b>
<b>Profit / (Loss) before extraordinary &amp; exceptional items and tax</b>		<b>134,164.39</b>	<b>130,293.60</b>
Extraordinary items - gain / (loss)		-	-
Exceptional items - gain / (loss)		-	-
<b>Profit Before Tax - PBT</b>		<b>134,164.39</b>	<b>130,293.60</b>
<b>Tax expense:</b>			
Current tax expense for current year		8,692.49	5,385.34
Deferred tax expense / (income)		(1,106.81)	544.93
<b>PROFIT FOR THE YEAR</b>		<b>126,578.71</b>	<b>124,363.33</b>
<b>Earning Per Share (Re. 1 Per Share for Each)</b>			
Basic		42.87	42.12
Diluted		42.87	42.12

Company Information and significant accounting Policies 1

Accompanying notes are an integral part of these financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

(**CA. P V RAMANA REDDY**)  
Proprietor  
M.No. 204588



## CONSOLIDATED CASH FLOW STATEMENT

(Rs. in lakhs)

	2017-2018	2016-2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit before tax</b>	134,164.39	130,350.05
<i>Adjustments for:</i>		
Depreciation and amortisation expenses	6,799.17	6,463.08
Net (gain) / loss on sale of investments	-	-
(Profit)/Loss on fixed assets sold, scrapped, etc. (net)	-	(0.65)
Finance cost	53,667.54	43,026.69
Rent received	(9.22)	(8.16)
Profit on sale of Fixed assets	-	-
	60,457.49	49,480.96
<b>Cash Generated from operations before working capital changes</b>	194,621.88	17,9831.01
<i>Adjustments for:</i>		
(Increase)/Decrease in Inventories	(55,919.83)	(17,015.93)
Adjustments for Decrease/(increase) in Trade and - other receivables including Loans & Advances	89,265.11	(13,739.89)
Increase/(Decrease) in Current - Non Current Liabilities & Provisions	(505,127.30)	107,200.97
	(471,782.02)	76,445.14
<b>Cash generated from operations</b>	(277,160.14)	256,276.16
Taxes paid (net of refunds)	(9,799.29)	(8,900.19)
<b>Net cash generated from operating activities - [A]</b>	(286,959.43)	247,375.97
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(5,346.58)	(271.74)
Sale proceeds of Fixed Assets ( DECREASE IN FIXED ASSETS)	-	0.65
(Purchase)/ Sale proceeds of Investments	(10,069.68)	(7,856.79)
Rent received	9.22	8.16
<b>Net cash generated/(used in) from investing activities-[B]</b>	(15,407.04)	(8,119.72)
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Increase/(Decrease) in Secured Loan	316,812.86	96,141.76
Increase/(Decrease) in Unsecured Loan	(317.02)	(316.92)
Finance Cost	(53,667.54)	(43,026.69)
Dividends paid	(3,247.87)	-
<b>Net cash used in financing activities - [C]</b>	259,580.41	52,798.13
<b>D Effect of Exchange fluctuation on translation Reserve</b>	5,721.18	(14,328.60)
Net increase/(decrease) in cash and cash equivalents - [A+B+C]	(37,064.86)	277,725.78
Cash and cash equivalents at the beginning of the year	1,484,019.87	1,206,294.08
Cash and cash equivalents at the end of the year	1,446,955.00	1,484,019.87
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	364.73	531.74
Balances with banks:		
In current accounts	22,139.46	29,334.23
Earmarked Balances with banks	55.16	44.43
Term deposits with original maturity of More than three months	1,424,395.63	1,454,109.45
<b>TOTAL</b>	1,446,955.00	1,484,019.87

Notes:

- i) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 , "Cash Flow Statements"
- ii) Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588

# RAJESH EXPORTS LIMITED

## STATEMENT IN CHANGE OF EQUITY

(Rs. in lakhs)

Amount

### a Equity share capital

Equity share of Rs. 1 each, issued, subscribed and paid up capital	2,952.60
<b>Balance as at 1 April 2016</b>	<b>2,952.60</b>
Changes in equity share capital during the year 2016-17	nil
<b>Balance as at 31 March 2017</b>	<b>2,952.60</b>
Changes in equity share capital during the year 2017-18	nil
<b>Balance as at 31 March 2018</b>	<b>2,952.60</b>

### b Other Equity

For the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Reserves and Surplus		Security Premium	Other comprehensive Income Fair value of equity instruments	Total equity attributable to the company
	General Reserve	Retained Earnings			
Balance as at 1 April 2017	143,500.00	352,577.84	64,492.95	0	560,570.79
Profit during the year	-	126,578.71	-	0	126,578.71
Other comprehensive income during the year	-	-	-	0	-
Dividend expense	-	(3,247.87)	-	0	(3,247.87)
Corporate dividend tax	-	-	-	0	-
Realised profits of equity instruments measured at FVOCI	-	-	-	-	-
Balance as at 31 March 2018	143,500.00	475,908.68	64,492.95	0	683901.63

For the year ended 31 March 2017

(Rs. in lakhs)

Particulars	Reserves and Surplus		Security Premium	Other comprehensive Income Fair value of equity instruments	Total equity attributable to the company
	General Reserve	Retained Earnings			
Balance as at 1 April 2016	136,800.00	234,858.05	64,492.95	0	436,151.00
Profit during the year	0.00	124,419.79	0	0	124,419.79
Other comprehensive income during the year	0	0	0	0	-
Transfer to general reserve	6,700.00	(6,700.00)	0	0	-
Balance as at 31 March 2017	143,500.00	352,577.84	64,492.95	0	560,570.79

