



20th
ANNUAL REPORT
2013-2014



SHEETAL DIAMONDS LIMITED

BOARD OF DIRECTORS :

SHRI VINOD T. SHAH

Managing Director

SHRI NIRANJAN P. VYAS

Director

SHRI PANKAJ V. SHAH

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

		Pages
C	Board of Directors	1
O	Notice	2-6
N	Directors Report	7-8
T	Management Discussion and Analysis Report – 2014	9
E	Corporate Governance Report.	10-13
N	Auditors' Certificate on Corporate Governance	14
T	Auditors' Report	15-17
S	Balance Sheet	18
	Profit & Loss Account	19
	Schedule of Balance Sheet & Profit & Loss A/c (1 to 35)	20-26
	Auditors' Report thereon & Cash Flow Statement	27-28

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 20th Annual General Meeting of the members of **SHEETAL DIAMONDS LIMITED** will be held on Friday, the 26th 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 31st 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 Trikamal 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. Niranjan 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. Niranjan 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, 20th September, 2014 to Friday, 26th 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 20th Annual General Meeting of the Company.
11. The e-voting period begins on Saturday, 20th September, 2014 at 9.00 a.m. and ends on Monday, 22nd 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 22nd 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 22nd 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 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 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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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. <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.
DOB	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.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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).

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.



SHEETAL DIAMONDS LIMITED

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.
- 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 under help section or write an email to 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 : 27th 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

Sr. No.	Particulars	
1)	Name of the Director	Mr. Niranjan 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

Sr. No.	Particulars	
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

Sr. No.	Particulars	
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 20th Annual Report and the audited statement of accounts for the year ended 31st 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	28,20,77745	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.



SHEELAL 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 31st 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 31st 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 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 : 27th May, 2014



SHEETAL DIAMONDS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT – 2014

Pursuant to Clause 49 of the Listing Agreement a Report on Management Discussion and Analysis is given below:

a) **Industry Structure & Development and Challenges:**

The trade of designer jewellery in retail is on increasing trend all over the world. Jewellery is one commodity of saving as well as exhibition of wealth for the Indian ladies. The company is in the line of online trading of designer jewellery. The demand of the same is substantial increased in the recent years. The management expect the business growth in every year.

b) **Outlook, Opportunities, Threats and Risks:**

The industry is showing healthy signs of growth. As per capital income in India is substantial increased, the demand of jewellery amongst the young generation is also on rise. This will help the company in developing business opportunities. The management dose not see any risk or threat as raw material is valuable commodities. The company also planning to expand the horizon of business by investing substantial fund out of internal accrual.

c) **Segment-wise Performance :**

The company has currently one major activities of online trading of designer Gold & Diamond jewellery. However, to hedge the gold price the company also buys.

d) **Internal Control System & Their Adequacy**

The company has adequate internal control system commensurate with the size. The committee reviews the implementation of management policies to ensure that transaction has been accurately recorded and promptly reported.

e) **Human Resources & Industrial Relation:**

The company considers human resources as one of the vital and important factors for sustained growth. The human resources strategy is to attract talent in the industry, develop and upgrade their skill and competence on the job and ensure employee satisfaction through reward, appreciation and development of environment based on culture and values nurtured by the Group over the years.

f) **Trading Status On the stock exchange:**

The company's equity shares are Listed and traded on Bombay Stock Exchange Limited.

g) **Whistle Blower Policy:**

The company dose not have any Whistle Blower policy as of now but no personnel are being denied any access to the audit committee.

h) **Cautionary Statement:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation or predication may be "forward-looking" statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

For and on behalf of the board of Directors

Sd/-

Vinod T. Shah
Managing Director

Place : Mumbai
Date : 27th May 2014



SHEETAL DIAMONDS LIMITED

REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement a Report on Corporate Governance is given below:

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE:

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

BOARD OF DIRECTORS:

The Board of Directors comprises of One Executive Directors (ED) and Two Non-executive Directors.

During the financial year 1st April, 2013 to 31st March, 2014, 5(Five) Board Meetings were held on 30th May 2013, 14th August 2013, 16th September 2013, 28th October 2013, and 13th February 2014.

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. Vinod T. Shah	MD	5	YES	NIL	NIL	NIL
Mr. Niranjan P. Vyas	IND - NED	5	YES	NIL	NIL	NIL
Mr. Pankaj V. Shah	IND - NED	5	YES	NIL	NIL	NIL

MD – Managing Director

IND – Independent

NED – Non-Executive Director

ED – Executive Director

Board's Functioning & Procedure:

The Company holds a minimum of four Board Meetings in a year, one each per quarter. Additional Board Meetings are convened as and when necessary to address the specific needs of the Company. The Board also approves urgent matters by passing resolutions by circulations. The Meetings of the Board are held at the Company's registered office or at a hall in South Mumbai depending on the circumstances.

