

# **SHEETAL DIAMONDS LTD**

**11<sup>th</sup>**

## **ANNUAL REPORT**

**Report  Junction.com**

**2004-2005**

**SHEETAL DIAMONDS LTD.**

  
**DIRECTOR**

# **SHEETAL DIAMONDS LTD**

## **BOARD OF DIRECTOR:**

SHRI NIRANJAN P.VYAS  
SHRI YAKUB ALI  
SHRI RAJA KHAN

Managing Director  
Director  
Director

## **AUDITORS**

KAMLESH B.MEHTA & COMPANY  
CHARTERED ACCOUNTANTS, MUMBAI

**CONSULTING COMPANY SECRETARY**  
R.N.SHAH & ASSOCIATES  
COMPANY SECRETARY

## **BANKERS :**

BANK OF PUNJAB LTD., BANDRA, MUMBAI  
THE RATNAKAR BANK LTD.VILE PARLE (W), MUMBAI.

## **REGISTERED OFFICE**

OFFICE NO. 11-C, GROUND FLOOR,  
ANGELINA APARTMENT  
SAROJINI ROAD, VILE PARLE(W)  
MUMBAI 400 056

**SHARE TRANSFER OFFICE**  
SHEETAL DIAMONDS LTD.  
1<sup>ST</sup> BHATWADI, J.S.F. ROAD,  
OPERA HOUSE,  
MUMBAI - 400 004  
TEL: 022-2389 3412

## SHEETAL DIAMONDS LTD

### NOTICE

NOTICE is hereby given that the 11<sup>th</sup> Annual General Meeting of the members of **SHEETAL DIAMONDS LTD** will be held on Monday, the 26<sup>th</sup> day of September, 2005 at 11.30 a.m. at Office No. 11-C, Ground Floor, Angelina Apartment, Sarojini Road, Vile Parle(w), Mumbai - 400 056 to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Director's and Auditor's reports and Audited Balance Sheet as on 31<sup>st</sup> March, 2005 and Profit and Loss Account for the year ended on that date.
2. To appoint a Director on place of Mr. Yakub Ali, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### 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 THE PROXY NEED NOT BE A MEMBER.
2. Members are required to intimate the change, if any in their registered address.

**By order of the Board**

Place : Mumbai  
Date : 27<sup>th</sup> June, 2005

Sd/-  
Niranjan P. Vyas  
Managing Director

**Regd. Office:**  
Office No. 11-C, Ground Floor  
Angelina Apartment  
Sarojini Road, Vile Parle(w)  
Mumbai - 400 056

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**SHEETAL DIAMONDS LTD.**

*Niranjan P. Vyas*  
**DIRECTOR**

## SHEETAL DIAMONDS LTD

## DIRECTORS REPORT

To,  
The Members,

Your Director have pleasure in presenting the 11<sup>th</sup> Annual Report and the audited statement of accounts for the year ended 31<sup>st</sup> March,2005

FINANCIAL RESULTS	(Rs. In Lacs)	
	Year ended 31.3.2005	Year ended 31.3.2004
Sales	1,05,752	1,03,382
Other Income	0.00	0.00
Increase/ Decrease Stock	(81,070)	(81,070)
Operation Expenses	12,035	12,835
Preliminary Expenses	57,189	63,544
Depreciation	10,040	11,111
Profit before Taxation/ Loss	(54,582)	(65,178)
Provision for Taxation	--	--
Short/excess provision for taxation	--	--
Profit after taxation / loss	0.00	0.00
APPROPRIATION :		
Interim dividend	--	--
Proposed dividend	--	--
Balance carried to Balance Sheet	0.00	0.00

**DIVIDEND :** Your Directors regret their inability to recommended any dividend due loss by the Company.

**OPERATION :** During the year under review, your company's sales were Rs. 1.06 lacs compared to Rs. 1.03 Lacs in the previous year.

**DIRECTOR :** Mr. Yakub Ali retires by rotation at the 10<sup>th</sup> Annual General Meeting and being eligible, offer himself for reappointment. The Board Recommends his reappointment.

#### DIRECTOR'S RESPONSIBILITY STATEMENT :

##### Pursuant to the requirement under Section

217 (2AA) of the Companies Act. 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2005, the applicable accounting standards had been followed along with proper explanation 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 adequate accounting 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 had prepared had accounts for the financial year ended 31<sup>st</sup> March, 2004 on a 'going concern' basis.

**FIXED DEPOSITS :**

Your company has not accepted any fixed deposits from public.

**ENERGY CONSERVATION :**

The information necessary for disclosure of particulars with Research and Development as required 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particular in the report of Board Rules, 1988) are not applicable as the Technology for processing of diamonds is indigenous.

**PERSONAL :**

The relationship with the employees has been cordial. Your director wish to place on record their appreciation for the devoted services rendered by the employees. There are no employees drawing remuneration exceeding the ceiling prescribed under section 217(2A) of the Companies Act.

**AUDITORS :**

The Companies auditors M/s. Kamlesh B.Mehta & Co., Chartered Accountants retire at the conclusion of this Annual General Meeting and being eligible offer themselves for re-appointment.

**AUDITOR'S REPORT :**

As far as the notes by the auditor in their report are concerned, they are self- explanatory and hence require no further explanation.

**ACKNOWLEDGMENT :**

Your directors wish to thanks company's Bankers, and Auditors for the co-operation extended to us.

**Place : Mumbai**  
**Dated : 27<sup>th</sup> June, 2005.**

**By order of the Board**  
**Sd/-**  
**Niranjan P.Vyas**  
**Managing Director**

## REPORT ON CORPORATE GOVERNANCE

Your Directors submit their report on the Corporate Governance of the Company for the Financial Year 2004-2005.

### COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

Sheetal Diamonds Ltd. marks its Corporate Governance with the prevalent practices and it conforms the mandatory requirements.

### MANAGEMENT DISCUSSION:

The Polished Diamonds have been facing the stiff competition due to which sales has reduced substantially. The Company incurred Net loss of Rs.57882/- compared to Net Loss of Rs.67178/- in the previous year. The Company has only one division, trading in Polished Diamonds.

The Company has in built internal control system and the management considers it sufficient; and is certified by the Internal Auditors and the Statutory Auditors of the Company.

There are no financial or commercial transactions having a potential conflict of interest between personnel in the management and the Company.

### BOARD OF DIRECTORS:

The Board of Directors comprises of 1 Executive Directors and 2 Non-executive / Independent Directors.

During the financial year 1<sup>st</sup> April, 2004 to 31<sup>st</sup> March, 2005, 5 Board Meetings were held on 30<sup>th</sup> April, 29<sup>th</sup> June 2004; 31<sup>st</sup> July 2004; 30<sup>th</sup> October, 2004 and 31<sup>st</sup> January 2005.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance of last AGM	No. of Other Directorship	Committee Membership	
					Member	Chairman
Mr. Niranjana P Vyas	ED	5	YES	NIL	NIL	NIL
Mr. Yakub Ali	NED	5	NO	NIL	NIL	NIL
Mr. Raja Khan	NED	5	NO	NIL	NIL	NIL

NED – Non-executive Director

ED – Executive Director

### Brief profile of Director seeking re-election/election:

Mr. Yakub Ali is S.S.C. and having the business experience of 10 years in the Diamond industry.

He is not the Director(s) on the Board of other Public Companies nor the trustee of any charitable trust.

### Details of Directorship in other public limited Companies:

Name of Director	No. of Directorship	No. of Committee Memberships
Mr. Niranjana P Vyas	NIL	NIL
Mr. Yakub Ali	NIL	NIL
Mr. Raja Khan	NIL	NIL

### Promoter Directors:

NIL	NIL
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### Independent Directors:

Mr. Niranjana P. Vyas	Executive chairman and Shareholder/Investor Grievance Committee.
Mr. Yakub Ali	– Chairman Audit Committee and Member Shareholder/Investor Grievance Committee.
Mr. Raja Khan	– Member Audit Committee

### Audit Committee:

The Audit Committee met -3- times in the financial year on 30<sup>th</sup> April, 2004, 29<sup>th</sup> June, 2004 and 30<sup>th</sup> October 2004 where all the members of the Committee, Executive Director, the Statutory Auditors and the Internal Auditors were present. Meetings reviewed the Annual Accounts and half-yearly results and approved the same. The Audit Committee oversees the general accounting practices and other management policies.

**Details of Remuneration to the Directors during the period :**

(Amount in Rs.)

Name of the Director	Salary	Commission	Perquisite	Sitting Fees
Mr. Niranjani P. Vyas	NIL	NIL	NIL	NIL
Mr. Yakub Ali	NIL	NIL	NIL	NIL
Mr. Raja Khan	NIL	NIL	NIL	NIL

**Share Transfer Committee/Investor Grievance Committee:**

The Board has constituted the Share Transfer Committee, with the one Executive Directors as members to consider and approve Transfers of shares in the physical form and allied matters. The Shareholder/Investor Grievance Committee has been constituted under the Chairmanship of Mr. Niranjani P. Vyas with Mr. Yakub Ali and Mr. Raja Khan as members.

**Shareholder/Investor Service:**

Is handled by Mr. Niranjani P. Vyas who provides timely services. There is no case/complaint pending.

**Name and Designation of Compliance Officer:**

Mr. Niranjani P. Vyas, Managing Director

**GENERAL BODY MEETINGS:**

Financial Year	Date	Venue
1 <sup>st</sup> April, 2001 to 31 <sup>st</sup> March, 2002	28-09-2002	11-C, Ground Floor, Angelina Apartment, Sarojini Road, Vile-Parle (west), Mumbai - 400 056.
1 <sup>st</sup> April, 2002 to 31 <sup>st</sup> March, 2003	30-09-2003	11-C, Ground Floor, Angelina Apartment, Sarojini Road, Vile-Parle (west), Mumbai - 400 056.
1 <sup>st</sup> April 2003 to 31 <sup>st</sup> March, 2004	24-09-2004	11-C, Ground Floor, Angelina Apartment, Sarojini Road, Vile-Parle (west), Mumbai - 400 056.

**DISCLOSURES:**

There are no materially significant related party transactions. There are other related party commercial transactions, which are reported in the accounting part of this report.

**MEANS OF COMMUNICATION:**

Quarterly, half - yearly and annual results have been communicated to Stock Exchanges Mumbai where the shares of the Company's is listed. Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

**SHAREHOLDER INFORMATION :**

- 1 Annual General Meeting to be held on 26<sup>th</sup> September, 2005
- 2 Financial Year 1<sup>st</sup> April, 2004 to 31st March, 2005.
- 3 Dividend Payment Date NIL
- 4 Venue : Office No.11-C, Ground Floor, Angelina Apartment, Sarojini Road, Vile-Parle (west), Mumbai - 400 056.
- 5 Listing in Stock Exchanges Mumbai Stock Exchange
- 6 Stock Code 530525
- 7 Market Price Data:

	BSE			BSE	
	HIGH (Rs.)	LOW (Rs.)		HIGH (Rs.)	LOW (Rs.)
April, 2004	-	-	October, 2004	-	-
May, 2004	-	-	November, 2004	-	-
June, 2004	-	-	December, 2004	-	-
July, 2004	-	-	January, 2005	-	-
August, 2004	-	-	February, 2005	-	-
September, 2004	-	-	March, 2005	-	-