

**18 TH ANNUAL ACCOUNTS**

**OF**

**M/S SHUKRA JEWELLERY LTD.**

**FOR THE YEAR ENDING 31.03.2009**

**DIRECTORS**

MR. CHANDRAKANT H SHAH  
MRS. MAYURI C. SHAH  
MR. JAYENDRAH SHAH  
MR. ANIL M. PATEL  
MR. VINOD SHAH  
MR NASIR UL HAQ

**CORPORATE OFFICE**

**MUMBAI**

232, PANCHRATNA, OPERA HOUSE,  
MUMBAI 400004

**REGISTER OFFICE**

**DAMAN**

CHIRAG INDUSTRIAL COMPLEX, 39/40  
GOLDEN INDUSTRIAL ESTATE, SOMNATH ROAD,  
DAMAN-396210 U.T.

**SURAT**

7/3 102, NANDISHWAR BHAWAN,  
2<sup>ND</sup> FLOOR, CHANDULAL SHETH KI SHERI  
SAYEDPURA, SURAT-3

**BANKERS**

THE FEDERAL BANK LIMITED  
ORIENTAL BANK OF COMMERCE  
HDFC BANK  
ICICI BANK

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AND PROFIT & LOSS ACCOUNT

**NOTICE :-**

Notice is hereby given that the 18 th Annual General Meeting of the Members of Shukra Jewellery Ltd. Will be held on Wednesday the 30 th day of the September , 2009 at 1:30 P.M. at Regd. Office of the Company at Chirag Industrial Complex. Somnath Road, Daman to transact the following business:-

**ORDINARY BUSINESS :-**

1. To receive, consider and adopt the Audited Balance Sheet as at 31 st march 2009, the profit & loss account of for the year ended on that date and the reports of the Directors and Auditor's thereon.
2. To appoint auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration

**NOTES:-**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER. HOWEVER PROXY FORMS MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.
2. The Register of the Members and Share Transfer Books of the Company will remain closed from 26th September 2009 to 30th of the September 2009 (Both days inclusive).
3. Shareholder/Proxy holders are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
4. Members desiring any information as regards accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
5. MEMBERS ARE REQUESTED TO BRING THEIR COPY OF THIS ANNUAL REPORT TO THE MEETING.

Registered Office :-

Chirag Industrial Estate,  
Somnath Road,  
Daman U. T.

By the order of the Board

Chandrakant H Shah  
Chairman & Managing Director

Date:- 7.08.2009

## **DIRECTORS' REPORT**

**To**

The Members

Your Directors take great pleasure in presenting the 18<sup>TH</sup> Annual Report of the Company together with Audited Accounts for the year ended on March 31, 2009.

(Rs. IN LAKHS)

<b>PARTICULARS</b>	<b>31.03.2009 (AUDITED)</b>	<b>31.03.2008 (AUDITED)</b>
Net Income From Operations	3073.91	5038.81
Other Income	1.93	2.72
Total Expenditure	3063.20	4966.03
Interest	0.00	33.30
Profit Before Depreciation	12.64	42.20
Depreciation	0.26	0.28
Tax	0.00	0.00
Profit After Tax	12.38	41.92
Add: Balance B/F from the Previous year		
Less: FBT	0.12	0.11
Balance available for Appropriation	<u>12.26</u>	<u>41.81</u>
Less: Proposed Dividend	0.00	0.00
Less : Transfer to G.R	12.26	41.81
Balance Carried Forward to Balance Sheet.	0.00	0.00

## **OPERATION**

During the year under review, the Company has achieved turnover of Rs 30.73 crore as compare to Rs 50.38 approx during last year. The management is taking appropriate step to improve Company's bottom line.

## **CURRENT YEAR OUTLOOK**

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

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

## **DIVIDEND**

The Board has not recommended any dividend due to insufficient profit.

## **DIRECTORS**

SHRI ANIL M PATEL , SHRI. VINOD SHAH AND SHRI. NASIR UL HAQ have been reappointed as independent directors of the Company.

## **AUDITORS**

The Auditor's of the Company **M/S A D Lalwani & Associates**, Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for appointment.

## **FIXED DEPOSITS**

Your company has not accepted any fixed deposits within the meaning of section 58A from the public under the companies Act, 1956 and the rules made thereunder.

## **AUDITOR'S REPORT**

Observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments under section 217(3) of the companies Act, 1956.

### **PARTICULARS OF EMPLOYEES**

There were no employees whose remuneration were in excess of the limits prescribed under section 217(2A) of the companies Act, 1956. Hence no particulars are given .

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING.**

The information pursuant to section 217 (i) (a) of the companies Act, 1956 read with the companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 if given below :

1. The Company's operation involve very low energy consumption, wherever possible measures have already been implemented. The measure set out above do not have any significant impact on the overall cost of the production.
2. No technology has been imported during the year.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956, with respect to the Director's Responsibility Statement, it is hereby confirmed :

- i) That in the presentation of the annual accounts for the financial year ended 31<sup>st</sup> March 2009, the applicable accounting standards has been followed along with proper explanations relating to material departures :
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) That the directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2009 on a going concern basis.