Agenda papers are circulated to the directors in advance and all material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting. In special and exceptional circumstances, additional or supplementary items on Agenda are permitted.

The information as required under Annexure I to Clause 49 of the Listing Agreement is made available to the Board in every meeting.

Audit Committee:

The Audit Committee met 4 times in the financial year on 30th May 2013, 14th August 2013, 28th October 2013 and 13th February 2014 where all the members of the Committee, Executive Director and the Statutory Auditors were present. Meetings reviewed the Annual Accounts, half-yearly results and quarterly results and approved the same. The audit Committee overseas the general accounting practices and other management policies.

Mr. Pankaj V. Shah	Independent – Non Executive Director	Chairman
Mr. Vinod T. Shah	Managing Director	Member
Mr. Niranjan P. Vyas	Independent – Non Executive Director	Member

Details of attendance at the meetings of Audit Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Vinod T. Shah	4	4
Mr. Niranjan P. Vyas	4	4
Mr. Pankaj V. Shah	4	4

Terms of Reference

The role and terms of reference of this Committee are wide enough to cover the matters specified for the Audit Committee under Clause 49 of the listing agreement as well as in Section 292 A of the Companies Act, 1956 and are as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To review with Management the financial statements at the end of a quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
 - matters required to be included in the Director's Responsibility Statement which form part of the Board's reporting in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions; and
 - qualifications in the draft audit report



SHEETAL DIAMONDS LIMITED

- c) to consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
- d) to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management, wherever necessary);
- e) reviewing with management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;
- f) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- g) discussion with internal auditors on any significant findings and follow up thereon.
- h) reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- i) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- j) to review the functioning of the Whistle Blower Mechanism, in case the same is existing;
- k) to review the external auditors' audit reports and presentations and management's response thereto;
- l) to ensure co-ordination between the internal and external auditors, and to request internal audit to undertake specific audit projects, having informed management of their intentions;
- m) to consider any material breaches or exposure to breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- n) to review policies and procedures with respect to directors' and officers' expense accounts, including their use of corporate assets, and consider the results of any review of these areas by the internal auditors or the external auditors;
- o) to consider other topics, as defined by the Board;
- p) to review the following information :
 - i) Management discussion and analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) Management letter/letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating control weaknesses; and
 - v) The appointment, removal and terms of remuneration of the Internal Auditor.

Details of Sitting fees paid during the year

Name	Amount
Mr. Niranjan P. Vyas	4000
Mr. Pankaj V. Shah	4000

Share Transfer Committee/Investor Grievance Committee:

The Board has constituted the Share Transfer Committee, with the one Executive Director as member 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. Vinod T. Shah with Mr. Niranjan P. Vyas and Mr. Pankaj V. Shah till date.

Mr. Vinod T. Shah	Managing Director	Chairman
Mr. Niranjan P. Vyas	Independent – Non Executive Director	Member
Mr. Pankaj V Shah	Independent – Non Executive Director	Member

Details of attendance at the meetings of Investor Grievance Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Vinod T. Shah	4	4
Mr. Niranjan P. Vyas	4	4
Mr. Pankaj V Shah	4	4

Name and Designation of Compliance Officer:

Mr. Vinod T. Shah - Managing Director

GENERAL BODY MEETINGS:



SHEELAL DIAMONDS LIMITED

Financial Year	Date	Location of the Meeting
1 st April, 2010 to 31 st March, 2011	18.08.2011	Office No. 8, First Floor, Sitaram Niwas, 1 st Bhatwadi, j.s.s.Road, Opera House, Mumbai-400 004
1 st April, 2011 to 31 st March, 2012	28.09.2012	Office No. 8, First Floor, Sitaram Niwas, 1 st Bhatwadi, j.s.s.Road, Opera House, Mumbai-400 004
1 st April, 2012 to 31 st March, 2013	14.09.2013	Office No. 8, First Floor, Sitaram Niwas, 1 st Bhatwadi, j.s.s.Road, Opera House, Mumbai-400 004

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 Bombay Stock Exchange Limited 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:

I) Annual General Meeting :	Friday, 26 th September, 2014 at <u>4.00 P. M.</u>
Day, Date, Time and Venue	Park View, 37, Lallubhai Park Road Andheri (West), Mumbai – 400 058
II) Financial Year : 2014-2015	
First Quarter Results	: 14 th August, 2014
Second Quarter/Half Yearly Results	: 14 th November, 2014
Third Quarter Results	: 14 th February, 2015
Fourth Quarter Results	: 30 th May, 2015
III) Date of Book Closure	: 20.09.2014 to 26.09.2014 both days inclusive
IV) Listing in Stock Exchanges	BSE Limited
V) Stock Code	530525
VI) Demat ISIN numbers in NSDL & CDSL –INE786J01017 for equity shares:	
VII) Stock Price Performance at BSE Ltd., Mumbai:	

The monthly High, Low stock prices during the financial year 2013-2014 are as follows:-

Month	Bombay Stock Exchange	
	High	Low
April, 2013	2.77	2.36
May, 2013	2.70	2.70
June, 2013	2.70	2.70
July, 2013	2.70	2.70
August, 2013	2.83	2.83
September, 2013	2.83	2.83
October, 2013	2.95	2.95
November, 2013	4.00	3.09
December, 2013	5.50	3.81
January, 2014	6.27	4.88
February, 2014	5.15	4.64
March, 2014	4.90	4.90

Source Data has been taken from the Website of the Bombay Stock Exchange. The company does not have any other sources for verification of data.

