



**20<sup>th</sup>**

**ANNUAL REPORT**

**2013-2014**



# SHEETAL DIAMONDS LIMITED

**BOARD OF DIRECTORS :**

SHRI VINOD T. SHAH  
SHRI NIRANJAN P.VYAS  
SHRI PANKAJ V. SHAH

Managing Director  
Director  
Director

**AUDITORS:**

HARDIK H. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS, MUMBAI

**CONSULTANT:**

NEELAM K. MASTER  
COMPANY SECRETARIES, MUMBAI

**BANKERS :**

VIJAYA BANK, VILE PARLE (W), MUMBAI  
AXIS BANK, ANDHERI (W), MUMBAI

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**REGISTERED OFFICE:**

BW-2030, Bharat Diamond Bourse,  
BKC, Bandra (East), Mumbai- 400051

**SHARE REGISTRAR & TRANSFER AGENT:**

PURVA SHAREGISTRY INDIA PRIVATE LIMITED  
9,Shiv Shakti Industrial Estate,  
J.R Boricha Marg,Opp Kasturba Hospital,  
Lower Parel(East), Mumbai – 400 011  
Tel: 022 23018261



# SHEETAL DIAMONDS LIMITED

## NOTICE

NOTICE is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of **SHEETAL DIAMONDS LIMITED** will be held on Friday, the 26<sup>th</sup> day of September, 2014 at 4.00 p.m. at Park View, 37 Lallubhai Park Road, Andheri(west), Mumbai- 400058 to transact the following business :

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' and Auditors' reports and Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit and Loss for the year ended on that date.
2. To appoint a Director in place of Mr. Vinod Trikamlal Shah (01859634) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Hardik H. Shah & Associate, Chartered Accountants, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:  

“**RESOLVED THAT** pursuant to provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Pankaj Vinod Shah (03579870), be and is hereby appointed as a Independent Director of the Company for a term of 5 years, who is not liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Pankaj Vinod Shah as a candidate for the office of director of the Company.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:  

“**RESOLVED THAT** pursuant to provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Niranjana Purushottam Vyas (01859956), be and is hereby appointed as a Independent Director of the Company for a term of 5 years, who is not liable to retire by rotation, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Niranjana Purushottam Vyas as a candidate for the office of director of the Company.”

### Notes :

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than Forty-eight hours before the commencement of the Meeting.  

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books shall remain closed from Saturday, 20<sup>th</sup> September, 2014 to Friday, 26<sup>th</sup> September, 2014 both days inclusive.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate immediately any change in their address or bank mandates immediately to the Company.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
9. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.



# SHEETAL DIAMONDS LIMITED

10. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 20<sup>th</sup> Annual General Meeting of the Company.
11. The e-voting period begins on Saturday, 20<sup>th</sup> September, 2014 at 9.00 a.m. and ends on Monday, 22<sup>nd</sup> September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> August, 2014, may cast their vote electronically. Thereafter the e-voting module shall be disabled by CDSL for voting.
12. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> August 2014.
13. A copy of this notice has been placed on the website of the Company and the website of CDSL.
14. M/s. Kaushal Doshi & Associates, Practicing Company Secretary (Certificate of Practice Number 13143) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
15. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
16. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited.

The instructions for shareholders voting electronically are as under:

1. The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
3. Click on "Shareholders" tab.
4. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
5. Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used
8. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p><input type="checkbox"/> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p><input type="checkbox"/> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p><input type="checkbox"/> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



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12. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
13. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
14. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
16. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
18. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Note for Institutional Shareholders & Custodians:

☐ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

☐ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

☐ After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

☐ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## ANNEXURE TO THE NOTICE

### STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No.4

The Board of Directors has received a notice from the shareholder proposing the candidature of Mr. Pankaj Vinod Shah as a Independent Director to be appointed under the pursuant to provisions of Section 149 of the Companies Act, 2013. Mr. Pankaj Vinod Shah is having more than 10 years of rich experience in the field of Business and Marketing.

The Company has received from Mr. Pankaj Vinod Shah (i) consent in writing to act as an Independent Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Pankaj Vinod Shah as Independent Director of the Company for a term of 5 years under Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Pankaj Vinod Shah proposed to be appointed as an Independent Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder.

None of the Directors, key Managerial Personnel or their relatives, except Mr. Pankaj Vinod Shah, for whom the Resolution relates, is interested or concerned in the Resolution.

The Board recommends the Resolution set forth at Item No.4 for the approval of the members.



# SHEETAL DIAMONDS LIMITED

## Item No.5

The Board of Directors has received a notice from the shareholder proposing the candidature of Mr. Niranjan Purushottam Vyas as an Independent Director to be appointed under the provisions of Section 149 of The Companies Act, 2013. Mr. Niranjan Purushottam Vyas is having more than 8 years of rich experience in the field of Business and Marketing.

The Company has received from Mr. Niranjan Purushottam Vyas (i) consent in writing to act as an Independent Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Niranjan Purushottam Vyas as Independent Director of the Company for a term of 5 years under Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Niranjan Purushottam Vyas proposed to be appointed as an Independent Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder.

None of the Directors, key Managerial Personnel or their relatives, except Mr. Niranjan Purushottam Vyas, for whom the Resolution relates, is interested or concerned in the Resolution.