## **ACKNOWLEDGEMENT**

Your Directors take this opportunity to place on record their warm appreciation and acknowledge with gratitude the assistance, co-operation and support extended to your company by bankers, clients, employees as well as the investing community and look forward to their continued support.

**Registered Office:**

**Chirag Industrial Estate  
Somnath Road ,  
Daman - U. T.  
Date :- 7.08.2009**

**By order of the Board**

**Chandrakant H Shah  
Chairman & Managing Director**



## **CORPORATE GOVERNANCE**

### **PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance is concerned with creation of long term value of shareholders while also balancing interest of other stakeholders viz. Employees, Creditors, Government and the society at large. Corporate governance is crucial as it builds confidence and trust, which eventually leads to a more stable and sustained resources flows and long-term partnership with its investors and other stakeholders.

The Corporate Governance framework will encourage efficient use of resources and ensuring accountability for these resources. Its importance lays in the contribution it makes to the overall growth and direction of the business, management accountability and transparency and above all, equitable treatment for its stakeholders.

In Sum, Corporate Governance reinforces the concept of “Your Company” and emphasis that the chairman and Board of Directors are your fiduciaries and trustees, engaged in pushing the business forward and maximizing value for you, the shareholders.

### **CORPORATE GOVERNANCE**

Your Company believes in adopting the best corporate governance practices and protecting rights and interest of stakeholders. We further believe that the shareholders have the right to know complete information on the Board of Directors and the management, their interest in the organization as well as governance practice to be followed by them.

The report on corporate governance is divided into five parts:

**Board of Directors**

**Remuneration of Directors**

**Committees of the Board**

**Shareholder Information**

**Other Disclosures**

## I. BOARD OF DIRECTORS

- The details of the Board of directors of the Company are given below:

Name	Date of appointment	Category	No. of other directorship
Chandrakant H. Shah	13.12.1991	Chairman & MD	1
Mayuri C. Shah	13.12.1991	Director	1
Jayendra H. Shah	13.12.1991	Director	1
Anil M. Patel	31.12.2005	Independent Director	1
Vinod Shah	31.12.2005	Independent Director	1
Nasir Haque	31.12.2005	Independent Director	1

## B RESPONSIBILITIES

The Board of Directors' responsibilities include review of:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Business risk analysis and control
- Senior executive appointment
- Compliance with statutory / regulatory requirements and review of major legal issues
- Adoption of quarterly results/ annual results
- Transaction pertaining to purchase disposal of property, major provisions and write offs.

## C. BOARD MEETINGS

The meetings of the Board of Directors' are scheduled well in advance and the folder containing the agenda for the meeting with detailed review of all aspects of the Company business, including performance of the Company, employee relations, details of investment, capital expenditure, etc. is circulated to all the directors. It also highlights important matters discussed at the audit committee, shareholders grievance committee and at the sub-committee of Directors. **Four** Board meetings were held on 30.07.2008, 17.10.2008, 23.01.2009 and 30.04.2009 during the period under review.

Name of the Directors	No. of Board Meeting Attended	Attendance at last A.G.M.
Chandrakant H. Shah	4	YES
Mayuri C. Shah	4	YES
Jayendra H. Shah	4	YES
Anil M. Patel	4	YES
Vinod Shah	4	YES
Nasir Haque	4	YES

## II. REMUNERATION OF DIRECTORS

Director	Salary & Perquisites (Rs.)	Commission Rs.	Total Rs.
1. Mr. Chandrakant Shah	NIL	NIL	NIL
2. Mr. Mayuri Shah	NIL	NIL	NIL
3. Mr. Jayendra Shah	NIL	NIL	NIL
4. Mr. Anil Patel	NIL	NIL	NIL
5. Mr. Nasir Haque	NIL	NIL	NIL
6. Mr. Vinod Shah	NIL	NIL	NIL

## III. COMMITTEES OF THE BOARD

### A AUDIT COMMITTEE

The Audit Committee of the Board of Directors was formed by the Board on 31/12/2005 and the Committee comprises of **three** members. The functions of the committee are as specified in Clause 49 of the Listing Agreement entered with Stock Exchanges in which the Company's shares are listed. There were **four** meetings held during on 30.07.2008.

17.10.2008, 23.01.2009 and 30.04.2009 during the period under review. The attendances of members for the meetings are as follows:

Name of the Member	Designation	No. of meeting attended
Mr.Anil M.Patel	Chairman	4
Mr.Nasir Haque	Member	4
Mr.Vinod Shah	Member	4

### **B REMUNERATION COMMITTEE**

Remuneration Committee was constituted on 31/12/2005 and it reviews and approves the annual salaries, performance commission, service agreements and other employment conditions for directors.

Name of the Member	Meeting Attended
Mr.Anil M.Patel	4
Mr.Nasir Haque	4
Mr.Vinod Shah	4

### **REMUNERATION POLICY**

The Directors are paid remuneration as per the Agreement entered between them and the Company. This Agreement is placed for approval before the Board and the shareholders and such other authorities as may be necessary. The remuneration structure of Directors comprises of salary, commission, perquisites and allowances, contributions to provident fund, super-annuation and gratuity. The non-executive directors do not draw any remuneration from the Company.