VIII) Share Transfer Systems: The company has appointed M/s. Purva Shareregistry India P. Ltd, Share Registrar & Transfer Agent, 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel (E) Mumbai-400 011, Transfers of physical shares are effected In house after approval by the Share Transfer Committee.

IX). Distributions of Share Holdings as on 31-03-2014

Categories of Shareholders as on March 31, 2014



SHEETAL DIAMONDS LIMITED

Category	No. of Shares held	% of Shareholding
Promoters	8,44,000	16.88
Banks Financial Institutions, MFs	31,600	00.63
Others	41,24,400	82.49

X) Dematerialization of Shares - The Shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31.03.2014, a total of 40,54,900 equity shares of the Company, forming 81.09% of the share capital of the Company, stand dematerialized (NSDL -2779177 CDSL -1275723).

XI) Outstanding GDR/ADR/warrants - NIL

XII) The Company has no Plants.

XIII) Address of Correspondence:

Shareholder Correspondence in relation to Transfer of Shares queries should be addressed to:

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

XIV) Compliance Certificate from Auditors of the Company – published elsewhere in this report.

XV) Compliance with other mandatory requirements.

1. Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under clause 49(iv)(F) of the Listing Agreement is attached.

2. Disclosures

2.1 Related party Transactions

The details of all transactions with related parties are placed before the audit committee.

2.2 Disclosure of Accounting Treatment

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

3. Code of Conduct

The Board has formulated a code of conduct for the Board members and senior management of the Company. The same has also been posted on the website of the Company. All board members have affirmed their compliance with code. A declaration to this effect signed by the Managing Director of the Company is given elsewhere in the Annual Report.

4. CEO/CFO certification

A Certificate from Managing Director on the financial statements of the Company was placed before the Board.

5. Review of Directors' Responsibility statement

The Board in its report have confirmed that the annual accounts for the year ended 31st March, 2013 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

NON-MANDATORY REQUIREMENTS

- a) Any qualification in Auditors Report
- b) Remuneration Committee

c) Shareholder Rights

The half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders

NIL

Remuneration Committee has been not been constituted.

The Company's Quarterly results are published in English and Marathi newspapers having wide circulation. In view of the above, the half yearly declaration of financial performance including summary of the significant events in the last six months are not sent. The audited Results for the financial year are communicated to the Shareholders through the Annual Report.

The Board would review implementation of non-mandatory requirements of Corporate Governance code regarding Tenure of independent directors on the board, Training of Board Members, Mechanism for evaluating non-executive board members and Whistle Blower Policy at appropriate time.

Declaration on compliance with code of conduct

The Board has formulated a code of conduct for the Board members and senior management of the Company, which has been posted on the web site of the Company.

It is hereby affirmed that all the Directors and Senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

For and on behalf of the board of Directors

Sd/-

Vinod T. Shah
Managing Director

Place : Mumbai
Date : 27th May 2014



SHEETAL DIAMONDS LIMITED

AUDITORS CERTIFICATE

To,

The Members,

Sheetal Diamonds Limited

We have examined the compliance conditions of Corporate Governance by *Sheetal Diamonds Limited*, for the year ended 31st March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Notes issued by the Institute of Chartered Accountants of India, we have to state that based on the report by the Registrar of Company to the Investor Grievance Committee as on 31st March, 2014, there were no investor grievance matters against the Company remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

For **Hardik H Shah & Associates**
Chartered Accountants
(Firm Registration No. 131390W)

Sd/-

CA Hardik H Shah
Proprietor
Membership No. 137026

Place : Mumbai

Date : 27th May, 2014



SHEETAL DIAMONDS LIMITED

Independent Auditor's Report

To the Members of

SHEETAL DIAMONDS LIMITED

Report on the Financial Statements:

We have audited the accompanying financial statements of Sheetal Diamonds Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government of India in terms of Section 227(4A) of the Act since in our opinion and according to information and explanation given to us, the said order is not applicable to company.

