



NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of **Deep Diamond India Limited** will be held on Monday, September 30, 2013 at 11.00 a. m. at The Silk Merchants' Association, Dahanukar Building, 1st Floor, 480, Kalbadevi Road, Mumbai-400002 to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 and the statement of Profit and Loss Account for the year ended on that date and the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Smt. Sangeeta Jain who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED that pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act. 1956 and subject to the approval of the concerned authorities, if required, the consent of the Company be and is hereby accorded to Ms. Jayashree Solanki, relative of directors of the company to hold with effect from August 1, 2012 and continue to hold an office or place of profit in the Company on a monthly remuneration of 15,000/- including all perquisites and amenities with power to the Board to increase from time to time upto Rs. 50,000/-per month.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do such acts, matters, deeds and things in order to give effect to the above resolution."

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 AND A PROXY NEED NOT BE A MEMBER.
 2. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
 3. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of the business item no.4 is annexed hereto.
-

4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 25, 2013 to Monday, September 30, 2013 (both days inclusive).
5. Members are requested to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
6. Shareholders desiring information as regards the Accounts are requested to write to the Company at least 10 days before the Annual General Meeting to enable the Management to keep the information ready.
7. Members are requested to notify promptly any change in their addresses to the Company's Registrar and Share Transfer Agents, Universal Capital Securities Pvt. Ltd., 21, Shakil Niwas, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Share Transfer Agents of the Company quoting their Folio No.

Registered Office:

Office No. 202,
Cosmos Court Premises
Co-operative Society Ltd.
S.V.Road, Vile Parle (W),
Mumbai- 400056.

By Order of the Board
For **DEEP DIAMOND INDIA LIMITED**

Prakash R. Solanki
Executive Director

Dated: August 10, 2013



ANNEXURE TO NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956

Item No. 4

Ms. Jayashree Solanki has been looking after the marketing activities of the Company and she has been paid a monthly remuneration of Rs. 15,000/- with effect from August 1, 2012.

As per the provisions of Section 314 of the Companies Act, 1956 consent of the members of the company is required for the payment of aforesaid remuneration to relative of directors of the company by way of special resolution.

Accordingly, special resolution at item no. 4 of the accompanying notice are proposed for the approval of the members of the company.

Shri Prakash Solanki, Chairman and Executive Director is interested or concerned in the said resolution being relative of Ms. Jayashree Solanki

The directors commend the resolutions in proposed item No. 4 for approval of the members.

Registered Office:
Office No. 202,
Cosmos Court Premises
Co-operative Society Ltd.
S.V.Road, Vile Parle (W),
Mumbai- 400056.

By Order of the Board
for DEEP DIAMOND INDIA LIMITED

Prakash R. Solanki
Executive Director

Dated: August 10, 2013

DIRECTORS' REPORT

To,
The Members

The Directors have pleasure in presenting the Nineteenth Annual Report together with the Statement of Accounts for the year ended March 31, 2013 :

FINANCIAL RESULTS:

	2012-13 (Rs.)	2011-12 (Rs.)
Sales & Other income	29638547	32222619
Profit before Interest and Depreciation	3890723	3525808
Less : Interest	423337	181177
Profit before Depreciation	3467386	3344631
Less : Depreciation	507220	553053
Profit before Taxation	2960166	2791578
Less : Provision for Taxation : Current	(930000)	(866000)
Deferred	(7431)	(11731)
Profit after Tax	2022735	1913847
Add : Balance profit brought forward from previous year	34573938	32660091
Profit/(loss) carried to Balance sheet	36596673	34573938

OPERATIONS:

During the year the company achieved sale of Rs. 2,96,08,534 /- After offsetting the expenses the company earned a net profit of Rs. 20,22,735/-.

DIVIDEND:

In order to conserve the resources to meet its long term fund requirements of the Company, your Directors do not recommend any dividend for the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:**(A) CONSERVATION OF ENERGY:**

The particulars regarding conservation of energy are not applicable to the Company as the Diamond Industry is not covered under the Schedule prescribed by the said Rules.



(B) TECHNOLOGY ABSORPTION :

Presently the Company is not required any technology for its existing business.

(C) Foreign Exchange Earned	: Rs. Nil
Foreign Exchange Utilised	: Rs. Nil

FIXED DEPOSITS:

The company has not accepted any Fixed Deposits from the public during the year under review.

LISTING:

The Equity Shares of the Company are listed at the Pune, Ahemdabad, Delhi, Calcutta And Bangalore Stock Exchanges. The company has paid the Annual Listing Fees to the Stock Exchanges for the year 2013-2014.

DIRECTORS:

Smt. Sangeeta Jain would retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Brief resume of the above Director, nature of her expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship of committees of the Board, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange are given in the section on Corporate Governance in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 217(2AA) of the Companies Act, 1956 your Directors confirm the following:

As specifically required under the Companies Act, 1956, your Directors state that:

(i) that in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed alongwith proper explanation relating to material departures;

(ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of

the Company and for preventing and detecting fraud and other irregularities;
(iv) that the Directors have prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement with the Stock Exchange, Reports on Management Discussion & Analysis and on Corporate Governance along with a certificate from the Auditors form part of this Report.

COMPLIANCE CERTIFICATE:

A Compliance Certificate under Section 383A of the Companies Act, 1956 from the Practising Company Secretary in respect of the financial year ended on March 31, 2013 is attached hereto.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS:

M/s. Ramprasad Sharma & Associates, Chartered Accountants, the Auditors of the company would retire at the ensuing Annual General Meeting and are eligible for reappointment. You are requested to appoint Auditors and to fix their remuneration.