### **C SHARE TRANSFER COMMITTEE**

The Share Transfer Committee consists of **Three** members. The Committee meets on a regular basis to approve transfer of shares, transmission of shares, splitting, consolidation and rematerialisation of shares. The shares in Physical form sent for transfer in physical form are processed and registered by the Company within 30 days of receipt of documents, if found in order.

## D. SHAREHOLDER/INVESTOR GRIEVANCE COMMITTEE

The Investor Grievances Committee was constituted on 31/12/2005 to specifically look into the redress of shareholder and investor complaints like transfer of shares, non-receipt of dividends, non-receipt of Annual Report, etc. During the period under consideration Five meetings were held. The constitution of the Committee and the presence of members for the meetings are as follows:

Name of the Member	No. of meeting attended
Jayendra H. Shah	5
Nasir Haque	5
Vinod Shah	5

No. of shareholders complaints/ communication : 142  
Received during the year

No. of complaints not resolved to : NIL  
The satisfaction of shareholders

No. of pending share transfers : NIL

### I SHAREHOLDER INFORMATION

#### 1 ANNUAL GENERAL MEETING

Date and Time : 30<sup>th</sup> September 2009 at 1.30 PM

Venue : Chirag Industrial Complex,  
Golden Industrial Estate,  
Somnath Road Daman 396210

2. Book Closure Date : 26<sup>th</sup> September, 2009  
to 30<sup>th</sup> September, 2009

3. REGISTERED OFFICE : Chirag Industrial Complex,  
Golden Industrial Estate,  
Somnath Road Daman 396210

1. Listing of Equity Shares on Stock : Bombay Stock Exchange.
2. Stock code : 523790
3. ISIN No. INE 344E01016
4. Stock Price Data:

MONTH	HIGH	LOW
APRIL, 2008	7.03	5.53
MAY , 2008	6.28	5.05
JUNE, 2008	5.30	3.85
JULY, 2008	3.88	3.05
AUGUST, 2008	3.70	2.95
SEPTEMBER, 2008	3.99	2.55
OCTOBER, 2008	4.15	3.80
NOVEMBER, 2008	3.00	3.60
DECEMBER, 2008	----	----
JANUARY, 2009	3.45	3.45
FEBRUARY, 2009	3.28	3.12
MARCH, 2009	2.97	2.44

Registrar & Transfer Agents : BIG SHARE SERVICES PRIVATE LIMITED  
 E-2 Ansa Industrial Complex,  
 Saki Vihar Road, Saki Naka,  
 Andheri (East),  
 Mumbai-400 072  
 Tel: 28470652, 28470653

8. Distribution of shareholding as on 31<sup>st</sup>March, 2009

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholdings
Upto 500	20489	91.33	43,83,400	32.30
501-1000	1393	6.21	10,89,500	8.03
1001-2000	319	1.42	4,98,500	3.67
2001-3000	71	0.32	1,83,500	1.35
3001-4000	44	0.20	1,55,000	1.14
4001-5000	30	0.13	1,44,000	1.06
5001-10000	54	0.24	4,18,800	3.08
10001 & above	33	0.15	67,00,100	49.37
<b>Total</b>	<b>22,433</b>	<b>100.00</b>	<b>13,57,2800</b>	<b>100.00</b>

9. Category of Shareholdings as on 31<sup>st</sup>March, 2009

Category	No. of Shares	% of total shares
<b>Director/Relatives</b>	41,02,200	30.22
Mutual Fund	3,83,500	2.82
Financial Institution	1,200	0.01
Nationalised Bank	100	0.00
Bodies Corporate	15,55,200	11.46
NRI	10,47,890	7.72
Indian Public	64,81,900	47.76
Clearing Members	810	0.01
<b>TOTAL</b>	<b>13,57,28,00</b>	<b>100.00</b>

10. Demat Position as on 31<sup>st</sup> March, 2009

Total No. of Shares	Held in Demat Form	Percentage (%)	Held in Physical Form	Percentage (%)
13,57,2800	74,23,500	54.69%	61,49,300	45.31%

11. Financial Release Dates for 2009-2010

Quarter	Release Date (Tentative and subject to change)
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June	End of July.
2 <sup>nd</sup> Quarter ending 30 <sup>th</sup> September	End of October.
3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> December	End of January
4 <sup>th</sup> Quarter ending 31 <sup>st</sup> March	End of April.

**II OTHER DISCLOSURES**

**1 Details of Annual / Extraordinary General Meetings**

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

Year	AGM/EGM	Location	Time	Date
2005-06	AGM	Chirag Ind. Complex	3.30 p.m	18/10/2006
2006-07	AGM	Chirag Ind. Complex	1.30 p.m.	29/09/2007
2007-08	AGM	Chirag Ind. Complex	1.30 p.m.	30/09/2008

For, 2008-2009, Company does not have any proposal for postal ballot.



