

Eighteenth Annual Report Of

Lypsa Gems & Jewellery Ltd

For The Year



2012-2013

LYPSA

www.lypsa.in

Board of Directors

Name of Director	Category of Director
Mr. Manish Jaysukhlal Janani	Managing Director
Mr. Dipankumar Babulal Patwa	Chairman & Managing Director
Mr. Jeeyan Dipankumar Patwa	Executive Director
Mr. Ravindra Chandulal Sanghavi	Independent and Non Executive Director
Mr. Ajit Mangaldas Shah	Independent and Non Executive Director
Mr. Bhavesh Shashikant Sheth	Independent and Non Executive Director
Mr. Pankajkumar Vrajlal Shah	Independent and Non Executive Director
Mrs. Neelam Maheshwari	Company Secretary

Auditors

M/s Doshi Maru & Associates, Chartered Accountant, Mumbai

Registered Office

2nd Floor, Diamond Park Building, Opp. Ambika Nagar Society, Dargah Road,
Navsari - 396445, Gujarat

Corporate office

32 Kala Bhavan, 3 Mathew Road, Opera House, Mumbai 400 004.

Bankers

Oriental Bank of Commerce
Indusind Bank Ltd
Bank Of India

Communication

Email Id: info@lypsa.in
Website: www.lypsa.in

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LYPSA GEMS & JEWELLERY LTD
ANNUAL REPORT 2012-13



NOTICE FOR ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of LYPSA GEMS & JEWELLERY LTD will be held at 2nd Floor, Diamond Park Building, Opp. Ambika Nagar Society, Dargah Road, Navsari – 396445 Gujarat on 27th September, 2013 at 11.30 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. To receive and adopt the audited balance sheet as at 31st March, 2013 and profit & loss account of the company for the year ended 31st March, 2013 and the Report of the Directors' and Auditors.
2. To appoint Director in place of Mr. Bhavesh Shashikant Sheth who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Director in place of Mr. Pankajkumar Vrajlal Shah who retires by rotation and being eligible offers himself for reappointment.
4. To Appoint Auditors, M/s. Doshi Maru & Associates, Mumbai, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company and to authorized the Board of Director to fix their remuneration.
5. To Declare Dividend on Company's equity shares.

For Lypsa Gems & Jewellery Limited.

Date: 30/05/2013

Place: Navsari

s/d	s/d	s/d
(Manish Janani)	(Dipan Patwa)	(Jeeyan Patwa)
Managing Director	Chairman	Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective, must be lodged at the registered office of the Company not later than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th September, 2013 to 27th September, 2013(both days inclusive).
3. The Company has appointed M/s. Purva Sharegistry (India) Pvt. Ltd., Mumbai, as its Registrars and Share Transfer Agents for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents, transfers, Demat request, change of address intimation and other communication in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly quoting Folio No., full name and Address to M/s. Purva Sharegistry (India) Pvt. Ltd., Mumbai, Unit: Lypsa Gems and Jewellery Limited.
4. The Register of Directors' shareholding, maintained under section 307 of the Companies act, 1956, will be available for inspection by the members at the AGM.
5. The Register of Contracts, maintained under section 301 of the companies Act, 1956, will be available by the members at the registered office of the Company.
6. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
7. Members are requested to bring their copies of the Annual Report to the Meeting.
8. The Company is concerned about the environment and utilizes natural resources in sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to their shareholders electronically as part of "GREEN INITIATIVES" in corporate governance.
Members are requested to update their Email ID with their respective depository participant and with the Company's Registrar and Transfer

Agents (RTA) to enable dispatch the communications in electronic form from time to time as your Company have taken a "Green Initiative" as per the directions of Ministry of Corporate Affairs, New Delhi allowing paperless compliances for Companies.

9. Members holding shares in physical form are requested to notify to the company's Registrar and share Transfer Agent, M/s. Purva Sharegistry (India) Pvt. Ltd., Mumbai quoting their folio, any change in their registered address with pin code and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participant.
10. Corporate Members intending to send their authorized representatives under Section 187 of the Companies Act, 1956, are requested to send a duly certified copy of the board Resolution authorizing their representatives to attend and vote at the Meeting.
11. In case of joint holding, the joint holder whose name stands first, as per the Company's records, shall alone be entitled to vote.

For Lypsa Gems & Jewellery Limited.

Date: 30/05/2013

Place: Navsari

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s/d	s/d	s/d
(Manish Janani)	(Dipan Patwa)	(Jeeyan Patwa)
Managing Director	Chairman	Director

Annexure to Notice

Notes on directors seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement entered into with Stock Exchanges:

ITEM NO. 2

Name	:	Mr. Bhavesh Shashikant Sheth
Date of birth	:	16/09/1972
Qualification	:	Undergraduate
Expertise	:	Sales & Marketing
Director of the Company since	:	15/02/2011
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

ITEM NO. 3

Name	:]	Mr. Pankajkumar Shah
Date of birth	:	28/03/1964
Qualification	:	Graduate
Expertise	:	Sales & Marketing
Director of the Company since	:	15/02/2011
Directorship in other public limited companies	:	Nil
Membership of Committees of other public limited companies	:	Nil
No. of Shares held in the Company	:	Nil

For Lypsa Gems & Jewellery Limited.

