

18th ANNUAL REPORT

NAME : Shukra Bullions Limited

**ADDRESS : Corporate Office
232, Pancharatna,
Opera House,
Mumbai-400004.**

**Registered Office
S-17, Chirag Industrial Complex,
39/40, Golden Industrial Estate,
Somnath Road,
Daman-396210. (U.T.)**

YEAR : 2011-2012

BOARD OF DIRECTORS

MR. CHANDRAKANT H SHAH
MRS. MAYURI C SHAH
MR. SAURABH C SHAH
MR. ANIL M. PATEL
MR. VINOD N SHAH
MR. RAMJI KHIMJI RAJPUT

CHAIRMAN & MANAGING DIRECTOR
DIRECTOR
DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR
INDEPENDENT DIRECTOR

AUDITORS

S K JHA & CO.
CHARTERED ACCOUNTANTS
204, ISCON PLAZA,
SATELLITE ROAD,
SATELLITE,
AHMEDABAD- 380015.

BANKERS

ORIENTAL BANK OF COMMERCE
ICICI BANK LIMITED
THE FEDERAL BANK LIMITED

REGISTERED OFFICE

S-17, CHIRAG INDUSTRIAL COMPLEX,
39/40, GOLDEN INDUSTRIAL ESTATE,
SOMNATH ROAD,
DAMAN (U.T.)-396210.

CORPORATE OFFICE

232, PANCHRATNA,
OPERA HOUSE,
MUMBAI- 400004.
MAHARASHTRA

FACTORY :-

UNIT NO.158, PLOT NO. 158-D
SURAT SPECIAL ECONOMIC ZONE
SACHIN, SURAT-GUJARAT

REGISTRAR AND TRANSFER AGENT

BIG SHARE SERVICES PVT LIMITED
E-2, ANSA INDUSTRIAL ESTATE,
SAKI VIHAR ROAD,
SAKI NAKA, ANDHERI (EAST), MUMBAI

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VENUE OF AGM AND OTHER DETAILS

DATE : SEPTEMBER 28TH, 2012

DAY : FRIDAY

TIME : 11:30 A. M.

VENUE : S-17, CHIRAG INDUSTRIAL COMPLEX
39/40, GOLDEN INDUSTRIAL ESTATE,
SOMNATH ROAD
DAMAN (U.T.) - 396210

BOOK CLOSURE DATE : From 24th September TO 28th September 2012

NOTICE :-

Notice is hereby given that the 18th Annual General Meeting of the Members of Shukra Bullions Limited will be held on Friday, 28th day of September, 2012 at 11:30 A.M. at Registered Office of the Company at Chirag Industrial Complex, 39/40 Somnath Road, Daman (U.T.) to transact the following business:-

ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the statement of profit and loss for the year ended on that date and the reports of the Board of Director's and Auditor's thereon.
2. To appoint a Director in place of Mr. Vinod N Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Anil M Patel who retires by rotation and being eligible, offers himself for re-appointment.
4. Mr. Jayendra H Shah has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Jayendra H Shah for the work done in his tenure. Mr. Saurabh Shah has joined directorship at the company with effect from 17th March, 2012.
5. Mr. Nasirul Haque has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Nasirul Haque for the work done in his tenure. Mr. Ramji Khimji Rajput has joined directorship at the company with effect from 17th March, 2012.
6. To appoint auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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NOTES :-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member. However proxy forms must be deposited at the registered office of the company not later than 48 hour before commencement of the meeting.
2. The Register of the Members and Share Transfer Books of the Company will remain closed from Monday 24th September, 2012 to Friday 28th September, 2012 (Both day inclusive).
3. Shareholder/Proxy holders are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
4. Members desiring any information as regard accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
5. Members are requested to bring their copy of this annual report to the meeting.

Registered Office:
Chirag Industrial Complex
39/40, Golden Industrial Estate
Somnath Road ,
Daman-U.T.
Date:- 30th August, 2012

For and on Behalf of the Board

Chandrakant H Shah
Chairman & Managing Director

DIRECTORS' REPORT

To
The Members

Your Directors take great pleasure in presenting the 18th Annual Report of the Company together with Audited Accounts for the year ended on March 31st, 2012.

Financial Results

PARTICULARS	2011-12 <i>(Rs. in Lacs)</i>	2010-11 <i>(Rs. in Lacs)</i>
	AUDITED	AUDITED
Income From Operations	275.87	248.01
Other Income	0.07	0.00
Total Expenditure	274.56	242.65
Interest Cost	0.00	0.00
Profit before Depreciation (PBDT)	1.38	5.36
Depreciation	0.00	4.37
Profit before Tax	1.38	0.99
Provision for Taxation	0.52	0.52
Deferred Tax	(0.57)	0.41
Profit after Tax	1.43	0.06
Less : Proposed Dividend	0.00	0.00
Less : Transfer to G.R.	0.00	0.00
Balance Carried Forward to B/S	1.43	0.06

OPERATION

The company has set up a jewellery manufacturing unit for the exports at special economic zone at Sachin near Surat. Company is also engaged in trading of gems & jewellery item during the year.

During the year under review, the Company has achieved turnover of Rs. 2.76 Crore compared to Rs.2.48 Crore previous year.

CURRENT YEAR OUT LOOK

Company is negotiating for export orders with international buyers and management is hopeful to achieve higher turnover during the year.

DIVIDEND

No Dividend has been recommended by the Board as there was not sufficient profit in the company during the year.

DIRECTORS

Mr. Jayendra H Shah has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Jayendra H Shah for the work done in his tenure. Mr. Saurabh Shah has joined directorship at the company with effect from 17th March, 2012.

