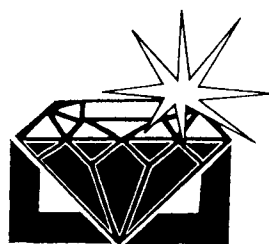


NINETEENTH ANNUAL REPORT
2012 - 2013



LASER DIAMONDS LIMITED

LASER DIAMONDS LIMITED

BOARD OF DIRECTORS

1. Mr. Lalit Kumar Samdaria
2. Mr. Rikhab Chand Samdaria
3. Mr. Tarun Chordia

BANKERS

1. The Royal Bank of Scotland,
No.1, Harrington Road, Chetpet, Chennai-600 031.
2. ING Vysya Bank Ltd
No.185, Anna Salai, Mount Road, Chennai 600 006.

AUDITOR

M/s Bharat Kumar N. Jain
Chartered Accountants
376, Mint Street, 2nd Floor, Chennai - 600 079.

REGISTERED OFFICE

City Centre Old No.186 New No.232 Purasawalkam High Road
First Floor ,F-1, Kilpauk, Chennai - 600 010.

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LASER DIAMONDS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of members of the Company will be held on Friday the 27th day of September 2013 at 10:30 AM at "RAGAAS" No:47, 1st Avenue, Sastri Nagar, Chennai 600020 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss account of the Company for the financial year ended 31.03.2013 and the balance sheet as at 31.03.2013 together with the director's report, auditor's report thereon and Compliance certificate of company Secretary thereon in wholetime practice.
2. To appoint Director in place of Mr. Tarun Chordia who retires by rotation being eligible offer himself for reappointment.
3. To appoint Auditors of the Company to hold office from conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the company at a remuneration to be decided by the Board of Directors.

SPECIAL BUSINESS:

DELISTING OF EQUITY SHARES IN MADRAS AND AHMEDABAD STOCK EXCHANGE:

4. To Consider, and if thought fit, to pass the following resolution, with or without modification, as a SPECIAL Resolution:

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed there under, listing agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorized to seek voluntarily delisting of its securities from MADRAS STOCK EXCHANGE and AHMEDABAD STOCK EXCHANGE."

"RESOLVED FURTHER THAT the securities of the company shall continue to be listed on the stock exchange having nationwide trading terminals viz the stock exchange Mumbai and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the company."

"RESOLVED FURTHER THAT the Board of directors of the company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution immediately."

Date : 12.08.2013
Place : Chennai

By Order of the Board
For Laser Diamonds Limited
RIKHABCHAND SAMDARIA
Sd/-
Director

LASER DIAMONDS LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2013 to 27th September 2013 (Both days inclusive)
3. Shareholders / proxy holders are requested to bring their copy of the annual report with them at meeting and to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
4. Members desirous of getting any information about the accounts and operation of the Company are requested to address their query to the Company at the registered office of the Company well in advance so that the same may reach at least seven days before the date of meeting to enable the management to keep the required information readily available at the meeting.
5. The Members are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited, Subramanian Building, No.1 Club House road, Mount Road, 5th Floor, Chennai-600 002, change of address if any at the earliest quoting their registered folio number.

Date : 12.08.2013

Place : Chennai

By Order of the Board
For Laser Diamonds Limited
RIKHABCHAND SAMDARIA
Sd/-
Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF:

ITEM NO: 4: DELISTING OF SECURITIES:

The Securities & Exchange Board of India (SEBI) notified guidelines for voluntary delisting of securities from the stock exchanges. As per SEBI (Delisting of Securities) Guidelines, 2003 an exit opportunity to the shareholders need not be given where securities of the company remain listed on the stock exchange having nation wide trading terminal, i.e., The Stock Exchange, Mumbai, the National Stock Exchange of India and any other stock exchange that may be specified by SEBI in this regard.

At present the equity shares of the company are listed at MUMBAI, AHMEDABAD and MADRAS. Considering the negligible volume of trading and as a part of its cost reduction measure, the consent of members is sought for getting its securities delisted from MADRAS and AHMEDABAD stock exchanges as proposed in the special resolution. The securities of the company shall continue to be listed on the Stock Exchange, Mumbai.

The Board of Directors have passed necessary Resolution on 12th day of August 2013 in this connection.

The Board recommends the resolution for approval of members.

None of the directors is, in any way, concerned or interested in the said resolution.

LASER DIAMONDS LIMITED

DIRECTORS' REPORT

To
The Members

Your directors have pleasure in presenting the 19th Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS

(Rs.in '000)

Particulars	Year ended 31 March 2013	Year ended 31 March 2012
Income	14966.28	15957.86
Expenditure	14942.95	16945.50
Net Profit before Depreciation and tax	23.33	(987.64)
Depreciation	41.53	8.39
Taxes	6.00	8.04
Net Profit	(24)	(1004.07)

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes & Commitments, which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report affecting the financial position of the company.