Significant accounting policies

The notes referred to above form an integral part of these standalone financial statements

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-  
**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588





Note No.	
1	<p><b>The Company Information and significant accounting Policies of the Consolidated Financial statement for the year ended 31st March 2018.</b></p> <p><b>i. Reporting Entity:</b></p> <p>1. Rajesh Export Limited (REL) with registered office at #4, Batavia Chambers, Kumara Krupa Road, Kumara park East, Bengaluru-560 001 is an Indian public company limited by shares incorporated under the provisions of The Companies Act 1956. The Company's shares are publicly traded on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). REL is in the business of gold refining, gold jewellery and various gold products manufacturing, gold jewellery and gold products exports, wholesale and retail. REL is a seamlessly integrated company across the value chain of gold from mining to retailing. REL retails its products through its own retail showrooms under the brand name of "SHUBH Jewellers". REL has setup various manufacturing facilities in India and other countries.</p> <p><b>ii. Basis of Preparation</b></p> <p><b>A. Statement of Compliances</b></p> <p>The Consolidated financial Statements are prepared on accrual basis of accounting except for the statement of cash flows and comply with the Indian Accounting Standards (Ind AS) notified under the companies (Indian Accounting Standards ) Rules 2015 and subsequent Amendments thereto, The companies Act 2013( to the extent notified and applicable), other relevant provisions of the Act and Guidelines issued by the Security Exchange Board of India (SEBI).</p> <p><b>B. Basis of Measurement:</b></p> <p>The Financial statement have been prepared on a historical cost basis except</p> <ul style="list-style-type: none"> <li>• Defined benefit plan - plan assets measured at fair value .</li> <li>• Certain Financial Assets and Liabilities measured at fair market value</li> </ul> <p><b>C. Functional and Presentation Currency</b></p> <p>The Financial statements are presented in Indian Rupees (INR), which is the company's functional currency . All financial information presented in INR has been rounded off to the nearest in Lakhs.</p> <p><b>D. Use of Estimate and Judgments</b></p> <p>In preparing these consolidated financial statements, management has made judgments, estimates and assumptions, and reported certain items. Actual results may differ from these estimates.</p> <p>Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.</p> <p><b>Judgments</b></p> <p>Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:</p> <p>Note : 2 :- Lease Classification</p> <p><b>Assumption and Estimation Uncertainties</b></p> <p>Information about assumptions and estimation uncertainties that have a risk significant of resulting in material adjustments in the year ended 31st March 2018 is included in following notes:</p> <ul style="list-style-type: none"> <li>• Note 1 and 2 : Depreciation and amortization method and useful life of items of properties, Plant &amp; Equipments and Investment properties</li> <li>• Note 1 &amp; 22 : Measurement of defined benefit obligations : Key actuarial assumptions</li> <li>• Note 1, 18 &amp; 25 : Reorganization and measurement of provisions and contingencies : Key assumptions about the likelihood and magnitude of an outflow of resources.</li> </ul>