The Board recommends the Resolution set forth at Item No.5 for the approval of the members.

**For and on behalf of the board of Directors**

Sd/-

**Vinod T. Shah**  
Managing Director

Place : Mumbai  
Date : 27<sup>th</sup> May, 2014

**Regd. Office:**  
BW-2030, Bharat Diamond Bourse,  
BKC, Bandra (East), Mumbai- 400051



# SHEETAL DIAMONDS LIMITED

Details in respect of the Directors, seeking re-appointments / appointment required to be provided pursuant to Clause 49 of the Listing Agreement are also annexed hereto

<b>Sr. No.</b>	<b>Particulars</b>	
1)	Name of the Director	Mr. Niranjana P. Vyas
2)	Date of Birth	16.09.1950
3)	Date of Appointment	18.01.2001
4)	Expertise in specific areas	Business & Marketing
5)	Qualifications	S.S.C.
6)	Number of Shares held in Sheetal Diamonds	Nil
7)	Directorship in other Companies	Nil
8)	Membership of Committees in other Public Limited Companies:	Nil

<b>Sr. No.</b>	<b>Particulars</b>	
1)	Name of the Director	Mr. Pankaj V. Shah
2)	Date of Birth	12.08.1964
3)	Date of Appointment	01.10.2011
4)	Expertise in specific areas	Business & Marketing
5)	Qualifications	S.Y.B.com
6)	Number of Shares held in Sheetal Diamonds	Nil
7)	Directorship in other Companies	Nil
8)	Membership of Committees in other Public Limited Companies:	Nil

<b>Sr. No.</b>	<b>Particulars</b>	
1)	Name of the Director	Mr. VINOD TRIKAMLAL SHAH
2)	Date of Birth	25/04/1954
3)	Date of Appointment	10/01/2007
4)	Expertise in specific areas	Business & Marketing
5)	Qualifications	S.S.C.
6)	Number of Shares held in Sheetal Diamonds	171000
7)	Directorship in other Companies	Nil
8)	Membership of Committees in other Public Limited Companies:	Nil



# SHEETAL DIAMONDS LIMITED

## DIRECTORS' REPORT

To,

The Members,

Your Director has pleasure in presenting the 20<sup>th</sup> Annual Report and the audited statement of accounts for the year ended 31<sup>st</sup> March, 2014

### FINANCIAL RESULTS:

Particulars	Year ended 31.3.2014 Amount in Rs.	Year ended 31.3.2013 Amount in Rs
Sales & Other Income	28,20,93,714	43,44,67,488
Total Expenditure	28,20,77,745	43,79,72,113
Profit / (Loss) before Taxation	15,969	-35,04,625
Provision for Taxation	4,000	35,000
Prior Period Expenses	--	--
Profit / (Loss) after taxation	11,969	-35,39,625
APPROPRIATIONS:		
Interim Dividend	--	--
Proposed Dividend	--	--
Balance carried to Balance Sheet	11,969	-35,39,625

### DIVIDEND:

In view of strengthening the reserves of the Company, your Directors regret their inability to recommend any dividend during the year under review.

### OPERATION:

During the year under review, your company's sales were Rs. 2820.93 Lacs compared to Rs. 4344.67 Lacs in the previous year.

### DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 (erstwhile - 1956), Mr. Vinod Trikamlal Shah is liable to retire by rotation and being eligible offers himself for re-appointment.

Mr. Vinod Trikamlal Shah having immense experience in business and marketing. The Notice has been received from a members signifying his intention to propose his appointment as a Director. The Board of Directors feels that his experience and knowledge would be benefit and value to the Company and therefore his appointment is recommended.

### CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT:

The report on Corporate Governance including Management Discussion and Analysis as stipulated under Clause 49 of the Listing Agreement with Stock Exchange, forms part of the Annual Report is annexed.





# SHEETAL DIAMONDS LIMITED

A certificate of the auditors of the Company, Hardik H. Shah & Associates., Chartered Accountants, confirming compliance of the conditions of corporate governance as stipulated in Clause 49 is annexed.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, 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 judgments 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 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 the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern' basis.

## **FIXED DEPOSITS:**

Your company has not accepted any fixed deposits from public.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO:**

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 particulars in the report of Board) Rules, 1988 are not applicable.

Foreign Exchange earned : Rs 20,67,978/- (Previous year.Rs. 9,30,987/-)

Foreign Exchange used : Rs NIL (Previous year Rs. Nil)

## **PERSONNEL:**

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, 1956.

## **AUDITORS:**

The existing Auditor M/s M/s Hardik H. Shah & Associates. Chartered Accountants, retires at the conclusion of ensuing Annual General Meeting and have expressed their willingness to continue as Statutory Auditor of the Company for the financial year 2013-14. The relevant certificate to that effect that their appointment, if made, will be in pursuant to section 224(1B) of the Companies Act, 1956 has been received. The resolution for their re-appointment is being submitted to this Annual General Meeting.

## **ACKNOWLEDGMENT:**

Your Directors wish to thanks Company's Bankers for the co-operation extended to us.

**For and on behalf of the board of Directors**

Sd/-

**Vinod T. Shah**  
Managing Director

Place : Mumbai  
Date : 27<sup>th</sup> May, 2014