RESERVES:

The company does not propose to carry any amount to reserves during the financial year in view of the loss incurred by the company.

DIVIDEND:

Your directors do not wish to recommend any dividend in view of the loss incurred by the company.

OPERATION AND BUSINESS PERFORMANCE:

Kindly refer to Management Discussion & Analysis covered under corporate governance and forms part of this Annual Report.

BUSINESS OPERATIONS:

The operations of the company is satisfied. During the year, the sales volume has declined by 4.39% when compared with the previous year. Your directors are hopeful that the market will improve in the coming years also. The company is continuing its Export of Diamond activities in the current year also. There is no manufacturing activities carried out during the financial year 2012-13.

As required under Corporate Governance, the Management's Discussion and Analysis Report which is forming a part of this report, is a reflection of the current state of business. It also deals with the opportunities and challenges faced by your Company and the outlook in future.

LASER DIAMONDS LIMITED

STATUTORY DISCLOSURES:

The company had no employee covered by the provisions of section 217(2A) of the Companies Act, 1956. The company has no activity relating to Conservation of Energy, or Technology Absorption. The details of foreign Exchange during the year ended 31st March 2013 are as follows:

Foreign Exchange earned: Rs: 119.48 lacs [Previous year Rs: 174.97 lakhs]

Foreign exchange out go : Nil

DEPOSITS:

The Company has not accepted any deposit from the public during the Financial year.

DIRECTORS:

Shri Tarun Chordia, Director of the company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers him self for reappointment.

Shri S.Goutham, Director has resigned from directorship with effect from 30.03.2013

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 217(2AA) of the Companies Act, 1956, it is hereby confirmed:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures to the extent possible
2. 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 as at 31st March, 2013 and of the profit or loss of the Company for the year ended 31st March, 2013
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Director had prepared the annual accounts on a going concern basis.

AUDITORS:

Mr. BHARAT KUMAR N. JAIN, Chartered Accountant, Chennai, Company's Auditors, retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

AUDITORS REPORT:

There are no reservations, qualifications or adverse remarks contained in the Auditors Report.

CORPORATE GOVERNANCE:

Your Company has always striven to incorporate appropriate standards for good corporate governance. The company's philosophy of Corporate Governance is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that are to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to. It has taken adequate steps to ensure that all mandatory provisions of corporate governance as prescribed under the amended listing agreements of the stock exchanges, with which the company is listed are complied with.

A separate report on Corporate Governance is produced as a part of the Annual Report of the Company.

The Auditors of the Company have certified that conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are complied with by the Company and their Certificate is annexed to the Report on Corporate Governance.

LASER DIAMONDS LIMITED

SECRETARIAL COMPLIANCE CERTIFICATE :

A certificate from Whole time Company Secretary has been obtained as per the provision of section 383A(I) of the Companies Act, 1956 and Companies Amendment Act 2000 is enclosed and form part of the report.

ACKNOWLEDGEMENT :

Your Board of Directors is grateful to the Bankers, Suppliers, Customers and the shareholders for the support extended from time to time. Your Board of Directors also wish to place on record the whole hearted cooperation given by employees, at all levels, during the year.

Date : 12.08.2013

Place : Chennai

for Laser Diamonds Ltd.

Tarun Chordia Rikhabchand Samdaria

Sd./

-Sd./-

Director

Chairman

MANAGEMENT'S DISCUSSION AND ANALYSIS (Annexure A)

1. OVERALL REVIEW & INDUSTRY OUT LOOK:

There was continues slow down in demand from US and Europe, however slowdown has not impacted the diamond trade in India. Development of Asian and domestic market in the last of couple of years has changed the dynamic and Asian market's contribution are more in the global market. The overall review of the Trading of Diamonds ore well fetched globally. The trend of export of Diamonds is expected to continue.

2. OPPORTUNITIES:

The Development of Asian and Domestic market, the trading activities for the cut and polished diamonds are more profitable and presently the company is concentrating on trading and exporting of cut and polished Diamonds only.

3. RISK MANAGEMENT:

Risk evaluation and management is an ongoing process in the company.

4. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has adequate internal control mechanism commensurating with the size of operations of the company. The management continuously reviews the internal control system and procedures. Critical review is also done to reduce non value added paper work.

5. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

Your company continues to have cordial relations with its employees.

6. CAUTIONARY STATEMENT

Certain statements in this report on "Management's Discussion and Analysis" are forward looking statements and which have been issued as required by applicable Securities Laws and Regulations. There ore several factors which would be beyond the control of Management and as such, may affect the actual results which could be different from that envisaged.

STATEMENT AND REPORTS ON CORPORATE GOVERNANCE:

A MANDATORY REPORTS ON CORPORATE GOVERNANCE:

Corporate Governance

The Certificate by CEO of the Company on Compliance with the code of Conduct is given below
To

The Board of Directors

LASER DIAMONDS LIMITED

It is hereby confirmed that the Directors and Senior management have duly complied with the Cade of conduct laid down by the Company during the financial year ended March 31,2013.