# RAJESH EXPORTS LIMITED

Note No.																																		
1	<p><b>E. Measurement of Fair Value</b></p> <p>Some of the company's accounting policies and disclosures required the measurement of fair values, for both financial and Non financial assets and liabilities</p> <p>The Company uses valuation techniques that are appropriate in the circumstances and for which significant data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.</p> <p><b>iii. Significant accounting Policies:</b></p> <p><b>a) Property, Plant and Equipments</b></p> <p><b>Reorganization and Measurement</b></p> <p>Fixed assets are stated at historical cost less accumulated depreciation and impairment loss if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and includes financing cost if any, relating to borrowed funds attributable to construction or acquisition of fixed assets, up to the date when the asset is ready for intended use, any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure on fixed assets after its purchase/ completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.</p> <p>Intangible assets are stated at cost less accumulated amortization and impairment.</p> <p>Intangible assets are amortized over their respective individual estimated useful life on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence, demand, competition and other economic factors, and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful life are reviewed periodically including at each financial year end. Expenditure on research and development eligible for capitalization is carried as intangible assets under development where such assets are not yet ready for their intended use.</p> <p><b>Work in Progress</b></p> <p>Cost of fixed assets not ready for use before the balance sheet date is disclosed under capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.</p> <p><b>Depreciation :</b></p> <p>The Company has provided depreciation on straight line method over the useful lives of the assets estimated by the management as per Schedule II of the Companies Act, 2013. Depreciation on additions or extensions to existing assets is provided so as to co-terminate with the life of the original asset if it becomes internal part of the existing asset or on the useful life of the asset if it is capable of independent use.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Asset</th> <th style="text-align: center;">Management Estimate of useful life</th> <th style="text-align: center;">Useful life as per Schedule II</th> </tr> </thead> <tbody> <tr> <td>Building</td> <td style="text-align: center;">30-60 years</td> <td style="text-align: center;">30-60 years</td> </tr> <tr> <td>Plant and Machinery</td> <td style="text-align: center;">15 years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Generator</td> <td style="text-align: center;">15 Years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Furniture and Fixtures</td> <td style="text-align: center;">10 Years</td> <td style="text-align: center;">10 Years</td> </tr> <tr> <td>Office Equipment</td> <td style="text-align: center;">05 Years</td> <td style="text-align: center;">05 Years</td> </tr> <tr> <td>Weighing Scale</td> <td style="text-align: center;">15 years</td> <td style="text-align: center;">15 years</td> </tr> <tr> <td>Borewell</td> <td style="text-align: center;">30-60 years</td> <td style="text-align: center;">30-60 years</td> </tr> <tr> <td>Technical Knowhow</td> <td style="text-align: center;">8 Years</td> <td style="text-align: center;">8 Years</td> </tr> <tr> <td>Motor Vehicles</td> <td style="text-align: center;">8 Years</td> <td style="text-align: center;">8 Years</td> </tr> <tr> <td>Lease hold land</td> <td style="text-align: center;">Lease Term</td> <td style="text-align: center;">Lease Term</td> </tr> </tbody> </table> <p>Depreciation on additions(disposals) provided on prorated basis, i.e from (up to) the date on which asset is ready for use (Disposed of)</p>	Asset	Management Estimate of useful life	Useful life as per Schedule II	Building	30-60 years	30-60 years	Plant and Machinery	15 years	15 years	Generator	15 Years	15 years	Furniture and Fixtures	10 Years	10 Years	Office Equipment	05 Years	05 Years	Weighing Scale	15 years	15 years	Borewell	30-60 years	30-60 years	Technical Knowhow	8 Years	8 Years	Motor Vehicles	8 Years	8 Years	Lease hold land	Lease Term	Lease Term
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Note No.	
1	<p data-bbox="312 405 667 434"><b>b) Investment Property</b></p> <p data-bbox="368 448 1469 618">Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of the business, use in the production or supply of goods or services or for administrative purposes. upon initial reorganization, investment property is measured at cost. subsequent to initial reorganization, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any</p> <p data-bbox="312 631 676 660"><b>c) Impairment of Assets</b></p> <p data-bbox="368 674 1469 931">Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.</p> <p data-bbox="264 945 474 974"><b>iv. Inventories</b></p> <p data-bbox="312 987 1469 1328">Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost, calculated on weighted average basis, and net realizable value. Cost of raw materials and stores comprise of cost of purchases. Cost of work-in- progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Items held for use in the production of inventory are not written below cost if the finished product in which these will be incorporated are expected to be sold at or above cost.</p> <p data-bbox="264 1344 644 1373"><b>v. Revenue Recognition</b></p> <p data-bbox="312 1386 1469 1500">Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, sales tax, value added taxes, Goods &amp; Service Tax (GST) and amounts collected on behalf of third parties.</p> <p data-bbox="312 1514 772 1543"><b>a) Revenue from sale of Goods</b></p> <p data-bbox="368 1556 1469 1641">Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, revenue can be measured reliably, the cost incurred can be measured reliably.</p> <p data-bbox="312 1655 612 1684"><b>b) Dividend Income</b></p> <p data-bbox="368 1697 1469 1756">Dividend income on investments is accounted for when the right to receive the payment is established, which is generally when shareholders approve the dividend.</p> <p data-bbox="312 1769 596 1798"><b>c) Interest Income</b></p> <p data-bbox="368 1812 1469 1982">For all financial instruments measured at amortised cost, interest income is recognized using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in Other Income in the Statement of Profit and Loss.</p>

# RAJESH EXPORTS LIMITED

Note No.	
1	<p><b>vi. Leases</b></p> <p>At inception of an arrangement , company determines whether the arrangement is or contains a lease</p> <p><b>1. Assets Held under lease</b></p> <p>The assets held under lease don't transfer the company sustainably all risks and rewards of ownership (Operating Lease) are not considered in company's balance sheet.</p> <p><b>2. Lease Payments</b></p> <p>Payments made under operating leases are generally recognized in profit or loss on straight line basis over the term of lease. Minimum lease payment made under financial leases are apportioned between finance charge and deduction of the outstanding liability.</p> <p><b>3. Lease Income</b></p> <p>Lease income from operating leases where the group is a lessor is recognized in income on actual basis over the lease term. Since the lease receipts are in line with general inflation rate.</p> <p><b>vii. Financial Instruments</b></p> <p><b>a) Financial Assets :</b></p> <p><b>Recognition and Measurement:</b></p> <p>Trade Receivables and debt securities issued are initially recognized when they originate. All other financial assets and financial liabilities are initially recognized when the company becomes the party to the contractual provisions of the instruments.</p> <p><b>b) Financial Liabilities :</b></p> <p><b>Recognition and Measurement</b></p> <p>Financial Liabilities initially recognized at fair value less transaction cost ,that are directly attributable and subsequently measured at amortized cost.</p> <p><b>Classification</b></p> <p>Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability atleast 12 months after the reporting period.</p> <p><b>viii.Employee Benefits</b></p> <p>Provident Fund contributions are charged to the Statement of profit and loss of the period as and when the contribution to the respective fund is due. The Company has no obligation, other than the contribution payable under the respective scheme. Company's employees are not participants in Superannuation Schemes/ Plan.</p> <p>The company provides for gratuity, a defined benefit retirement plan (the Gratuity plan) covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on respective employee salary and tenure of employment with the company.</p> <p>Liabilities with regard to the gratuity plan are determined by actuarial valuation, performed by independent actuary, at each balance sheet date using the projected unit credit method.</p> <p>The Company does not provide leave encashment and carry forward of accumulated leave to next year to its employees.</p>