To the Members of  
**SHUKRAJEWELLERY LIMITED**

We have examined the compliance of conditions of Corporate Governance by Shukra Jewellery Ltd. For the year ended on 31<sup>st</sup> March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. our examination was limited to procedures and implementations thereof adopted by the Company for ensuring the compliance of 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 the management, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company, as per the records maintained by the shareholders'/investors' Grievance Committee.

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

For **A.D.LALWANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**Place: Mumbai**  
**Dated: 6.08.2009**

**AVINASH LALWANI**  
**PARTNER**

**AUDITOR'S REPORT**

**To**  
**The Members**  
**Shukra Jewellery Limited**

We have audited the attached Balance Sheet of Shukra Jewellery Limited for the year ended as at 31st March 2009, and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

According to information and explanation given to us in our opinion the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- iii. In our opinion The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
- iv. In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- v. On the basis of written representations received from the Directors', as on 31st March 2009 and taken on record by the Board of Directors, We report that none of the directors is disqualified as on 31st March 2009 from being appointed as a

director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts gives the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:
  - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
  - b. in the case of the Profit and Loss Account, of the profit for the year ended on that date;

**FOR A.D.LALWANI & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**AVINASH LALWANI  
PARTNER  
MUMBAI:-48715**

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SHUKRA JEWELLRY LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2009.**

On the basis of the information and explanations furnished to us, the books and records examined by us in the normal course of audit and to the best of our knowledge and belief in our opinion, we further report that:

1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The Fixed assets of the company have been physically verified by the management during the period and no significant discrepancies were reported on such verification. None of the fixed assets sold by the company which affects the going concern.
2. None of the fixed assets of the company has been revalued during the year.
3. The stocks of finished goods and raw materials have been physically verified by the management at the reasonable intervals.
4. The procedure for physical verification of stock followed by the management at the reasonable and adequate in relation to the size of the company and nature of its business.
5. There were no discrepancies noticed on verification of stock as compared to book records as explained to us.
6. In our opinion the valuation of stocks has been fair and proper in accordance with normally accepted principles.
7. The company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956 or from the companies under same management as defined under section 370 (1B) of the companies act 1956. The rate of interest and other terms and conditions of such loans are not prime facie prejudicial to the interest of the company.
8. The company has not granted any loans to companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956 or from the companies under same management as defined u/s 370(1B) of the companies Act 1956. However in our opinion the terms and conditions on which the loan have been given, are not prima facie prejudicial to the interest of the company.
9. The company has not given any loans or advances to any employee or other parties' However in our opinion the terms and conditions on which the loans have been given are not prima facie prejudicial to the interest of the company.
10. As per information given to us there is an adequate internal control procedure commensurate with the size of the companies the nature of its business: for the purchase of stores, raw materials, plant and machineries, equipment and other asset and sale of goods.
11. As per information and explanation given to us the company has not entered into any transaction in respect of purchase of goods and material and sale of goods but the prices on which the transactions are entered are at a fair price prevailing in the market and are not prejudicial for company and company has not entered into any transaction in respect of services rendered in pursuance of arrangements with

- companies of firms entered in the register maintained u/s 301 of the companies Act ,1956 aggregating during the year to Rs. 50000/- or more in respect of each party.
12. The company has no unserviceable or damaged stores, raw materials and finished goods.
  13. The company has not accepted any deposit from public during the year.
  14. In our opinion 4(viii) internal audit is recommended.
  15. The company has no secured loan (4xi),hence not applicable.
  16. In our opinion 4(x)-losses & net worth is not applicable,4(xii)-loan granted by way of pledge of shares and securities,4(xiii)-chit fund-4(xiv)-dealing in shares,4(xv)-guarantee for loan,4(xvi)-term loan utilization,4(xvii)-short term fund used for long term,4(xviii)-preferential allotment,4(xix)-charge for debenture,4(xx)-end use of public fund,4(xxi)-any fraud are not applicable to the company
  17. In our opinion the company has an adequate internal audit system commensurate with size of the company and the nature of its business.
  18. The central government has not prescribed maintenance of cost records under section 209-1-d of the companies act, 1956.
  19. As per the opinion of the company management there is no liability of employees provided Fund and E.S.I.S.
  20. According to the information and explanation given to us and records of the company examined by us, there are no undisputed amounts, payable in respect of Income tax, custom duty sales tax, profession tax and excise duty outstanding as At 31 st march 2009 for a period of more than six months from time the date they become payable.
  21. On the basis of records of the company and as per information and explanation given to us no personal expenses of employees and directors have been charged to revenue accounts other than those payable under contractual obligation or in accordance with generally accepted business practices.
  22. The company is not sick Industrial company within the meaning of clauses (o) of sub section 3 of the sick Industrial (special provisions) Act, 1985.
  23. In case of trading activates, we are informed that the company does not have damaged goods lying with it at the end of the year.