Date: 30/05/2013
Place: Navsari

s/d	s/d	s/d
(Manish Janani)	(Dipan Patwa)	(Jeeyan Patwa)
Managing Director	Chairman	Director

DIRECTORS' REPORT

To,
 The Members,
Lypsa Gems & Jewellery Ltd.

The Directors' present the Annual report on the business and operations of your Company for the year 2012-2013.

FINANCIAL RESULTS AND OPERATIONAL REVIEW:

Particulars	Year Ended 31.03.2013 (` In Lacs)	Year Ended 31.03.2012 (` In Lacs)
Gross Sales/Income	30008.64	26824.77
Less Depreciation	8.54	5.29
Profit/(Loss) before Tax	425.97	296.28
Taxes/Deferred Taxes	143.55	86.40
Profit/(Loss) After Taxes	282.42	209.88
P& L Balance b/f	371.84	268.28
Profit/ (Loss) carried to Balance Sheet	547.95	371.84

Your Directors feel pleasure to declare profit after tax of 282.42 Lacs which was made possible through better production planning and customer relations. Directors are exploring various other opportunities to further improve the working results during the current year.

DIRECTORS:

Mr. Bhavesh Shashikant Sheth and Mr. Pankajkumar Vrajlal Shah, Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIVIDEND:

The Board of Directors has recommend 5% dividend i.e. 50 paisa per share on 1,40,40,000 Equity Shares of Rs. 10/- each for the year ended 31-03-2013. The dividend will entail an outflow of Rs. 81.59 Lacs (Including dividend distribution tax of Rs. 11.39 Lacs). The payment of dividend is subject to the approval of the Members at the ensuing General Meeting of the Company and Record Date for this purpose is 27th September, 2013 and no interim dividend was paid during the year.

RESPONSIBILITY STATEMENT:

As required u/s 217(2AA) of the Companies Act, 1956 your Director confirms that in the preparation of the annual accounts:

The applicable accounting standards have been followed along with proper explanation relating to material departures.

Such accounting policies have been selected and applied consistently and reasonable and prudent judgments and estimates made, 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 the profit/loss of the company for that period.

Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

The annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

As required under rule 3 of the companies (Disclosure of Particulars in the report of Board of Directors) Rules 1998, the particulars relating to the conservation of energy, Technology absorption, the company has taken necessary steps in this regards.

A. Conservation of Energy:

(1) Energy Conservation Measures Taken:

The Company accords high priority to conservation of energy. Several concrete steps have been taken to save energy such as utmost utilization of D. G. Set run by diesel and with regular maintenance and overhauling.

(2) Impact of Measures of (A) above for reduction of energy Consumption and Consequent Impact on the cost of production of Goods: The measures listed above resulted in lower consumption.

(3) Total Energy consumption and energy consumption per unit of production.

B. Research and Development:

R & D forms the basis of Lypsa's efforts in making processes simpler, smoother and faster for the diamond industry. R & D is a highly structured activity at Lypsa and stringent quality control measures have lead to technologically superior products. There is a total concentration on up gradation of technology and standardization of components. Our skilled personnel have a broad range

of experience in designing & producing quality machinery & inspection equipment.

C. Foreign Exchange Earnings and Outgoings:

Foreign Exchange Earning is : Rs. 4,93,24,346.15

Foreign Exchange Outgoing is : Rs. 4,75,95,202.31

APPOINTMENT OF AUDITORS:

M/s Doshi Maru & Associates, Chartered Accountant, Mumbai, the retiring auditors being eligible offer themselves for re-appointment. Members are requested to appoint them as auditors of the company.

PUBLIC DEPOSITS:

During the year under review the Company has not accepted any deposits to which the provisions of section 58A of the Companies Act, 1956 read with Acceptance of Deposits Rules, 1975 as amended are applicable.

PARTICULARS OF EMPLOYEES:

There is no employee having remuneration with the provisions of section 217(2A) of the companies Act 1956 read with the Companies (Particulars of employee) Rules, 1975 as amended.

CHANGE IN THE OBJECT CLAUSE OF THE COMPANY

The Company had not changed its object clause during the financial year under review.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management discussion and analysis Report, pursuant to Clause 49 of the Stock Exchange Listing agreement, forms part of this Report and the same is annexed hereto as Annexure - A.

CORPORATE SOCIAL RESPONSIBILITY

Every year 5th June is observed as the World Environment Day around the world and is of immense importance for the Lypsa Group. In the year 2012-13, one specific area was related to our work. Sustainability is a complex concept incorporating a wide range of social, environmental and economic issues. We recognize the holistic nature of a sustainable approach. As such, this commitment is as much about our Trading and Manufacturing of diamonds and business operations as it is about our people, the communities where we work, our suppliers and partners and the clients we work