Note No.	
1	<p><b>ix. Foreign Currency Transactions :</b></p> <p>For its import and export transactions the company is exposed to currency fluctuations on foreign currency transactions, the company hedges its foreign exchange transactions against its own imports and exports and also by way of forward contracts with banks.</p> <p>Premium paid on forward contracts is recognized over the life of the contracts.</p> <p><b>x. Income Tax</b></p> <p>The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.</p> <p>The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities</p> <p>Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.</p> <p>Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.</p> <p>Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.</p> <p>Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.</p> <p>Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.</p> <p>Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively</p> <p>For operations carried out in Special Economic Zones which are entitled to tax holiday under the Income tax Act, 1961 no deferred tax is recognized in respect of timing differences which reverse during the tax holiday period, to the extent company's gross total income is subject to deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which timing difference originate.</p>

# RAJESH EXPORTS LIMITED

Note No.	
1	<p>Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.</p> <p><b>xi. Provisions and Contingent Liabilities (Other than for employee benefit):</b></p> <p>Provisions are recognized when the company has legal and constructive obligations arising from past events, outflow of future economic benefits should be probable and it should be measured.</p> <p>Provisions for onerous contracts i.e contract where the expected unavoidable cost of meeting the obligation under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligations.</p> <p>Disclosures of contingent liability is present obligation as a result of past obligation events.</p> <p><b>xii. Cash and cash equivalents</b></p> <p>For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet</p> <p>Statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.</p> <p><b>xiii. Earning Per Share :</b></p> <p>Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented.</p> <p><b>xiv. Amendment to Ind AS 21 The effect of changes in Foreign exchange Rates</b></p> <p>On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the companies (Indian Accounting Standards) Amendment Rule, 2018 containing Appendix B to Ind AS 21.</p> <ul style="list-style-type: none"><li>• Appendix B to Ind AS 21 applies when<ol style="list-style-type: none"><li>a) Pays or receives consideration denominated or Priced in a foreign currency and</li></ol></li></ul>



Note No.	
1	<p>b) Recognized a non monetary obligation prepayment asset or deferred income liability -eg: Non-refundable advance consideration before recognizing the related items at later date.</p> <ul style="list-style-type: none"> <li>• Date of transaction for the purpose of determination of the exchange rate to use on initial recognition of the related asset, expenses or income (or part of it) is the date on which an entity initially recognises the non monetary assets or liability arising from the payment or receipt of the advance consideration.</li> <li>• If there are multiple payments or receipts in advance, the entity should determine a date of the transaction for each payment or receipt of advance consideration.</li> </ul> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effects of this on the financial statements and the impact is not material.</p> <p><b>xv. Amendment to Ind AS 40 Investment Property</b></p> <p>The Amendment lays down the principle with regard to when a company should transfer an asset to or form, investment property</p> <ul style="list-style-type: none"> <li>• A transfer is made when and only when : <ul style="list-style-type: none"> <li>a) There is an actual change of use i.e an asset meets or ceases to meet definition of the investment property.</li> <li>b) There is evidence of the change of use.</li> </ul> </li> <li>• In isolation, a change in management intention for the use of property does not provide evidence of change in use.</li> </ul> <p>The amendment will come into force from April 1, 2018. The Company has evaluated the effects of this on the financial statements and the impact is not material.</p> <p><b>xvi. Amendment to Ind AS 12 Income Tax</b></p> <ul style="list-style-type: none"> <li>• Decrease below the cost in the carrying amount of a fixed rate of debts instrument measured at fair value for which the tax base remains at cost gives rise to deductible temporary difference, this applies irrespective of whether debt instrument holders expect to recover the carrying amount of the instruments by sale or by use i.e continuing to hold it, or whether its probable that the issuer will pay all contractual cash flows.</li> <li>• The amendment explains that determining temporary difference and estimating probable future taxable profit against which deductible temporary difference are assessed for utilization are two separate steps.</li> <li>• Carrying amount of the asset is relevant only to determining temporary difference. It does not limit the estimation of probable future taxable profits.</li> </ul> <p>The amendment will come into force from April 1, 2018 . The Company has evaluated the effects of this on the financial statements and the impact is not material.</p> <p><b>xvii. Recent Accounting Pronouncement:</b></p> <p>Ind AS 115- Revenue from Contract with Customers: The Company is in the process of assessing the detailed impact of Ind AS 115. Consistent with the current practice, recognition of revenue will continue to occur when the significant risks and rewards of ownership have been transferred to the buyer, which is also when the control of the asset is transferred to the customer under Ind AS 115.</p> <p>The company intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognized in retained earnings as of 1 April 2018 and that comparatives will not be restated.</p>

## RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>3</b>	<b>NON CURRENT INVESTMENTS</b>		
	(i) Investment in Equity instruments (Unquoted)	541.17	541.17
	(ii) Investments in Government or Trust - securities and others	22.36	22.36
	(iii) Other Non - Current Investments	77,940.00	77,760.00
	(iv) Investments in Mutual Funds	23,477.12	13,587.44
	<b>Total Non Current Investments</b>	<u>101,980.65</u>	<u>91,910.97</u>
<b>4</b>	<b>LONG-TERM LOANS AND ADVANCES</b>		
	Security Deposits Furnished	4,155.02	4,153.93
	Capital Advances	823.68	884.50
	<b>Total Long Term Loans and Advances</b>	<u>4,978.70</u>	<u>5,038.43</u>
<b>5</b>	<b>INVENTORIES</b>		
	(i) Gold Jewellery and Gold	168,149.73	111,998.70
	(ii) Diamonds	1,675.36	1,677.83
	(iii) Silver	1,999.39	2,228.12
	(iv) Oysterbay Items	372.09	372.09
	<b>Total Inventories</b>	<u>172,196.57</u>	<u>116,276.74</u>
<b>6</b>	<b>TRADE RECEIVABLES</b>		
	Unsecured,		
	a. (i) Outstanding for less than 6 months, Considered Good (Net)	393,288.03	495,777.53
	(ii) Outstanding for more than 6 months, Considered good (Net)	440.22	526.28
	b. Sundry debtors of ICD's interest	5,528.72	5,681.73
	<b>Total Trade Receivables</b>	<u>399,256.97</u>	<u>501,985.54</u>





Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>7</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	(i) Unpaid Dividend Bank Accounts	55.17	44.44
	(ii) Bank Balances in Current Accounts	22,139.46	29,334.24
	(iii) Cash on hand	364.74	531.74
	(iv) Fixed Deposits with banks	1,424,395.63	1,454,109.46
	<b>Total Cash and Cash Equivalents</b>	<u>1,446,955.00</u>	<u>1,484,019.88</u>
<b>8</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	(i) Advances Recoverable In Normal Course Of Business	16,606.00	8,093.00
	(ii) Advances to employees	19.62	130.03
	(iii) Inter Corporate Deposits	27,628.06	27,878.44
	<b>Total Short Term Loans and Advances</b>	<u>44,253.68</u>	<u>36,101.47</u>
<b>9</b>	<b>OTHER CURRENT ASSETS</b>		
	(i) Balances with Govt departments	51,733.13	48,505.08
	(ii) Other Receivables	2,709.50	566.57
	<b>Total Other Current Assets</b>	<u>54,442.63</u>	<u>49,071.65</u>





Note No.	Particulars	As on 31.03.2018 Rs. in lakhs	As on 31.03.2017 Rs. in lakhs
<b>12</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	(i) Franchisee deposit Received	430.77	460.77
	(ii) Rent Advance	214.23	202.23
	(iii) Partner Capital	-	43.51
	(iv) Bank Debt	24,417.30	34,978.01
	<b>Total Other Long Term Liabilities</b>	<u>25,062.30</u>	<u>35,684.52</u>
<b>13</b>	<b>DEFERRED TAX LIABILITIES (NET)</b>		
	Deferred Tax Liabilities	7,871.63	10,875.58
	<b>Deferred Tax liabilities ( Net )</b>	<u>7,871.63</u>	<u>10,875.58</u>
<b>14</b>	<b>LONG-TERM PROVISIONS</b>		
	Provision for gratuity	219.40	970.37
	<b>Total Long Term Provisions</b>	<u>219.40</u>	<u>970.37</u>
<b>15</b>	<b>SHORT TERM BORROWINGS</b>		
	<b>(a) Secured</b>		
	(i) Working Capital Loans (secured against stocks,book debts, - - Immoveable properties and export bills)	123,504.72	206,329.44
	(ii) Loans against Company's own - - Fixed deposits with Banks	733,451.77	346,022.84
	(iii) Bank Borrowing	12,208.65	-
	<b>(b) Unsecured</b>		
	(i) From Directors	2,554.45	2,871.48
	<b>Total Short Term Borrowings</b>	<u>871,719.59</u>	<u>555,223.76</u>
<b>16</b>	<b>TRADE PAYABLES</b>		
	(i) Raw Materials	211,809.10	143,558.13
	(ii) FLC liabilities	504,488.77	1,070,967.08
	<b>Total Trade Payables</b>	<u>716,297.87</u>	<u>1,214,525.21</u>
<b>17</b>	<b>OTHER CURRENT LIABILITIES</b>		
	(i) Tax Deducted at Source	-	7.63
	(ii) Value Added Tax	-	489.19
	(iii) Unclaimed Dividend	55.17	44.44
	(iv) Advance Received From Customers	888.77	906.95
	(v) Other Payables	1,782.90	1,131.56
	<b>Total Other Current Liabilities</b>	<u>2,726.84</u>	<u>2,579.77</u>

## RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2018 Amount in Rs.	As on 31.03.2017 Amount in Rs.
<b>18</b>	<b>SHORT-TERM PROVISIONS</b>		
	(i) Provision for income tax	7,245.71	2,021.95
	(ii) Provision for salary	-	29.86
	(iii) Short term provision	4,904.89	2,768.71
	<b>Total Short Term Provisions</b>	<u>12,150.60</u>	<u>4,820.52</u>
<b>19</b>	<b>REVENUE FROM OPERATIONS</b>		
	Revenue from operations*	18,768,610.44	24,213,198.42
	<b>Total Revenue from Operations</b>	<u>18,768,610.44</u>	<u>24,213,198.42</u>
	*includes interest received on fixed deposits & Mutual Funds made for margin purposes for the sake of procurement of Raw Materials		
<b>20</b>	<b>OTHER INCOME</b>		
	(i) Interest on ICD's	3,815.80	4,401.78
	(ii) Other Miscellaneous income	2,375.04	358.53
	(iii) Rent received	9.23	8.17
	(iv) Share in Income Of Associates	-	(53.64)
	<b>Total Other Income</b>	<u>6,200.07</u>	<u>4,714.84</u>
<b>21</b>	<b>COST OF MATERIAL CONSUMED</b>		
	(i) Raw material consumed	18,481,853.11	24,002,117.38
	(ii) Currency Hedging and Forex Fluctuation cost	53,146.26	(649.92)
	<b>Total Cost of Material Consumed</b>	<u>18,534,999.37</u>	<u>24,001,467.46</u>