**FORA.D.LALWANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**AVINASH LALWANI**

PARTNER

DATE : 06.08.2009

PLACE : MUMBAI

**M/S SHUKRA JEWELLERY LTD.**  
**BALANCE SHEET AS AT MARCH 31, 2009**

	<b>SCHEDULES</b>	<b>As At 31.03.2009 (Amt in Rs)</b>	<b>As At 31.03.2008 (Amt in Rs)</b>
<b>I SOURCES OF FUNDS</b>			
<b>A SHARE HOLDERS' FUNDS</b>			
(1) EQUITY SHARE CAPITAL	1	129,904,000	129,904,000
(2) RESERVE & SURPLUS	2	222,085,178	220,858,452
<b>TOTAL</b>		<b>351,989,178</b>	<b>350,762,452</b>
<b>II APPLICATION OF FUNDS</b>			
<b>A FIXED ASSETS</b>	13		
1) GROSS BLOCK		51,070,000	1,070,000
2) LESS : DEPRICIATION		659,310	,633,096
<b>TOTAL</b>		<b>50,410,690</b>	<b>436,904</b>
<b>B INVESTMENT</b>	3	42,369,507	46,769,507
<b>C CURRENT ASSETS</b>			
1) INVENTORIES	4	87,017,656	183,438,767
2) SUNDRY DEBTORS	5	148,602,507	98,981,457
3) CASH & BANK BALANCE	6	1,406,942	2,903,603
4) LOANS & ADVANCES	7	28,089,919	25,670,776
<b>TOTAL-C</b>		<b>265,117,024</b>	<b>310,994,603</b>
<b>LESS:</b>			
<b>D CURRENT LIABILITIES AND PROVISIONS</b>			
1) LIABLITIES	8	5,908,043	7,438,562
<b>TOTAL-D</b>		<b>5,908,043</b>	<b>7,438,562</b>
<b>E NET CURRENT ASSETS</b>	<b>TOTAL C-D</b>	<b>259,208,981</b>	<b>303,556,041</b>
<b>TOTAL</b>		<b>351,989,178</b>	<b>350,762,452</b>
NOTES TO THE ACCOUNT		---	---

The Schedules referred to above forms an integral part of the accounts .  
As per our report of even date

**For AD LALWANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**For M/S Shukra Jewellery Limited**

**AVINASH LALWANI**  
**PARTNER**

**Director**

**Director**

PLACE - MUMBAI  
DATE - 06.08.2009

**M/S SHUKRA JEWELLERY LTD**  
**TRADING, PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON MARCH 31, 2009**

	SCHEDULES	For the Year Ended 31.03.2009 (Amt in Rs)	For the Year Ended 31.03.2008 (Amt in Rs)
<b>I INCOME</b>			
A) SALES	9	307,391,274	503,881,182
B) OTHER INCOME/LOSS	10	193,564	272,846
<b>TOTAL</b>		<b>307,584,838</b>	<b>504,154,028</b>
<b>II EXPENDITURE</b>			
A) COST OF SALES	11	303,185,141	490,005,499
B) ADMINSTRATIVE, SELLING & OTHER EXPENCES	12	3,134,486	6,597,827
C) INTEREST		---	3,330,378
D) DEPRICIATION		26,214	27,887
<b>TOTAL</b>		<b>306,345,841</b>	<b>499,961,591</b>
<b>III PROFIT / BEFORE TAX</b>		1,238,997	4,192,437
Provision for Taxation		---	---
<b>IV PROFIT/(LOSS) AFTER TAX</b>		<b>1,238,997</b>	<b>4,192,437</b>
ADD : BALANCE B/F FROM PREVIOUS YEAR		---	---
LESS :- FBT		12,271	10,893
<b>V BALANCE AVAILABLE FOR APPROPRIATION</b>		1,226,726	4,181,544
LESS : TRANSFERRED TO GENERAL RESERVE		1,226,726	4,181,544
LESS : PROPOSED DIVIDEND		-	-
BALANCE CARRIED FORWARD TO BALANCE SHEET		-	-
NOTES TO THE ACCOUNT	14		

The Schedules referred to above forms an integral part of the accounts  
As per our report of even date