2. As required by section 227(3) of the Act, we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. ; and
- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Hardik H Shah & Associates

Chartered Accountants

Firm Registration Number: 131390W

Sd/-

Hardik Shah

Proprietor

Membership Number: 137026

Mumbai

Date: 27th May, 2014



SHEETAL DIAMONDS LIMITED

Annexure to Auditors' Report

(Referred to in Paragraph 3 of our report of even date)

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.
2. In respect of its inventories:
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The company has not taken/granted unsecured loans, to/from companies, firms or other parties listed in the registrar maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4 (iii) (b) to (d) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. According to information and explanations given to us, we are of the opinion that there are no transactions that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly provisions of clause 4 (v) (b) of the Order are not applicable.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Section 58A & 58AA of the Companies Act, 1956 and Rules framed there under are not applicable.
7. In our opinion, the Company does not have internal audit system commensurate with the size and nature of its business, but as per information and explanation given by the management there is an adequate internal control system.
8. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act, in respect of the services rendered by the Company. Accordingly, the provisions of clause 4(viii) of the Order are not applicable.
9. According to the information and explanations given to us in respect of statutory dues:
 - a) According to the information and explanations given to us, Company is not having any employee on whom statutory liability including Provident Fund, E.S.I.C. is applicable. Other undisputed statutory dues in respect of custom duty, excise duty, sales tax, service tax, withholding taxes, cess as applicable and any other statutory dues have been regularly deposited with the appropriate authorities. There are no arrears of Statutory Dues as on 31st March, 2014.



SHEETAL DIAMONDS LIMITED

b) As per information given to us the Income Tax demand for A.Y. 1996-97, 1997-98 & 1998-99 along with the interest and penalty have been fully deleted by the Honorable ITAT as per the order dated 23.03.2011 & 04.05.2011. The appeal for penalty of Rs. 13,69,656/- for A.Y. 2001-01 is pending before CIT (A).

10. The clause of accumulated losses etc is not applicable to company.

11. Since no loan has been obtained from any bank by company this clause is not applicable.

12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.

14. The Company is not in dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) is not applicable.

15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of paragraph 4 (xv) of the said Order are not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the Company has not taken any Term loans.

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long term investment.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.

19. The Company has not issued any Debenture during the year.

20. The Company has not raised any monies by way of public issues during the year.

21. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Hardik H Shah & Associates
Chartered Accountants
(Firm Registration No. 131390W)

Sd/-

CA Hardik H Shah
Proprietor
Membership No. 137026

Place : Mumbai
Date : 27th May, 2014



SHEETAL DIAMONDS LIMITED

Balance Sheet as at 31 March, 2014

	Particulars	Note No.	As at 31 March, 2014	As at 31 March, 2013
			Amount	Amount
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	50,000,000	50,000,000
	(b) Reserves and surplus	4	7,999,524	7,987,557
2	Non-current liabilities			
	(a) Long-term borrowings	5	2,600,000	8,600,000
3	Current liabilities			
	(a) Trade payables	6	129,500	41,475
	(b) Other current liabilities	7	-149,589	-120,960
		TOTAL		
			60,579,435	66,508,072
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	8	2,620,125	3,902,850
	(b) Non-current investments	9	22,505,000	22,505,000
	(c) Long Term Loans & Advances	10	11,120,431	9,156,528
	(d) Other Non-Current Assets	11	196,947	221,565
2	Current assets			
	(a) Inventories	12	18,927,292	23,982,011
	(b) Trade receivables	13	1,217,808	-6,699,902
	(c) Cash and cash equivalents	14	3,798,038	13,299,056
	(d) Short Term Loans & Advances	15	193,797	140,964
		TOTAL		
			60,579,435	66,508,072
	See accompanying notes forming part of the financial statements			-
In terms of our report attached.				
For Hardik H Shah & Associates		For and on behalf of the Board of Directors		
Chartered Accountants				
FRN : 131390W				
Sd/- CA Hardik H Shah Proprietor Membership No.: 137026		Sd/- Managing Director		Sd/- Director
Place : Mumbai Date : 27th May 2014		Place : Mumbai Date : 27th May 2014		



SHEETAL DIAMONDS LIMITED

Statement of Profit and Loss for the year ended 31 March, 2014

	Particulars	Note No.	For the year ended	For the year ended
			31 March, 2014	31 March, 2013
			Amount	Amount
A	CONTINUING OPERATIONS			
1	Revenue from operations	16	281,610,687	433,157,234
2	Other income	17	483,027	1,310,254
3	Total revenue (1+2)		282,093,714	434,467,488
4	Expenses			
	(a) Cost of materials consumed	18	273,264,574	454,305,168
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	5,054,719	-22,421,688
	(c) Employee benefits expense	20	858,075	718,800
	(d) Finance costs	21	42,743	119,584
	(e) Depreciation and amortisation expense	8	546,915	423,061
	(f) Other expenses	22	2,310,719	4,827,188
	Total expenses		282,077,745	437,972,113
5	Profit before tax		15,969	-3,504,625
6	Tax expense:			
	(a) Current tax expense for current year		4,000	35,000
	(c) Current tax expense relating to prior years			-
	(d) Net current tax expense		4,000	35,000
7	Profit for the Year		11,969	-3,539,625
	Earning Per Share on Equity Shares of Rs 10 each			
	Basic		0.00	-0.71

In terms of our report attached.