Note No.	Particulars	As on 31.03.2018 Amount in Rs.	As on 31.03.2017 Amount in Rs.
<b>22</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	(i) Salaries and wages	11,626.99	15,627.57
	(ii) Contribution to PF, ESIC and gratuity	1,803.40	19.72
	(iii) Staff welfare Expenses	1,260.64	42.77
	<b>Total Employee Benefit Expenses</b>	<u>14,691.03</u>	<u>15,690.06</u>
<b>23</b>	<b>SELLING &amp; ADMINISTRATION, OTHER EXPENSES</b>		
	Rent	114.13	65.48
	Repairs & maintenance	896.31	707.02
	Legal, Professional and Consulting Charges	417.95	554.74
	Postage & Telegrams & Telephones	48.84	14.78
	Insurance	3,087.86	1,082.58
	Rates, Taxes & Octroi Charges	1,210.87	526.68
	Auditors Fees	76.61	40.84
	Advertisement, Publicity and others	290.18	484.10
	Travelling and Conveyance	1,052.85	109.31
	Hedging fees and Charges	10,221.33	10,462.08
	Freight Charges	1,922.51	1,129.08
	Printing & stationery	47.92	20.29
	Membership fees	173.08	27.76
	Donation	77.64	238.44
	Commission and other Office expenses	6,224.90	1,184.51
	Other manufacturing and processing expenses	1,353.15	1,841.00
	Bad debts written off	3,272.87	2,483.67
	<b>Total S&amp;A and Other Expenses</b>	<u>30,489.00</u>	<u>20,972.36</u>
<b>24</b>	<b>FINANCE COST</b>		
	(i) Bank charges	5,212.02	9,280.95
	(ii) Interest on working capital	48,455.53	33,745.75
	<b>Total Finance Costs</b>	<u>53,667.55</u>	<u>43,026.70</u>

# RAJESH EXPORTS LIMITED

Note No.						
25	<b>NOTES TO FINANCIAL STATEMENTS</b>					
	<b>1. Related Party Disclosure</b>				<i>(Rs. in lakhs)</i>	
	Loans and advances	<b>Current Year Balance</b>	Previous Year Balance	Max. Balance at any time during the year	Relationship	
	Laabh Jewels Gold Pvt Ltd	18.25	18.25	18.25	Associate Entity	
	Shubhlaabh Housing Pvt Ltd	379.00	379.00	379.00	Associate Entity	
	REL Singapore Pte Ltd	186,893.33	186,893.33	186,893.33	Subsidiary Entity	
	Global Gold Refineries	167.58	167.58	167.58	Step Down Subsidiary	
	Valcambi SA	190,471.02	9,884.83	190,471.02	Step Down Subsidiary	
	<b>2. Transactions with related parties</b>				<i>(Rs. in lakhs)</i>	
	Name of the related party	Description of the nature of relation	Description of the nature of transaction	<b>31.03.2018</b>	31.03.2017	Relationship
	Rajesh. J. Mehta	Chairman	Remuneration	1.20	1.20	Brother
	Prashanth.J.Mehta	Managing Director	Remuneration	1.20	1.20	Brother
	Bhavesh B Mehta	Relative of Director	Remuneration	1.80	1.80	Nephew
	Prashanth.J.Mehta	Managing Director	Loan	725.35	844.49	
	Rajesh.J.Mehta	Chairman	Loan	1,829.11	2,026.99	
<b>3. Contingent Liabilities</b>				<i>(Rs. in lakhs)</i>		
Name of the Statute	Nature of the due	Disputed amount	Period to which the amount relates	Forum where dispute is pending		
ESI of Karnataka	ESI	89.27	2000-03	The Appeals Authority ESI, Karnataka		
ESI of Karnataka	ESI	37.78	2006-07	The Appeals Authority ESI, Karnataka		
Service Tax	Service Tax	367.25	2006-07	The Appellate Tribunal Service tax		
<b>4. Earnings and Expenditure in foreign currency</b>				<i>(Rs. in lakhs)</i>		
<b>Particulars</b>	<b>2017-18</b>		<b>2016-17</b>			
Foreign Exchange Earnings	<b>2,836,631.35</b>		4,187,894.81			
Foreign Exchange Outgo	<b>3,233,762.68</b>		4,403,962.36			