**For A D LALWANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**AVINASH LALWANI**  
**PARTNER**

PLACE - MUMBAI  
DATE - 06-08-2009

**For Shukra Jewellery Limited**

**Director**

**Director**

**SHUKRA JEWELLERY LTD.**

**SCHEDULE 1 TO 15 FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH 2009**

	AS AT 31-03-2009 AMOUNT IN RS.	AS AT 31-03-2008. AMOUNT IN RS.
<b>SCHEDULE NO. 1</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL :</b> 200,00,000 (Previous Year 200,00,000) Equity Share of Rs 10/ Each	200,000,000	200,000,000
<b>ISSUED &amp; SUBSCRIBED CAPITAL :</b> 1,35,72,800 (Previous Year 1,35,72,800) Equity Share of Rs 10/ Each		
	135,728,000	135,728,000
<b>PAID UP CAPITAL:</b> 1,35,72,800 (Previous Year 1,35,72,800) Equity Share of Rs 10/ Each		
	135,728,000	135,728,000
<b>LESS : Calls in arrears</b>	5,824,000	5,824,000
<b>TOTAL</b>	<b>129,904,000</b>	<b>129,904,000</b>
<b>SCHEDULE NO. 2</b>		
<b>RESERVES &amp; SURPLUS :</b>		
General Reserves Balance as per last Balance Sheet	220,858,452	216,676,908
<b>ADD : Transferred from Profit &amp; Loss Account</b>	1,226,726	4,181,544
<b>TOTAL</b>	<b>222,085,178</b>	<b>220,858,452</b>
<b>SCHEDULE NO.3</b>		
<b><u>INVESTMENTS (AT COST &amp; QUOTED)</u></b>		
{As Verified & Certified For Management}		
<b>INVESTMENTS OF LONG TERM NATURE</b> IS RS.2,10,59,350 12,95,000 EQUITY SHARES OF RS. 10 EACH IN SHUKRA BULLIONS LTD COMPANY UNDER SAME MANAGEMENT MARKET VALUE RS 65,00,000	21,059,350	21,059,350
<b>OTHER TRADING INVESTMENTS</b> MARKET VALUE RS.1,28,,00,000	21,310,157	25,710,157
<b>TOTAL</b>	<b>42,369,507</b>	<b>46,769,507</b>



<b>SCHEDULE NO.4</b>		
<b>INVENTORIES</b>		
(As Taken , Valued & Certified for Management)		
(Valued at Lower or Cost of net realisable Value)		
Gold & Diamonds	87,017,656	183,438,767
<b>TOTAL</b>	<b>87,017,656</b>	<b>183,438,767</b>
<b>SCHEDULE NO.5</b>		
<b>SUNDRY DEBTORS</b>		
<b>(UNSECURED CONSIDERED GOOD)</b>		
Outstanding for a period less than 6 months	62,312	3,786,264
Outstanding for a period Exceeding 6 months	148,540,195	95,195,193
<b>TOTAL</b>	<b>148,602,507</b>	<b>98,981,457</b>
<b>SCHEDULE NO 6</b>		
<b>CASH &amp; BANK BALANCES</b>		
CASH IN HAND	1,400,415	2,225,063
BALANCE WITH BANK	6,527	678,540
<b>TOTAL</b>	<b>1,406,942</b>	<b>2,903,603</b>
<b>SCHEDULE NO 7</b>		
<b>LOAN &amp; ADVANCES</b>		
(Unsecured Considered Good)		
A) ADVANCES	28,037,290	25,618,147
B) TDS RECEIVABLES	52,629	52,629
<b>TOTAL</b>	<b>28,089,919</b>	<b>25,670,776</b>
<b>SCHEDULE NO 8</b>		
<b>CURRENT LIABILITIES</b>		
A) CREDITORS FOR GOODS	1,349,866	2,875,571
B) CREDITORS FOR OTHERS		28,098
C) LOAN & ADVANCES	4,524,000	4,524,000
D) PROVISIONS	21,906	
E) FBT	12,271	10,893
<b>TOTAL</b>	<b>5,908,043</b>	<b>7,438,562</b>

**SCHEDULE TO TRADING & PROFIT & LOSS A/C FOR THE PERIOD 1.04.2008 to 31.03.2009**

<b>SCHEDULE NO 9</b>		
<b>SALES</b>		
SALES (SURAT)	307,186,119	501,357,874
SALES (EXPORTS)	205,155	2,523,308
<b>TOTAL</b>	<b>307,391,274</b>	<b>503,881,182</b>
<b>SCHEDULE NO 10</b>		
<b>OTHER INCOMES/LOSS</b>		
DIVIDEND	33,064	140,996
LABOUR CHARGES	-	41,850
ASSORTMENT CHARGES	160,500	90,000
<b>TOTAL</b>	<b>193,564</b>	<b>272,846</b>
<b>SCHEDULE NO 11</b>		
<b>COST OF SALES</b>		
OPENING STOCK	183,438,767	224,408,176
ADD : PURCHASE	206,764,030	449,036,090
<b>TOTAL</b>	<b>390,202,797</b>	<b>673,444,266</b>
<b>LESS:</b>		
CLOSING STOCK	87,017,656	183,438,767
<b>TOTAL</b>	<b>303,185,141</b>	<b>490,005,499</b>
<b>SCHEDULE NO 12</b>		
<b>SELLING &amp; ADMINISTRATIVE EXPENSES</b>		
EXCHANGE DIFFERENCE	37,807	935,471
STAFF SALARIES	1,926,573	2,773,499
BANK & OTHER COMMISION	9,045	68,762
LEGAL/PROFESSIONAL FEES	154,919	117,323
ELECTRICITY EXPENSES	99,489	85,586
TELEPHONE & INTERNET EXPENCES	116,150	115,702
ADMINISTRATIVE / SUNDRY EXPENCES	228,175	609,402
INSURANCE	19,901	177,526
SHARE REGISTER & TRF. AGENT FEES	153,772	63,734
LISTING FEES	95,265	1,150,672
PRINTING & STATIONERY	33,220	144,111
SOCIETY EXPENCES	93,006	199,162
TRAVELLING & CONVEYANCE EXP	48,180	28,205
REPAIR & MAINTENANCE	38,740	67,913
FRIGHT & FORWARDING EXPENSES	47,399	39,073
AUDITOR REMUNERATION	19,854	19,225
ADVERTISMENT	-	2,461
INTERNET EXPENDITURE	12,991	-
<b>TOTAL</b>	<b>3,134,486</b>	<b>6,597,827</b>

