

**UDAY** Jewellery Industries Limited  
Manufacturers • Exporters • Distributors

**13<sup>th</sup>**  
**ANNUAL REPORT**  
**2011-12**

*13<sup>th</sup>*  
*Annual*  
*Report*  
*2011-2012*

**UDAY JEWELLERY  
INDUSTRIES LIMITED**

**{Formerly Hifunda Limited}**

## GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear shareholders,

The Ministry of Corporate Affairs (“MCA”) vide its circulars dated 21.04.2011 and 29.04.2011 has taken a “Green Initiative in Corporate Governance” thereby allowing companies to serve electronic documents to its shareholders.

Environment conservation and sustainable development are continuously on your Company’s radar and therefore your Company supports MCS in this initiative. Accordingly, henceforth, we propose to send documents such as notices of general meeting(s), annual reports and other communications to the shareholders through e-mail. Please note that all such documents shall be kept open for inspection at the registered office of the Company during the office hours.

We solicit your valuable cooperation and support in our endeavor to contribute our bit to the environment. You are requested to please fill the details in the format provided below. Please note that the fields marked “\*” are mandatory to fill.

Registered Folio or DP Id – Client ID \*

Full Name \*

Email ID \*

Contact no. :

Declaration: (Select whichever is applicable) \*

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

In case there is any change in your e-mail ID or any other details, please e-mail us the details at [info@udayjewellery.com](mailto:info@udayjewellery.com) or contact us. In case of shares held in electronic form, you are requested to inform your DP as well.

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**BOARD OF DIRECTORS**

Mr. Sanjay Kumar Sanghi	Director
Mr. Ritesh Kumar Sanghi	Managing Director
Mr. Siddharth Goel	Director
Mr. Ram Prasad Vempati	Director
Mr. Rakesh Agarwal	Director

**AUDITORS**

M/s Venugopal & Chenoy  
Chartered Accountants, Tilak Road,  
Hyderabad – 500001  
Andhra Pradesh, India

**BANKERS**

State Bank of India  
Commercial Branch  
Kothi, Hyderabad

**REGISTERED OFFICE**

Plot No. 5-9-60, Flat No. 301, Moghuls' Court Building,  
Deccan Towers Complex, Basheerbagh  
Hyderabad – 500001  
Andhra Pradesh, India

**REGISTRAR & SHARE TRANSFER AGENTS**

Niche Technologies Private Limited  
D-511, Bagree Market  
71, B. R. B. Basu Road  
Kolkata – 700 001  
West Bengal, India

**NOTICE**

**NOTICE** is hereby given that the **Thirteenth Annual General Meeting** of the Members of the Company will be held at the Registered Office of the Company situated at Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Deccan Towers Complex, Basheerbagh, Hyderabad – 500001 on **Friday, the 28<sup>th</sup> day of September, 2012** at **03.30 P.M.** to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at **31<sup>st</sup> March, 2012** and Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint director in place of **Mr. Sanjay Kumar Sanghi**, Director, who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint director in place of **Mr. Ram Prasad Vempati**, Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and to authorise the Board to fix their remuneration in consultation with them.

**SPECIAL BUSINESS**

5. To consider and if thought fit to adopt the following resolution as an Ordinary resolution :

**“RESOLVED THAT** Mr. Siddharth Goel, who was appointed as an Additional Director by the board of Directors of the Company and who holds the office as per Section 260 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the Company has, pursuant to the provisions of Section 257 of the Companies Act, 1956, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to take such steps and to do all such things and deeds incidental thereto, as may be considered necessary, proper and expedient to give effect to this resolution.”

6. To consider and if thought fit to adopt the following resolution as a Special Resolution :

**“RESOLVED THAT** in accordance with the provisions of section 269, 198, 309 and other applicable provisions if any, read with Schedule XIII of the Companies Act, 1956 and other provisions thereto, as amended, the Company hereby accords its approval and consent to the appointment of Shri Ritesh Kumar Sanghi as Managing Director of the Company with effect from 29<sup>th</sup> August, 2012 for a period of 5 years without any remuneration.