For Hardik H Shah & Associates

Chartered Accountants

FRN: 131390W

For and on behalf of the Board of Directors

CA Hardik H Shah

Proprietor

Membership No.: 137026

Managing Director

Director

Place : Mumbai

Date : 27th May 2014

Place : Mumbai

Date : 27th May 2014



SHEETAL DIAMONDS LIMITED

Notes to the financial statements for the year ended March 31, 2014

1 CORPORATE INFORMATION

SHEETAL DIAMONDS LIMITED ("the company") is engaged in the trading of Loose Diamonds & Jewellery.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and provisions of the Companies Act 1956, read with the Companies (Accounting Standard) Rules, 2006 (Accounting Standard Rules) as well as applicable pronouncements of the Institute of Chartered Accountant of India.

b) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Revenue recognition

a) Sales are recorded net of trade discounts, sales tax/ value added tax, rebates and excise duty. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

b) Interest income is recognised on time proportion basis.

d) Inventories:

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on FIFO basis.

e) Investments

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower.

f) Provisions, Contingent Liabilities and Contingent Asset

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

g) Fixed assets and depreciation

i. Fixed assets are stated at cost of acquisition and installation less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use.

ii. Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956

iii. Expenses incurred on Project and other charges during construction period are included under pre-operative expenditure (grouped under Capital Work in Progress) and are allocated to the cost of Fixed Assets on the commencement of commercial operations.



SHEETAL DIAMONDS LIMITED

h) Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such condition exists, the company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating units to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account.

If at the Balance Sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at revised recoverable amount.

i) Foreign currency transactions

- a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of transaction.
- b) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account.
- c) Monetary items denominated in foreign currencies at the year end are restated at the year end rates.
- d) Non monetary items denominated in foreign currencies are carried at cost.

j) Taxation

a. Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

b. Deferred Tax:

Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that are enacted or substantively enacted on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a virtual certainty that the asset will be realised in future.

k) Borrowing Cost:

Interest and other costs incurred in connection with the borrowing of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalized with the fixed assets.

l) Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

m) Cash and cash equivalent

Cash and cash equivalent for the purpose of cash flow statement comprised cash at bank and cash in hand and other



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of Rs. 10 each with voting rights	6,000,000	60,000,000	6,000,000	60,000,000
(b) Issued				
Equity shares of Rs. 10 each with voting rights	5,000,000	50,000,000	5,000,000	50,000,000
(c) Subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	5,000,000	50,000,000	5,000,000	50,000,000
(d) Subscribed but not fully paid up				
Equity shares of Rs. 10 each with voting rights	-	-	-	-
Total	5,000,000	50,000,000	5,000,000	50,000,000

Note 4 Reserves and surplus

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Amount	Amount	Amount	Amount
Surplus / (Deficit) in Statement of Profit and Loss				
Opening Balance	7,987,557		11,527,184	
Add: Current Year's Profit	11,969		(3,539,625)	
Total	7,999,524		7,987,557	

Note 5 Long Term Borrowing

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Amount	Amount	Amount	Amount
Long Term Borrowings				
Considered Good & Unsecured	2,600,000		8,600,000	
Total	2,600,000		8,600,000	

Note 6 Trade payables

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Amount	Amount	Amount	Amount
Trade payables:				
Acceptances				
Other than Acceptances	129,500		41,475	
Total	129,500		41,475	

Note 7 Other current liabilities

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Amount	Amount	Amount	Amount
Other Liabilities	-149,589		-120,960	
Total	-149,589		-120,960	

Note 8 : Fixed Assets

Particulars	Gross block				Accumulated depreciation				Net block	
	Balance as at 1 April, 2013	Additions	Disposals	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
					Rs	Rs	Rs	Rs	Rs	Rs
(A) Tangible assets										
Furniture and Fixtures	587,802	30,250	-	618,052	67,420	98,750	-	166,170	451,882	520,382
Plant & Machinery	3,653,318	78,020	1,092,420	2,638,918	353,831	430,249	193,360	590,720	2,048,198	3,299,487
Computer Systems	97,650	54,980	-	152,630	14,669	17,916	-	32,585	120,045	82,981
Total	4,338,770	163,250	1,092,420	3,409,600	435,920	546,915	193,360	789,475	2,620,125	3,902,850
Previous year	516,902	7,800	475,562	49,140	444,911	8,098	440,150	12,859	36,281	



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 9 Non-current investments

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Investments at cost	22,505,000	22,505,000
Total	22,505,000	22,505,000