**SCHEDULE - 13  
FIXED ASSETS**

SR. NO.	DEPRICIATION OF ASSETS	RATE	GROSS BLOCK			DEPRICIATON			NET BLOCK	
			AS AT 01.04.2008	ADDITION DELETION	AS AT 31.03.2009	AS AT 01.04.2008	FOR THE YEAR	TOTAL UPTO 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2009
1	<b>BLOCK I</b> OFFICE PRIMISES	6%	1,070,000	--	1,070,000	633,096	26,214	659,310	410,690	436,904
2	<b>BLOCK II</b> FACTORY BLD AT DAMAN	10%	--	17,817,000	17,817,000	--	--	--	17,817,000	--
3	<b>BLOCK III</b> PLANT AND MACHINERY I	14%	--	32,183,000	32,183,000	--	--	--	32,183,000	--
	<b>TOTAL</b>		1,070,000	50,000,000	51,070,000	633,096	26,214	659,310	50,410,690	436,904

## SCHEDULE "14" NOTES TO THE ACCOUNTS

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### A.] SIGNIFICANT ACCOUNTING POLICIES

##### 1. Basis of Accounting

The financial statement are prepared under the historical cost convention on accrual basis.

##### 2. Fixed Assets

All fixed assets are valued at cost less depreciation.

##### 3. Depreciation

Depreciation on fixed assets is provided in written down value method in accordance with the schedule XIV of the Companies Act 1956.

##### 4. Inventories

- |                       |   |                                    |
|-----------------------|---|------------------------------------|
| (i) Polished Diamonds | : | Valued at Cost or realizable value |
| (ii) Gold             | : | Valued at Cost or realizable value |

##### 5. Revenue Recognition

In appropriate circumstance, revenue is recognised when no significant uncertainty as to determination or realization exists.

##### 6. IMPAIRMENT OF ASSETS:

An assets is impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an Assets is defined as impaired. The impairment loss recognized in prior accounting Period is reversed if there has been a change in the estimate of recoverable amount.

#### B] NOTES FORMING PART OF THE ACCOUNTS

1. Payment to Auditors :	As at 31.03.2009	As at 31.03.2008
(i) Audit fees	13,000 00	13,000.00
(ii) Tax Audit Fees	5,000.00	5,000.00
(iii) Certification and Taxation Matter	0.00	0.00
Total	<u>18,000.00</u>	<u>18,000.00</u>

2. **Managerial Remuneration :**                      **NIL**                      **NIL**

3. **Contingent Liabilities in Respect of :**

No provision is made for liabilities that are contingent in nature but, if material, the same are disclosed by way of notes to the accounts

4.. Sundry Debtors/Creditors and Loans and Advances, Cash & Bank Balance /Investments are subject to Confirmation /reconciliation.

5. Inventories is taken, valued and certified by the management.

6. As regards payment made to specified persons, as covered by section 40 A (2) (b) of the Income Tax Act, 1961 we have relied in the list of person as furnished by the assesses.

7. Previous year's figures have been regrouped, rearranged and recast wherever found necessary.

8. The Company has sold one assets (factory unit at Daman), in the FY.2005-06 (AY.2006-07) for an amount of Rs.500 lacs

The Company had incurred profits on sale of the asset and the same was accounted in that year.

Due to some dispute with the purchasing party the sale deal got cancelled.

In view of it the company has bought back the asset in the books at the same amount (RS. 500 lacs) at which it was accounted in the year of sale.

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information required to be given in pursuance of part iv of the Companies Act 1956  
(figures in Bracket are in respect of previous year)

### I Registration Details

Registration No. : 2515  
Balance Sheet Date : 31.03.2009

### II Capital Raised during the year

	As at 31.03.2009	(Rs. IN TOUSAND) As at 31.03.2008
Public Issue	Nil	Nil
Bonus Issue	Nil	Nil
Right Issue	Nil	Nil
Private Placement	Nil	Nil

### III Position of mobilisation and Deployment of funds

Total Liabilities	351989.17	350762.45
Total Assets	351989.17	350762.45

#### Sources of funds

Paid up Capital	129904.00	129904.00
Share Application	0.00	0.00
Secured Loans	0.00	0.00
Current liabilities	5908.04	7438.56
Reserves & Surplus	220858.18	220858.45
Unsecured Loans	0.00	0.00

#### Application of funds

Net Fixed Assets	504.10	4.37
Current Assets	265117.02	310994.60
Accumulated Losses	0.00	0.00
Investments	42369.51	46769.51
Misc. Expenditure	0.00	0.00

**IV Performance of company**

Turnover	307391.27	503881.18
Profit Before Tax	1238.99	4192.43
Earning per share	0.00	0.11
Total Expenditure	306345.84	499961.59
Profit after tax	1226.73	4181.54
Dividend Rate	0.00%	0.00%