**“RESOLVED FURTHER THAT** the Managing Director shall exercise substantial powers of management as defined under section 316 of the Companies Act, 1956 and shall act under the superintendence of the Board of Directors of the Company

**RESOLVED FURTHER THAT** Shri Ritesh Kumar Sanghi, Managing Director is further authorized to appoint any attorneys under General Power of Attorney or otherwise in ordinary course of business, as may be required from time to time, for and on behalf of the Company for the beneficial interest of the Company and he be further authorized to sign such Power of Attorney document or such other document as may be required on behalf of the Company.

**FURTHER RESOLVED THAT** Board of Directors be and are hereby authorized to do all such acts, deeds, things as may be necessary in this regard”

**Place: Hyderabad**  
**Date: 31.08.2012**

**For and on behalf of the Board**

**Ritesh Kumar Sanghi**  
**Managing Director**

**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 of the Company. Proxies, in order to be effective must be delivered at the Company's Registered Office not less than 48 hours before the commencement of the Annual General Meeting.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from **22.09.2012 to 28.09.2012 (both days inclusive)** for the purpose of Annual General Meeting.
3. The Explanatory statement as per Section 173(2) in respect of Item Nos. 5 and 6 is annexed hereto.
4. Members are requested to notify change of address, if any, to the Company's Share Transfer Agents immediately.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
6. Members / Proxies are requested to bring their attendance slips along with their copies of Annual Report to the Meeting.
7. Shareholders are requested to bring their copy of Annual Report to the Meeting. Members who hold shares in dematerialized form are requested to bring their clients Id and DPID number for easy identification of their attendance at the meeting.
8. The Equity Shares of the Company are in Compulsory Trading in dematerialized form (Scripless trading in electronic form) through Depository Participants. The ISIN Code is **INE551B01012**.

**EXPLANATORY STATEMENT PURSUANT TO  
PROVISIONS OF SECTION 173(2) OF THE COMPANIES  
ACT, 1956**

**Item No. 5**

The Board of Directors of the Company appointed Mr. Siddharth Goel as an Additional Director of the Company during the period and his term of office expires on the date of ensuing Annual General Meeting and a notice from a member was received proposing his appointment as a Director of the Company under Section 257 of the Companies Act, 1956. Hence the resolution in Item no. 5 is placed before the members for approval.

The Board recommends for approval of the resolution in Item no. 5.

None of the Directors of the Company is in any way concerned or interested in the proposed resolution

**Item No. 6**

Shri Ritesh Kumar Sanghi was appointed as Managing Director by the Board of Directors w.e.f. 29.08.2012 without any remuneration. He is a commerce graduate and one of the Promoters after the takeover of the Company in the year 2011.

Since the Company has now started operations in jewellery segment, his wide experience of over 15 years in the field will be beneficial to the Company.

No other Director except Shri Sanjay Kumar Sanghi, promoter and relative of the appointee is concerned or interested in the resolution.

The note above may be construed as a statement under Section 302 of the Companies Act, 1956.

Members are requested to approve the resolution.

The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed / reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:

S. No	Particulars	Mr. Ritesh Kumar Sanghi	Mr. Ram Prasad Vempati	Mr. Siddharth Goel	Mr. Sanjay Kumar Sanghi
1.	Designation	Managing Director	Director	Additional Director	Director
2.	Date of Birth	24.12.1971	06.11.1956	01.03.1985	08.07.1968
3.	Date of Appointment	22.08.2011	18.08.2011	12.05.2012	22.08.2011
4.	Qualifications	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Commerce
5.	Expertise in specific functional area	Rich and varied experience in the field of production, strategy and management. He has an experience of more than 20 years in the field of Jewellery Industry.	Associated with CA firm for last 25 years holding senior position and involved in advising the cliental on suitable finance controls as per the specific requirement of the clients.	Fairly good experience in strategy and management.	He is a Cer tified Gemologist and a visionary. He has an experience of more than 25 years in the field of Jewellery Industry. He is also a member of the Governing Board of Directors of Gem and Jewellery Trade Federation.
6.	Directorships held in other public companies as on 31.03.2012	Narbada Gems and Jewellery Limited Trisa Retail Limited	Narbada Gems and Jewellery Limited RVK Exports and Enterprises Limited	Narbada Gems and Jewellery Limited	Narbada Gems and Jewellery Limited
7.	Number of shares held in the Company	31,16,060	Nil	Nil	33,18,800