Note 10 Long-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Secured & Considered Good	11,120,431	9,156,528
Total	11,120,431	9,156,528

Note 11 Other Non Current Assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Preliminary Expenses (to the extent not written off)	196,947	221,565
Total	196,947	221,565

Note 12 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Finished Goods	18,927,292	23,982,011
Total	18,927,292	23,982,011

Note 13 Trade receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Trade Receivables		
Outstanding for more than six months		
Others	1,217,808	-6,699,902
Total	1,217,808	-6,699,902

Note 14 Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Cash in Hand	3,327,493	1,034,227
Balance with Bank	470,545	12,264,829
Fixed Deposit With Bank	-	-
Total	3,798,038	13,299,056

Note 15 Other Short Term Loans & Advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Amount	Amount
Advance Tax & Tax Deducted at Sources	193,797	140,964
Total	193,797	140,964

Note 16 Revenue from operations

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
(a) Sale of products	264,574,310	433,157,234
(b) Sale of commodity exchange	17,036,377	
Total	281,610,687	433,157,234

Note 17 Other income

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
(a) Interest income (Refer Note (i) below)	483,027	1,274,512
(b) Other non-operating income		35,742
Total	483,027	1,310,254

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
Interest from banks on Bank Deposits	21,827	61,226
Interest on loans and advances		1,213,286
Total - Interest income	21,827	1,274,512



SHEETAL DIAMONDS LIMITED

Note 18 Cost of materials consumed

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
(a) Opening stock	-	-
Add: Purchases of Materials	256,279,374	454,305,168
(b) Purchase of commodity exchange	16,985,200	-
Less: Closing stock	-	-
Cost of material consumed	273,264,574	454,305,168

Note 19 Changes in inventories of finished goods

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
Inventories at the end of the year:		
Finished goods	18,927,292	23,982,011
Inventories at the beginning of the year:		
Finished goods	18,927,292	23,982,011
	23,982,011	1,560,323
	23,982,011	1,560,323
Net (increase) / decrease	5,054,719	-22,421,688

Note 20 Employee benefits expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
Salaries and wages	858,075	718,800
Total	858,075	718,800

Note 21 Finance Cost

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
Bank Charges	42,743	119,584
Total	42,743	119,584

Note 22 Other expenses

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Amount	Amount
Advertisement Exp	48,500	192,693
Rediff Expenses	22,472	2,809
India Mart Lisiting Fees	46,848	16,854
Power and fuel	95,368	53,258
Rent including lease rentals	669,151	289,134
Communication	41,536	37,587
Travelling and conveyance	6,645	20,073
Printing and stationery	97,701	64,251
Foreign Travel Expenses	107,882	-
Legal and professional	30,000	71,590
Payments to auditors	35,000	25,000
Net loss on foreign currency transactions and translation	-	-
Fees related to Listed shares	138,062	40,028
Director Sitting Fees & Remuneration	308,000	300,000
Loss on sale of Investment&Assets	199,061	3,575,000
Commission	33,541	-
Office Eepenses	414,782	-
Miscellaneous expenses	16,170	138,911
Total	2,310,719	4,827,188

Note 23: Contingent Liabilities and Commitments

All Known Liabilities are provided for in the accounts excepts liabilities of Contingent nature which have been adequately disclosed in accounts

Note 24: Foreign currency transaction:

Income in foreign currency:

Particulars	March 31, 2014	March 31, 2013
Export of Goods	2,067,798	930,987
Total	2,067,798	930,987



SHEETAL DIAMONDS LIMITED

Note 25: Segment Information for the year ended March 31, 2014

As the Company is engaged only in one business segment i.e. Trading of Loose Diamonds & Jewellery goods and there are no geographical segments, the Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended March 31, 2014 pertain to one business segment and related activities as per Accounting Standard (AS) 17 on "Segment Reporting".

Note 26: Auditors Remuneration

Particulars	March 31, 2014	March 31, 2013
Audit Fees	25,000	25,000
Total	25,000	25,000

Note 27: Related party transactions

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below

Note 27.1: Relationships during the year

Sr No	Name of the Related Party	Relationship
1	Vinod T Shah (Managing Director)	Key Management Personnel
2	Niranjan P Vyas	
3	Pankaj V Shah	

Note 27.2: Related party transactions

Transactions with related parties during the year :

Previous Year's Figures are given in brackets

Sr No	Particulars	2013-14	
		Key Manaerial Personnel	Significant Influence is excercised by KMP
1	MD Remuneration Vinod T Shah	300,000	
2	Director's Sitting Fees Niranjan P Vyas Pankaj V Shah	4,000 4,000	

Note 28: Earnings per share

Particulars	March 31, 2014	March 31, 2013
Net profit after tax as per statement of profit and loss	11,969	(3,539,625)
Weighted average number of equity shares outstanding during the year	5,000,000	5,000,000
Nominal value per equity share	10	10
Basic and diluted earnings per share	0.00	(0.71)