**V Generic names of principal products/services of the Company (as per monetary terms)**

1. Items Code No. (ITC Code) : 71023901  
Product description : Polished Diamonds (other than Industrial Diamonds Jewellery)

Signatories to Schedule 1 to 14

As Per report of even date attached

for and on behalf of the Board

For **A.D.LALWANI & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**CHANDRAKANT SHAH C & M DIRECTOR**

**PARTNER**

**JAYENDRA H. SHAH DIRECTOR**

**MUMBAI :**  
**06.08.2009**

**MRS. M. C. SHAH DIRECTOR**

I. Detailed Quantitative information of turnover Opening stock, Closing stock and Goods manufactured/traded during the year ended 31.03.2009 ( certified by Management )

PARTICULARS	31ST MARCH 2009		31ST MARCH 2008		
	UNIT	QUANTITY	VALUE	QUANTITY	VALUE
<b>1. TURNOVER</b>					
POLISHED DIAMOND (M)		5.27	0.95	--	--
POLISHED DIAMOND (S)		32,710.38	3,058.55	47,150.77	4,986.26
GOLD (24 K) (S)		1,210.40	13.31	5,345.73	52.55
GOLD (24 K) (M)		43.42	1.10	--	--
BRANCH TRF ( S TO M)		43.42	0.65	--	--
<b>2. PURCHASE</b>					
POLISHED DIAMOND (M)		--	--	--	--
POLISHED DIAMOND (S)		19,865.84	2,067.64	51,266.50	4,490.36
GOLD (24 K) (S)		--	--	--	--
GOLD (24 K) (M)		--	--	--	--
BRANCH TRF ( S TO M)		43.42	0.65		
<b>3. OPENING STOCK</b>					
POLISHED DIAMOND (M)		92.62	5.50	92.62	5.50
POLISHED DIAMOND (S)		16,515.80	1,772.74	12,400.07	2,162.55
GOLD (24 K) (S)		5,104.29	56.14	10,450.02	76.04
GOLD (24 K) (M)		--	--	--	--
<b>4. CLOSING STOCK</b>					
POLISHED DIAMOND (M)		87.35	5.24	92.62	5.50
POLISHED DIAMOND (S)		3,671.26	807.18	16,515.80	1,772.74
GOLD (24 K) (S)		3,850.47	57.75	5,104.29	56.14
GOLD (24 K) (M)		--	--	--	--

II	CIF VALUE OF IMPORT	NIL
III	EXPENDITURE IN FOREIGN CURRENCY	NIL
IV	EARNING IN FOREIGN CURRENCY	659418
V	DIVIDEND REMITTED IN FOREIGN EXCHANGE	NIL

SIGNATURE TO SCHEDULE I TO 15  
AS PER REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR A.D. LALWANI & ASSOCIATES  
CHARTERED ACCOUNTANTS

CHANDRACANT SHAH (C & M DIRECTOR)

PARTNER

JAYENDRAH. SHAH DIRECTOR

MUMBAI:  
DATE: 06-08-2009

MRS. M. C. SHAH DIRECTOR



# SHUKRA JEWELLERY LIMITED

Regd. Office : S-6/14, Chirag Industrial Complex,  
39/40, Golden Industrial Estate, Somnath Road, Daman - 396 210 U.T.

## ATTENDANCE SLIP

Folio No. of Member : \_\_\_\_\_

Name of the Member : \_\_\_\_\_

Name of the Party : \_\_\_\_\_

I hereby record my presence at the 18th Annual general Meeting of the Company at Regd. Office of the company at Chirag Industrial Complex, Somnath Road, Daman on Wednesday 30th September 2009 at 1.30 p.m.

SIGNATURE OF THE ATTENDANCE MEMBER / PROXY

- NOTES : 1. A shareholder / Proxyholder wishing to attend the meeting must hand over the same at the entrance duly signed.  
2. A shareholder / Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting

# SHUKRA JEWELLERY LIMITED

Regd. Office : S-6/14, Chirag Industrial Complex,  
39/40, Golden Industrial Estate, Somnath Road, Daman - 396 210 U.T.

I/We \_\_\_\_\_ of \_\_\_\_\_

\_\_\_\_\_ in the district of \_\_\_\_\_ being

a member / members of the abovenamed Company, hereby appoint \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ in district of

\_\_\_\_\_ (or failing him ) \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ in district of \_\_\_\_\_ as

my / our Proxy to attend and vote for me / our behalf of the 18th Annual general Meeting of the Company, to be held on Wednesday 30th September 2009 and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2009

Regd. Folio No. \_\_\_\_\_ Signature \_\_\_\_\_

No of Shares \_\_\_\_\_

Affix  
30 paise  
Revenue  
Stamp

This form is to be of the resolution, Unless otherwise instructed, the proxy will act as the thinks fit.

NOTE : In order that the Proxy is effected, it must for returned so as to reach the corporate office of the company

at

**SHUKRA JEWELLERY LIMITED**

232, Pancharatna, Opera House, Mumbai - 400 004.