**DIRECTORS' REPORT****To The Members,**

Your Directors have pleasure in presenting the **Thirteenth Annual Report** together with the audited accounts of the Company for the year ended **31<sup>st</sup> March, 2012**

**FINANCIAL RESULTS:**

Particulars	31.03.2012 (Rs. in '000s)	31.03.2011 (Rs. in '000s)
Revenue from operations	114281	NIL
Other Income	2.090	11
Profit/(Loss) before tax	28798.68	(738.47)
Provision for Taxation	NIL	NIL
Profit / (Loss) after Tax	28798.68	(738.47)
Losses Brought Forward	(126834)	(126096)
Balance carried to Balance Sheet	(98035)	(126834)

**BUSINESS REVIEW AND FUTURE OUTLOOK:**

Members are aware that after the Takeover of the Company as per SEBI Takeover Code by the present Management, the Company had changed its line of business to Manufacturing and Trading in Gems, Jewellery, bullion and other related activity in accordance with the changed Main Objects approved by members. Hence, the business undertaken in new activity is only five months which is reflected in the Audited Accounts as at 31<sup>st</sup> March, 2012. However, the new Management is placing their best efforts to generate substantial revenues in the current full year of operations. During the year ended 31<sup>st</sup> March, 2012, revenue generated from the operations post alteration in main objects of the Company is Rs. 1142.81 lakhs as against NIL revenue in the previous year. The Net profit of the Company in the current year is Rs. 288 Lakhs as against a net loss of Rs. 7.38 Lakhs in the previous year. The above mentioned figures clearly indicate that the current line of activity is beneficial to the Company as well as to its members.

**DIVIDEND:**

Due to inadequate profits and in order to conserve resources for expanding the business, your Directors have opined to not recommend any dividend for the year 2011 -12.

**OPERATIONS:**

Members are aware that the Company had undergone a takeover as per the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1998 on completion of which the old management of the Company has resigned and was taken over by the new management. Subsequent to the takeover of the Company, the main objects of the Company were altered to carry on the business related to gems and jewellery since the new management has rich experience in the field of Jewellery manufacturing and trading. Further, for the name of the Company to be in consonance with the Main Objects, was changed from Hifunda Limited to Uday Jewellery Industries Limited.

The Registered Office of the Company has also been shifted from Kolkata, West Bengal to Hyderabad, Andhra Pradesh.

**DIRECTORS:**

After the change in management on 29.08.2011, the erstwhile directors of the Company namely Mr. Vijay Jain, Ms. Shivani Jain, Mr. Shri Ram Chaudhary and Mr. Rahul Basu resigned and Mr. Sanjay Kumar Sanghi and Mr. Ritesh Kumar Sanghi were appointed as directors through an Extra Ordinary General Meeting held on 22.08.2011. Mr. Ram Prasad Vempati joined the Board as additional director and was appointed as director in the Extra Ordinary General Meeting of the Company held on 11<sup>th</sup> October, 2011.

Mr. Sanjay Kumar Sanghi and Mr. Ram Prasad Vempati retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Mr. Siddharth Goel was appointed as an Additional Director and his term expires at the ensuing Annual general Meeting. The Board recommends his appointment as Director liable to retire by rotation. Shri Ritesh Kumar Sanghi has been appointed as Managing Director w.e.f. 31.08.2012 for five years. Their respective profiles are given elsewhere in the report. Your Directors recommend their re-appointment.

**FIXED DEPOSIT**

Your Company has not accepted any fixed deposits from public during the year.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors would like to inform the members that the audited accounts for the year ended **31<sup>st</sup> March, 2012** are in full conformity with the requirement of the Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These financial statements are audited by the Statutory Auditors **M/s Venugopal & Chenoy**

Your Directors further confirm:

- (a) that in the preparation of the annual accounts for the year ended on 31<sup>st</sup> March 2012, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) that the directors have 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 at the end of the financial year and of the Profit and Loss of the Company;
- (c) 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;
- (d) that the directors have prepared the annual accounts for the year ended on 31<sup>st</sup> March 2012 on a going concern basis.

**AUDITORS:**

M/s. Venugopal & Chenoy, Chartered Accountants, the present statutory auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them to the effect that their appointment, if made, would be within the