Mr. Nasirul Haque has resigned from directorship with effect from 17th March, 2012. The board has expressed thanks to Mr. Nasirul Haque for the work done in his tenure. Mr. Ramji Khimji Rajput has joined directorship at the company with effect from 17th March, 2012.

In accordance with the provision of the Companies Act, 1956 Vinod N Shah independent director, retires by rotation and being eligible offers him for reappointment.

In accordance with the provision of the Companies Act, 1956 Anil M Patel independent director, retires by rotation and being eligible offers him for reappointment.

AUDITORS

M/s S K JHA & CO., Chartered Accountants, the company's Auditors retire at conclusion of the ensuing Annual General Meeting. They have signed their willingness to accept reappointment and have further confirmed their eligibility u/s 224(1B) of The Companies Act, 1956.

PUBLIC DEPOSITS

Your company has not accepted any fixed deposits within the meaning of section 58A from the public under the Companies Act, 1956 and the rules made there under.

AUDITOR'S REPORT

The auditors of the company has pointed out that the company has not made provision for depreciation amounting to Rs. 3,86,586. for assets at SEZ & Daman. The management of the company is of the opinion that same need not be provided as no manufacturing activities have been undertaken during the financial year.

Except above, observations made in the Auditor's Report are self explanatory and therefore do not call for any further comments under section 217(3) of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

There were no employees whose remuneration were in excess of the limits prescribed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO

Information required under section 217(1) (e) of Companies Act.

i) **Conservation of energy**

In the opinion of the directors there is no need to take any measure in this regard. The company does not have any proposal for additional investment in this regard. The details of energy consumption are not required to be given.

ii) **Technology absorption**

No technology has been imported during the year.

iii) **Foreign Exchange Earnings & Outgo**

The Company mainline of business is the Manufacturing of Diamond Studded Gold Jewellery & Trading in Cut & Polished Diamonds.

a) Total Foreign Exchange Earned	: 7,54,784
b) Total Foreign Exchange Used	: NIL

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217 (2AA) of the Companies Act, 1956, with respect to the Director's Responsibility Statement, it is hereby confirmed :

- i) That in the presentation of the annual accounts for the financial year ended 31st March 2012, the applicable accounting standards has been followed along with proper explanations 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 or loss of the Company for the year under review.
- iii) That the directors had taken proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of the 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 31st March 2012 on a going concern basis.

LISTING

The Equity shares of the Company are listed at Bombay stock exchanges Limited. The Company has paid the Annual Listing fee to the above Stock Exchanges.

CORPORATE GOVERNANCE

The Company has been in compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

Report on Corporate Governance, Management Discussion and Analysis and Auditor's Report on compliance with the Corporate Governance Requirement have been included in the Annual Report in separate sections.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their warm appreciation and acknowledge with gratitude the assistance, co-operation and support extended to your Company by bankers, clients, employees as well as the investing community and look forward to their continued support.

Registered Office:
Chirag Industrial Complex
39/40, Golden Industrial Estate
Somnath Road ,
Daman-U.T.
Date:- 30th August, 2012

For and on Behalf of the Board

Chandrakant H Shah
Chairman & Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Particulars Required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988.

A. CONVERSION OF ENERGY

The Company's operations involve very low energy consumption, wherever possible measures have already been implemented. The measures set out above do not have any significant impact on the overall cost of the production.

B TECHNOLOGY ABSORPTION

No technology has been imported during the year.

C FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company mainline of business is the Manufacturing of Diamond Studded Gold, Jewellery & Trading in Cut & Polished Diamonds.

Total Foreign Exchange Earned : 7,54,784

Total Foreign Exchange Used : NIL

For and on behalf of Board

Place : Mumbai
Date: 30th August, 2012

Chandrakant Shah
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

GEMS & JEWELLERY INDUSTRY OVERVIEW

The gems and jewellery industry can be classified into various sub segments like diamonds, colored stones, gold and silver jewellery pearls, etc. However, the two major segments in India are gold and diamonds India dominates the diamond processing trade with 11 out of 12 diamonds being cut and polished in India. India also dominates the gold and silver consumption globally. The industry holds prominent significance as it is a net exporter and provided employment to 1.3 million people directly and indirectly.

Gem and jewellery exports had a stellar run in financial year 2011-12, recording a 47% growth in value terms, against 16% growth of previous years.

The diamond exported increased by 55% during financial year 2011-12 while gold jewellery exports increased by 33%.

Gold and diamond exports in aggregate accounted for about 95% of India's gems and jewellery exports. The gem and jewellery sector in turn, contributed nearly 17% to the total Indian exports in financial 2011-12.

The reasons attributed for the growth are (1) The majority of working women in rural India do not invest in stocks and shares or use other investment instruments and they usually invest their surplus money in jewellery (2) The rural families allocate fixed budgets to buy jewellery for weddings and they buy jewellery at this time irrespective of whether gold prices are high or not. (iii) Rural markets are less affected by the global meltdown as they are agriculture-based.

India is the largest diamond cutting and polishing centre in the world the industry enjoys 60% value share, 82% carat share and 95% share of the world market in terms of number of pieces. In other words, nearly 9 out of 10 diamonds sold world wide are cut and polished in India.

Company Overview

Shukra Bullions Limited incorporated in 1995 is in the business of Gems & Jewellery Industry.

Shukra Bullions Limited is growing company in Diamond & Jewellery. The chief promoter of the Company is Shri Chandrakant H Shah having experience of more than 30 years in the industry.

The Company has set up a jewellery manufacturing unit for the export at Special Economic Zone at Sachin near Surat (Gujarat).

Company is negotiating for export orders with international buyers and management is hopeful to achieve higher export turnover during the year.