Note No.			
<b>25</b>	<p>5. In Accordance with the Accounting Standards on “Income Taxes” issued by the Institute of Chartered Accountant of India, The Company has recognized the Deferred tax liabilities on account of timing differences of Rs. 461.67 lakhs as on 31st March 2018 (Previous Year Rs. 462.69 lakhs) as there is no virtual certainty that such deferred assets can be realized against future taxable profits. The breakup of deferred tax liabilities not recognized is furnished here under: <i>(Rs. in lakhs)</i></p>		
	Particulars	Current Year	Previous Year
	<b>Deferred Tax Liability</b>		
	Time Difference on account of Depreciation & Other Inadmissible Expenditure	1.02	(544.92)
	Less: Deferred tax asset/(liabilities) accounted Previously	(462.69)	82.23
	Net Deferred tax liability Recognized during the year	(461.67)	(462.69)
	<b>6. Leases</b>		
	<b>Operating lease:</b>		
	<p>The Company has let-out and taken premises under cancelable operating lease agreements, which the Company intends to renew in the normal course of its business. The lessee cannot sublease these properties. Total lease rentals recognized as income ( on cash basis) in the Profit and Loss Account for the year with respect to above is Rs. 9.23 lakhs (Previous year Rs. 8.17 lakhs) and total lease rentals paid recognized as expenditure is Rs. 34.56 lakhs (Previous year Rs. 44.04 lakhs).</p>		
	<b>i. Capital and other commitments</b>		
	<p>Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (Previous Year is NIL).</p>		
	<b>ii. Micro and Small Enterprises dues</b>		
	<p>Based on the information / Documents available with the Company, amounts due to micro and small enterprises are NIL.</p>		
	<p>7. Brief Particulars of Employees who were entitled to receive or were in receipt of emoluments aggregating to Rs.60 lakhs or more per annum and/or Rs.5 lakhs or more per month, if employed, for a part of the year is Nil (Previous Year Nil)</p>		
	<b>8. Segment reporting policies:</b>		
	<p>The Company and other Companies in the group are mainly engaged in the business of gold and gold products. These, in the context of accounting standard 17 on segment reporting, issued by The Institute of Chartered Accountants of India are considered to constitute one single primary segment.</p>		
	<p>9. Company has identified that there is no material impairment of assets and as such no provision is required as per Accounting Standards issued by the ICAI.</p>		
	<p>10. In the opinion of the management, no provision is required against contingent liabilities.</p>		

# RAJESH EXPORTS LIMITED

Note No.			
<b>25</b>	<b>11. Earning Per Share</b>		
	<b>(a) Basic</b>		
	Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares outstanding during the financial year held by the Company.		
	Particulars	<b>2018</b>	2017
		Rs. in lakhs	Rs. in lakhs
	Profit attributable to equity holders of the parent company	126,578.71	124,363.33
	Number of shares in issue (net of treasury shares) as at beginning of year	2,952.60	2,952.60
	Effect of treasury shares	-	-
	Effect of rights shares	-	-
	Effect of warrants	-	-
	Effect of share options	-	-
	Weighted average number of ordinary shares in issue	2,952.60	2,952.60
	Basic earnings per share (s)	42.87	42.12
	<b>(b) Diluted</b>		
	For the purpose of calculating diluted earnings per share, the profit attributable to equity holders of the parent and the weighted average number of ordinary shares outstanding during the financial year have been adjusted for the dilutive effects of all potential ordinary shares, warrants and share options granted to employees. The dilutive earning per share is calculated by dividing the profit attributable to equity holders of the parent company by the weighted average number of shares that would have been in issue upon full exercise of the remaining warrants, adjusted by the number of such shares that would have been issued at fair value as follows:		
	Particulars	<b>2018</b>	2017
		Rs. in lakhs	Rs. in lakhs
	Profit attributable to equity holders of the parent company	126,578.71	124,363.33
	Weighted average number of ordinary shares in issue	2,952.60	2,952.60
	Effect of dilution due to warrants	-	-
	Adjusted weighted average number of ordinary shares	2,952.60	2,952.60
	Diluted earnings per share (s)	42.87	42.12
	14. Previous Year's figures are furnished in brackets.		
	15. The previous year's figures are regrouped / rearranged wherever deemed necessary.		

For and on behalf of the Board

**RAJESH MEHTA**  
Chairman  
DIN : 00336457

**PRASHANT MEHTA**  
Managing Director  
DIN : 00336417

**STUTI AGRAWAL**  
Company Secretary  
M.No. A35258

As per our Report of even date  
For **P V RAMANA REDDY & CO**  
Chartered Accountants,  
Firm Regn. No. 007156S  
Sd/-

Place: Bengaluru  
Date : May 30, 2018

**VIJAYA LAKSHMI**  
Independent Director  
DIN : 071460

**B. VIJENDRA RAO**  
CFO

**(CA. P V RAMANA REDDY)**  
Proprietor  
M.No. 204588





## RAJESH EXPORTS LIMITED

CIN: L36911KA1995PLC017077

Regd. Office : # 4, Batavia Chambers, Kumara Krupa Road,  
Kumara Park East, Bengaluru-560 001.  
Tel: 080-22266735, Fax: 080-22259503, Website: www.rajeshindia.com

### Postal Ballot Notice

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read together with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment(s) thereof for the time being in force), that the resolutions given in the AGM Notice are proposed to be passed by the Members through electronic voting (e-voting) / ballot.

The Board of Directors of the Company (“Board”) has appointed Mr. Deepak Sadhu, Practicing Company Secretary, as the Scrutinizer (“Scrutinizer”) for conducting e-voting / ballot voting process in a fair and transparent manner.

Members desiring to opt for e-voting as per the facilities arranged by the Company are requested to read the instructions in the Company’s Annual Report under the section ‘**The instructions for shareholders voting electronically,**’ given in the AGM Notice.