Place: Chennai

Date : 12.08.2013

LALITKUMAR SAMDARIA

Director and Compliance officer

1. Company's Philosophy on Corporate Governance:

The Company's philosophy is aimed at exhibiting maximum transparency to the investors by providing them with more information. This is done not only with the information that is to be revealed under mandatory provisions but also with those information which according to the Management and the Board are relevant to the investors and other Statutory Authorities to whom these Reports are addressed to:

LASER DIAMONDS LIMITED

II. Composition of the Board

The Board comprising of four Directors is headed by a two Executive Director and two Non Executive Directors. The Composition and category, Share holdings, the attendance at Board meetings and last AGM, number of Directorships and chairmanship/membership of committees in other Companies is as follows

Name	Share holding	Category	No of Board Meetings attended During 2012-13	Whether attended the Last AGM	No of Directorships in public companies	No of other Board Committees in which he/she is Member or Chairperson
Mr. Lalit Kumar Samdaria	1562193	Executive	5	Yes	Nil	1 Chairman
Mr. Rikhabchand Samdaria	1552	Executive	8	Yes	Nil	2 Members
Mr. S. Goutham	100	Non-Executive	8	Yes	Nil	1 Chairman 2 Members
Mr. Tarun Chordia	100	Non-Executive	8	Yes	Nil	1 Chairman 2 Members

BOARD MEETINGS:

Eight Board Meeting were held on the following dates:

27.04.2012, 18.07.2012, 26.07.2012, 24.08.2012, 29.10.2012, 01.01.2013, 30.01.2013 and 30.03.2013

None of the Directors is member in more than 10 committees or acting as Chairman of more than Five Committees.

III. AUDIT COMMITTEE:

Constitution:

The Committee consists of 3 Directors.

1. Mr. S. Goutham Chairman
2. Mr. Tarun Chordia Director
3. Mr. Rikhab Chand Samdaria Director

The Committee is chaired by Mr. S. Goutham

TERMS OF REFERENCE:

The charter of the committee is as prescribed under clause 49 of the Listing Agreement viz.,

1. Oversight of Company's Financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval of any other services.
3. Reviewing with the management the annual financial statements before submission to the Board focusing primarily on:
 - i) Any changes in accounting policies and practices.
 - ii) Major accounting entries based on exercise of judgment by Management.
 - iii) Qualification in draft audit report.
 - iv) Significant adjustments arising out of audit.
 - v) The 'Going Concern' assumption.
 - vi) Compliance with Accounting Standards.
 - vii) Any related party transaction ie., transaction of the company of material nature with promoters of the management and their subsidiaries or relatives etc., that may have potential conflict with the interest of the company at large.

LASER DIAMONDS LIMITED

4. Reviewing with management, external and Internal audit function including the structure of internal control system.
5. Reviewing the adequacy of internal audit function including the structure of Internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
6. Discussing with internal auditors any significant findings and follow up thereon.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud and irregularity or a failure of internal control systems of a material nature and reporting the matter of the Board.
8. Discussing with the external auditors before the audit commences, nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
9. Reviewing the company's financial and risk management policies.
10. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividend) and creditors.

Meetings and attendance:

The Audit committee met 4 (four) times during the year i.e, on 27.04.2012, 26.07.2012, 29.10.2012 and 30.01.2013 and all the director have attended the meetings.

IV.REMUNERATION COMMITTEE:-

Constitution:

The Committee consists of 3(Three) directors.

- | | | |
|----|---------------------------|----------|
| 1. | Mr. Tarun Chordia | Director |
| 2. | Mr. S.Goutham | Director |
| 3. | Mr. Rikhab Chand Samdaria | Director |

The committee is headed by Mr. Tarun Chordia.

TERMS OF REFERENCE:

The Remuneration committee has been constituted to recommend and review the remuneration packages of the Directors and to formulate a broad policy for management remuneration .

REMUNERATION POLICY:

The Remuneration Policy as outlined by the committee aims at recognizing and rewarding performances and achievements, while fixing the remuneration of Directors, their contribution by way of their professional. This policy is in tune with current national and international practices.

MEETINGS AND ATTENDANCES:

During the year 2012-13, the committee met twice i.e on 27.04.2012 and 29.10.2012.

DETAILS OF REMUNEATION OF DIRECTORS:

Remuneration of Rs: 10,000/-[Rupees Ten Thousand only] has been paid to a Director Mr. Rikhab Chand Samdaria.

V. SHARE HOLDERS COMMITTEE:

Constitution:

The Committee consists of 3 (Three) Directors.

- | | | |
|----|--------------------------|----------|
| 1. | Mr. Lalit Kumar Samdaria | Director |
| 2. | Mr. S. Goutham | Director |
| 3. | Mr. Tarun Chorida | Director |

The Committee is headed by Mr. Lalit Kumar Samdaria