ACKNOWLEDGEMENT:

Your Directors greatly value the support and co-operation received during the year from the company's customers, suppliers, Financial Institutions, Bankers, statutory Authorities and all organizations connected with its business. Your Directors place on record their appreciation of the efficient and loyal services rendered by the employees of the Company at all levels. Our whole-hearted thanks to our shareholders, who have extended their valuable support.

For and on behalf of the Board of Directors

Prakash R. Solanki

Chairman

Date : May 30, 2013



ANNEXURE TO THE DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A report on Management Discussion and Analysis, which is forming part of this Report, adequately deals with the operations as also current and future outlook of the Company.

INDUSTRY STRUCTURE, DEVELOPMENT, OPPORTUNITY AND THREATS:

The Company is in the Business of Diamond and Gold Jewellery. The Indian jewellery market is mainly catered and dominated by traditional, unorganized jewellery manufactures and retailers.

Technologically (Organised and Corporate) Indian jewellery industry compares well with other major world centers, incorporating the most modern machinery and latest manufacturing process. However the cost remains higher than the traditional and unorganized manufactures and retailers.

The Indian jewellery market is dominated by retail jewellers. Indian jewellery has huge potential for exports also. The Company always looks forward to tap forward these huge potential of Indian jewellery market by offering latest well designed products. The Company has highly skilled labour and designers and marketing team to cater to the rising demand.

SEGMENT – WISE PRODUCTION PERFORMANCE.

Since the Company operations predominantly is in only one segment – viz. Jewellery of Gold and Diamond Studded, therefore the above figures relates to that segment.

OUTLOOK:

The Company and its products enjoy a demand in the market and in view of the dedicated clientele of retailers it hopes to increase the sale and profitability in the current year.

RISKS AND CONCERNS:

The Company is falling under Jewellery Industry. The Jewellery Industry, as such, is exposed to various types of risks and its growth is dependent, in general on the economy's growth and on several factors such as taxation, government regulations, fluctuations in gold and diamond price, etc. Jewellery industry currently in India has become highly competitive due to competition from unorganized sectors. Most of the retail jewelers are being serviced and supplied by these unorganized sectors of manufacturer of Jewellery. This in turn has affected the organized and corporate Jewellery industry that has to face pressure on margins.

Exposure to few large customers has major impact on profitability and increases the credit risks, whereas, large customers with high repeat business lead to higher revenue growth and lower marketing cost. Therefore it is essential for the Company to strike a balance on this account. Your Company is trying to diversify its customer base, covering almost all in the country, wide dealer

network and export customers. Your Company is also actively involved new business opportunities both in domestic and export markets in order to further increase its customer base.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an effective system of accounting and administrative controls which ensures that all assets are safeguarded and protected against loss from unauthorised use or disposition. The company has a well defined organization structure with clear functional authority limits for approval of all transactions.

The Company has a reporting system, which evaluates and forewarns the management on issues related to compliance. The performance of the Company is regularly reviewed by the Board of Directors to ensure that it is in keeping with the overall corporate policy and in line with the pre- set objectives.

The Company's internal auditors review business processes and controls. Significant findings are then discussed by the Board and corrective measures initiated.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review, the turnover is Rs. 2,96,08,534/- as compared to Rs. 3,21,46,870/- of the previous year. Accordingly, the Company's net profit during the year is Rs. 20,22,735/- against Rs. 19,13,847/-of the previous year.

Your Company continue to make all the efforts to adopt the best systems and methods of doing the business, reduce overheads, improve productivity and establish better customer relations with improved quality and effective distribution network.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT:

The affairs of the Company are being managed under the control and supervision of the Managing Director is being assisted with experienced and qualified management and marketing team.

In an on going effort to create high quality Human Resources, various initiatives were taken through development programmes where employees are encouraged to share creative ways and means to improve productivity.

As in the past identification and sourcing of high talent, promotion of performance excellence, development of on-the-job skills and effective employee communication will continue to receive focused attention.

Industrial relations were cordial throughout the year with no loss of production and man-hours.

The Company treats people as most valuable asset and has a structured system of performance appraisal and career advancement.



CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward- looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations, include markets in which Company operates mainly, changes in Government regulations, tax laws and other statutes and incidental factors.

Place : Mumbai

Prakash R. Solanki

Dated: 30th May, 2013

Chairman

Company No: L51343MH1994PLC082609

Nominal Capital Rs. 4,00,00,000/-

Compliance Certificate

To,

The Members

DEEP DIAMOND INDIA LIMITED

Office No. 202, Cosmos Court Premises Co-operative Society Ltd.

S.V.Road, Vile Parle (W), Mumbai- 400056.

We have examined the registers, records, books and papers of Deep Diamond India Limited as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and entries therein have been recorded.
2. The Company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities as mentioned in the said Annexure.
3. The Company being a public limited company, comments that it has minimum prescribed paid-up capital and comments relating to Private Limited Company about maximum number of members, invitation to public to subscribe for shares and acceptance of deposits from persons other than its members, directors or their relatives, are not required.
4. The Board of Directors duly met 6 (Six) times on 30.05.2012, 11.08.2012, 14.11.2012, 03.01.2013, 14.02.2013 and 28.02.2013 in respect of which meetings notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. (No circular resolution was passed.)
5. The Company has closed its Register of Members from 21st September 2012 to 29th September 2012 and necessary compliance of Section 154 of the Act, has been made.
6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 29.09.2012 after giving notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.