Members desiring to opt for ballot voting are requested to carefully read the instructions printed in the Ballot Form (attached with the Annual Report) and return the same duly completed to **The Scrutinizer, c/o Rajesh Exports Limited; #4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru-560001** not later than 5 P.M. on September 28, 2018. Please note that, Ballot Forms received after 5 P.M. on September 28, 2018 shall be deemed invalid.

The results declared along with Scrutinizer’s Report, shall be placed on the Company’s website www.rajeshindia.com and on the website of the National Securities Depository Limited within two days of the passing of the Resolutions at the AGM of the Company on Monday, October 1, 2018, and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

by order of the Board of Directors

for Rajesh Exports Limited

*Company Secretary*

## BALLOT FORM

1	Name(s) & Registered Address of the Sole / First named Member	
2	Name(s) of the Joint holder(s), if any	
3	Registered Folio Number / DP ID No. / Client ID No (if shares are in demat)	
4	Number of Equity Share(s) held	

I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the 24th Annual General Meeting (AGM) of the Company to be held on Saturday, September 29, 2018 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No	Description of Resolution	Number of Equity Shares Held by me/us	(FOR)	(AGAINST)
			I/we assent to the Resolution	I/we dissent to the Resolution
1	To receive, consider and adopt the Financial Statements for the year ended 31st March 2018 as at that date together with the reports of the Directors and Auditors thereon			
2	To declare dividend			
3	To ratify re-appointment of auditors and fix their remuneration			
4	To appoint a director in place of Mr. Rajesh Mehta, who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for re-appointment.			

Place:

Date:

Signature of the member

### INSTRUCTIONS

- 1) If a member exercises voting rights through voting by electronic means (“e-voting”), the Ballot Form need not be sent to the Company.
- 2) A Member desirous for exercising vote by physical Ballot may complete this Ballot Form and send it to **The Scrutinizer (c/o Rajesh Exports Limited; #4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru-560001).**
- 3) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
- 4) The Ballot Form should be completed and signed by the member as per the specimen signature registered with the Company. In case of joint holding, the same should be completed and signed by the first-named member and in his/her absence, by the next-named member.
- 5) Corporate / Institutional Members (that is, other than individuals, HUF, NRI, etc.) opting for physical Ballot are also required to send certified true copy of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer along with the Ballot Form.
- 6) The consent must be accorded by recording the assent in the column “**FOR**” and dissent in the column “**AGAINST**” by placing a tick mark (✓) in the appropriate box.
- 7) The vote(s) of a member will be considered invalid inter alia on any of the following grounds:
  - a) If Ballot Form other than one issued by the Company is used
  - b) If the member’s signature does not tally
  - c) If the member has put a tick mark (✓) in both the columns, that is, for ‘**Assent**’ and also for ‘**Dissent**’ to the resolution in such manner that the aggregate shares voted for ‘**Assent**’ and ‘**Dissent**’ exceed the total number of shares held;
  - d) If the Ballot Form is unsigned, incomplete or incorrectly filled; or received after 5.00 P.M. on Friday, September 28, 2018.
  - e) If the member has made any amendment to the resolution or imposed any condition while exercising his vote;
  - f) If the Ballot Form is received torn or defaced or mutilated;
  - g) Any competent authority has given directions in writing to the Company to freeze the voting rights of the member.
- 8) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on Friday, September 21, 2018.

# RAJESH EXPORTS LIMITED

CIN: L36911KA1995PLC017077

Regd. Office : # 4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bengaluru-560 001.  
Tel: 080-22266735, Fax: 080-22259503, Website: www.rajeshindia.com

## ATTENDANCE SLIP

To be handed over at the entrance of the Meeting venue

Folio No./Client ID: \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Name of Member/Proxy: \_\_\_\_\_

hereby record my presence at the 24th Annual General Meeting at 12.00 Noon, Saturday, on 29.09.2018 at **Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce (Near Shivanada Circle), Bengaluru - 560 001.**

\_\_\_\_\_  
*Member's/Proxy's Signature*

- Notes :** 1. Members are requested to produce the above attendance slip, duly signed in accordance with their specimen signatures registered with the Company, for admission to the meeting.  
2. Members are informed that no duplicate attendance slips will be issued at the hall.

# RAJESH EXPORTS LIMITED

CIN: L36911KA1995PLC017077

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**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]

**Name of the Member(s) :**

**Registered Address :**

**Email ID :**

**Folio No./Client ID :**

**DP ID :**

I/We being a Member(s) of \_\_\_\_\_ shares of Rajesh Exports Limited hereby appoint:

1. Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email Id : \_\_\_\_\_ Signature : \_\_\_\_\_

2. Name : \_\_\_\_\_ Address : \_\_\_\_\_

Email Id : \_\_\_\_\_ Signature : \_\_\_\_\_

as my/our proxy to attend and vote for me/us on my/our behalf at the 24th Annual General Meeting of the Company at 12.00 Noon, Saturday, on 29.09.2018 at Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce (Near Shivanada Circle), Bengaluru - 560 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_

Signature of the shareholder \_\_\_\_\_

Signature of Proxy holder \_\_\_\_\_

Affix Re. 1  
Revenue  
Stamp

Book-Post

*If undelivered please return to :*



**RAJESH EXPORTS LIMITED**

No.4, Batavia Chambers  
Kumara Krupa Road  
Kumara Park East, Bengaluru-1. INDIA.