Note 29: Imported and Indigenous Raw Material Consumption:

Particulars	March 31, 2014		March 31, 2013	
	In Rs.	%	In Rs.	%
Raw Materials and Components				
Imported	-	0.00	-	0.00
Indegenious	273,264,574	100.00	454,305,168	100.00

Note 30: Additional Information as required under Part IV of Schedule VI to the companies act, 1956

1. Installed Capacity

Particulars	Installed	Production
Polished Diamonds	NIL	NIL

2. Particulars of goods traded

Particulars	March 31, 2014		March 31, 2013	
	Cts/Gms	Amount	Cts/Gms	Amount
Diamonds (Cts)				
Opening Stock	143.11	1,545,772.00	179.67	1,545,772.00
Purchases	611.09	6,624,001.00	703.30	6,052,808.50
Sales	193.32	2,223,846.00	739.86	6,431,745.20
Closing Stock	560.88	5,945,927.00	143.11	1,166,835.30

Gold & Silver(Gms)				
Opening Stock	7,913.76	22,815,177.00	33.86	14,550.97
Purchases	93,347.71	254,938,801.00	141,784.07	434,116,222.20
Sales	96,137.70	264,772,613.00	133,904.17	411,315,596.00
Closing Stock	5,123.90	12,981,365.00	7,913.76	22,815,177.17



SHEETAL DIAMONDS LIMITED

3. Raw Material Consumed

	<u>2013-14</u>	<u>2012-13</u>
Polished Diamonds	NIL	NIL

4. Value of Imports

	<u>2013-14</u>	<u>2012-13</u>
On CIF Basis	NIL	NIL

5. Expenditure in Foreign Currency

	<u>2013-14</u>	<u>2012-13</u>
Expenses	NIL	NIL

6. Remuneration to Managing Director

	<u>2013-14</u>	<u>2012-13</u>
MD Remuneration	300,000	10,000

Note 31: Balances of Sundry Debtors, Sundry Creditors, Deposits, Loans and Advances are subjected to reconciliation and confirmation, necessary adjustment if required, will be made after reconciliation. The management does not expect any material difference affecting the current year's financial statements.

Note 32: In the opinion of the Board and to the best of their knowledge and belief all the Current Assets, Loans and Advances have value on realisation at least of an amount at which they are stated in Balance Sheet.

Note 33: Liability in respect of gratuity and leave encashment are accounted on cash basis which is not in conformity with Accounting Standard (AS)15 (Revised 2005) on Employee Benefits as issued by the Institute of Chartered Accountant of India, which requires that gratuity and Leave Encashment Liabilities be accounted for on actuarial basis.

Note 34: The Amount due to Small Scale Industries is NIL as on 31st March, 2014 and hence disclosure requirements in this regard as per schedule VI of the Companies Act, 1956 is not being provided.

Note 35: Previous Year figures

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year

As per our report of even date

For Hardik H Shah & Associates

Chartered Accountants

Firm registration No. 131390W

For and on behalf of the Board of Directors

Sd/-

CA. Hardik H Shah

Proprietor

Membership No.: 137026

Sd/-

Sd/-

Managing Director

Director

Place : Mumbai

Date : 27th May 2014



SHEETAL DIAMONDS LIMITED

Auditors' Report

To,
The Board of Directors
Sheetal Diamonds Limited
Mumbai

We have examined the above cash flow statement of **SHEETAL DIAMONDS LIMITED** for the year ended 31st March, 2014 the statement has been prepared by the company and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the company covered by our report of even date to the members of the company.

For **Hardik H Shah & Associates**
Chartered Accountants
(Firm Registration No. 131390W)

Sd/-

CA Hardik H Shah
Proprietor
Membership No. 137026

Place : Mumbai
Date : 27th May, 2014



SHEETAL DIAMONDS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

Particulars	March 31, 2014	March 31, 2013
	Rs	Rs
A. Cash Flow From Operating Activities :		
Net profit before tax as per statement of profit and loss account	15,969	(3,504,625)
Adjustments For :		
Depreciation	546,915	423,061
Preliminary expenses written off	24,618	24,617
Interest Income	(483,027)	(1,274,512)
Loss on Investment	199,061	3,575,000
Foreign exchange Loss (non-cash Loss)	-	-
Sundry balance written off (Non-Cash Expenses)	-	-
Operating Cash Flow Before Working Capital Changes	303,536	(756,459)
Changes in current assets and liabilities		
(Increase)/Decrease in Trade Receivables	(7,917,710)	6,800,902
(Increase)/Decrease in Inventories	5,054,719	(22,421,688)
(Increase)/Decrease in Long Term and Short Term Loans and Advances	(2,016,736)	9,340,328
	55,396	(287,027)
(Increase)/Decrease in Trade Payables, Other Current and Non Current Liabilities and Provisions		
Cash Generated From Operations	(4,520,795)	(7,323,944)
Payment of Taxes (Net of Refunds)	-	-
Net Cash Flow From/ (used in) Operating Activities (A)	(4,520,795)	(7,323,944)
B. Cash Flow From Investing Activities :		
Purchase of Fixed Assets/CWIP	(163,250)	(4,289,630)
Sales of Fixed Assets	700,000	-
Investment in Fixed Deposits	-	-
Interest income	483,027	1,274,512
Net Cash Flow From Investment Activities (B)	1,019,777	(3,015,118)
C. Cash Flow From Financing Activities :		
Proceeds from Borrowing		7,600,000
Sales Proceeds from Investments		14,625,000
Payment of Borrowings	(6,000,000)	(2,000,000)
Net Cash From / (Used In) Financing Activities (C)	(6,000,000)	20,225,000
Net Increase In Cash Or Cash Equivalents (A+B+C)	(9,501,018)	9,885,938
Cash And Cash Equivalents At The Beginning Of The Year	13,299,056	3,413,118
Cash And Cash Equivalents As At The End Of The Year	3,798,038	13,299,056

Component of cash and cash equivalents (Refer note 14)

As per our report of even date

For Hardik H Shah & Associates

Firm registration No. 131390W
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

CA Hardik H Shah

Proprietor
Membership No.: 137026

Managing Director

Director

Place : Mumbai

Date : 27th May 2014

SHEETAL DIAMONDS LIMITED

Regd. Off : Office No. BW-2030 , Bharat Diamond Bourse , Bandra Kurla Complex , Bandra (E) , Mumbai-400 051 (INDIA)

ATTENDANCE SLIP

20TH ANNUAL GENERAL MEETING ON 26TH SEPTEMBER 2014

Regd. Folio No	
Client ID/ D.P. ID	
Name and address of the shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No. of Shares held	

I/we hereby record my/our presence at the 20TH ANNUAL GENERAL MEETING of the Company, to be held on Friday , 26th September, 2014 at 4.00 p.m. at the Park View,37,Lallubhai Park Road, Andheri (West), Mumbai - 400 058.

Member's Folio/DP ID/Client ID No. Member's/Proxy's name Member's/Proxy's Signature
(in Block Letters)

Note:

1. Please fill in the Folio/DP ID-Client ID No., name and sign the Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

Note: PLEASE BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

X-----X

SHEETAL DIAMONDS LIMITED

Regd. Off : Office No. BW-2030 , Bharat Diamond Bourse , Bandra Kurla Complex , Bandra (E) , Mumbai-400 051 (INDIA)

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

20th ANNUAL GENERAL MEETING ON 26TH SEPTEMBER, 2014

Name of the Member (s) : _____
 Registered Address : _____
 Email Id : _____
 Folio No/Client Id : _____
 DP ID : _____

I/We, being a Member (s) of _____ shares of the above named Company hereby appoint:

Name: _____
 Address: _____
 Email ID: _____
 Signature: _____, or failing him
 Name: _____
 Address: _____
 Email ID: _____
 Signature: _____, or failing him
 Name: _____
 Address: _____
 Email ID: _____
 Signature: _____,

as my/our proxy to attend and vote (on poll) for me/us on my /our behalf of at the 20th Annual General Meeting of the Company to be held on Friday, 26th September, 2014 at 4.00 p.m. at the

Park View,37,Lallubhai Park Road, Andheri (West), Mumbai - 400 058 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolutions	Vote (Optional see note 2) Please mention no. of Share)		
		For	Against	Abstain
	Ordinary Business:			
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended 31 st March, 2014 along with Reports of the Directors' and of the Auditors'.			
2	Ordinary Resolution for appointment of a Director Mr. Vinod Shah (DIN: 01859634), a Non-Independent Director who retires by rotation and being eligible, offers himself for re-appointment.			
3	Ordinary Resolution for re-appointment of M/s. Hardik Shah & Associates, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.			
	Special Business:			
4	Ordinary Resolution for appointment of Mr.Pankaj Shah as an Independent Director of the Company.			
5	Ordinary Resolution for appointment of Mr. Niranjan Vyas as an Independent Director of the Company.			

Signed this _____ day of _____ 2014

Signature of Member: _____

Signature of Proxy holder(s): _____

Note:

- This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Affix
Revenue
Stamp of
Re.0.15

BOOK – POST
(Printed Matter)

TO,

If Undelivered please return to:

SHEETAL DIAMONDS LIMITED

Regd. Office: Office No. BW-2030 , Bharat Diamond Bourse ,
Bandra Kurla Complex , Bandra (E) , Mumbai-400 051 (INDIA)
Tel: 91-22-40102666