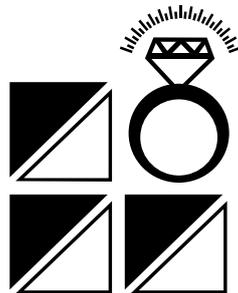


20th
ANNUAL
REPORT

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RAJESH EXPORTS LIMITED

RAJESH EXPORTS LIMITED

Board of Directors

SHRI. RAJESH MEHTA

Executive Chairman

SHRI. PRASHANT MEHTA

Managing Director

SHRI. Y. VENU MADHAVA REDDY

Director

SHRI. G. SHANKER PRASAD

Director

Statutory Auditors

M/s V SIVASANKAR & CO.

Chartered Accountants

118, 2nd Floor, Keerthi Plaza, Nagarthpet,
Bangalore – 560002

Bankers

Canara Bank

State Bank of Hyderabad

Bank of India

IDBI Bank

Regd. Office

4, Batavia Chambers

Kumara Krupa Road

Kumara Park East

Bangalore - 560 001. Tel: 91-80-22266735

Fax: 91-80-22259503

E-mail: compsect@rajeshindia.com

CIN: L36911KA1995PLC017077

Corporate Office

1, Brunton Road (Off M. G. Road);

Opp. Old Passport Office

Bangalore - 560 001.

Tel: 91-80-40239999 Fax: 91-80-40239945

E-mail: compsect@rajeshindia.com

Share Transfer Agents

M/s S. K. D. C. Consultants Limited

Kanapathy Towers, 3rd Floor ;

1391/A-1, Sathy Road; Ganapathy

Coimbatore - 641 006.

Phone: 0422 - 6549995; 2539835-836

Fax: 0422 - 2539837

E-mail: info@skdc-consultants.com

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NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of **RAJESH EXPORTS LTD** will be held at the **Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce, (Near Shivanada Circle), BANGALORE - 560 001**, on 30-09-2014 at 11.30 AM, to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Profit and Loss account for the year ended 31st March 2014 and the Balance Sheet as at that date together with the reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of the retiring Director.
4. To appoint auditors and fix their remuneration.

NOTES:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy so appointed need not be a member of the Company.
2. Proxy Forms, in order to be effective, should be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Explanatory statement under Sec 173 of the Companies Act, 1956 is attached hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 26-09-2014 till 30-09-2014, notice of which will appear in the News Paper on 16-09-2014.
5. Members holding shares in Physical form are requested to intimate the Change of Address and their Bank Account details such as Bank Name, Branch with address and Account No. for incorporating the same in dividend warrants to the Registrars and Transfer Agents of the Company: M/s. S.K.D.C. CONSULTANTS LIMITED, Kanapathy Towers, 3rd Floor; 1391/A-1, Sathy Road, Ganapathy, Coimbatore 641 006, quoting their respective Folio Number. Members holding shares in Demat form shall intimate the above details to their Depository Participants (DP's) with whom they have Demat Account.
6. Members seeking any information with regard to the accounts are requested to write to the Company early, so as to enable the Management to keep the information ready.
7. Members/proxies should bring the attendance slip sent herewith duly filled in, for attending the Meeting.
8. Members are requested to address their correspondence, including share transfer matters and change of address to:

S. K. D. C. Consultants Limited

Kanapathy Towers, 3rd Floor; 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006.

(Phone: 0422 - 6549995; 2539835-836 Fax: 0422 2539837) E-mail: info@skdc-consultants.com

9. Voting through electronic means:
Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, it is mandatory to extend to the Members of the Company, the facility to vote at the Annual General Meeting (AGM) by electronic means. Members of the Company can transact all the items of the business through electronic voting system as contained in the Notice of the Meeting. It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below.

INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins from 9 A.M. on September 24, 2014 (Wednesday) and ends at 6 P.M. on September 26, 2014 (Friday). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 29, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website <https://evotingindia.com> during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.

RAJESH EXPORTS LIMITED

(vii) 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) <ul style="list-style-type: none">• 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.• In case the folio 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 folio 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 in dd/mm/yyyy format or folio.
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. <ul style="list-style-type: none">• 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.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN relevant to Rajesh Exports Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> 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 who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- (xix) 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.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By the Order of the Board
Sd/-

RAJESH MEHTA
Chairman

Place : Bangalore
Date : 30-5-2014



DIRECTORS' REPORT

Your Directors have great pleasure in presenting their 20th Annual Report on the business and operations of the Company, for the financial year ended 31st March 2014.

FINANCIAL RESULTS

	<i>(Rs. in Millions)</i>	<i>(Rs. in Millions)</i>
	For the year ended 31.03.2014	For the year ended 31.03.2013
Profit Before Depreciation	4209.61	4916.76
<i>Less</i> : Depreciation	164.13	20.61
Profit after depreciation	4045.48	4896.15
<i>Less</i> : Provision for taxation	462.83	370.12
Profit after taxation	3582.65	4526.03
<i>Less</i> : Share From Subsidiary already accounted	8.148	-
Net Profit	3574.50	-
<i>Add</i> : Balance as per last account	5731.11	2170.34
Profit available for appropriation	9305.61	6696.37
<i>Less</i> : Transfer to general reserves	670.00	670.00
<i>Less</i> : Proposed dividend including tax on Dividend	295.25	295.26
Balance surplus transferred to Balance Sheet	8340.36	5731.11

OPERATIONS

Your Directors are pleased to report that your Company's total income during the period under review stood at Rs. 291979.23 million compared to that of Rs. 312286.46 million during the previous year. As a result, the net profit for the year under review, after provision for depreciation and income tax was Rs. 3574.50 million compared to Rs. 4526.03 million during the previous year. The Company has transferred an amount of Rs. 670 million to the general reserves. As a result, the total reserve of the Company has moved up to Rs. 27424.91 million

DIVIDEND

Your Directors have recommended a dividend of 100 % for the year ended 31.03.2014.

AUDITORS

M/s V Siva Sankar & Co, Chartered Accountants, Bangalore, retire at the ensuing Annual General Meeting and are eligible for reappointment. They have confirmed that their reappointment as auditors of the Company, if made, would be in accordance with the limits specified under section 224 (1B) of the Companies Act, 1956.

COMPANY'S DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1988

Research And Development And Technology Absorption

Your Company has the largest and one of the finest R&D units in jewellery industry. The research and development team of the Company comprise of some of the finest designers, metallurgists, chemists and senior craftsman. The Company has been instrumental in developing and introducing several widely acclaimed jewellery designs. The Company has also developed several new systems, procedures and techniques in jewellery manufacturing.

Foreign Exchange Earnings

During the year the Company has reported foreign exchange earnings of Rs. 191884.92 Million (Previous year: Rs. 246842.40 Million). The foreign exchange outgo on account of import of raw materials amounted to Rs. 218855.66 Million (Previous year: Rs. 307817.54 Million).

Particulars Of Employees

During the year under review, there were no employees who were drawing remuneration in excess of Rs. 60 Lakhs per annum or Rs. 5 lakhs per month, if employed for a part of the year.

RAJESH EXPORTS LIMITED

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:

1. That for the compilation of the annual accounts for the financial year ended 31.03.2014, the applicable accounting standards have been followed along with proper explanation relating to the material departures.
2. 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 under review and of the profit of the Company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have compiled the accounts for the financial year ended 31.03.2014 on a “going concern” basis.

LISTING

The shares of the Company continue to be listed at the National Stock Exchange of India Ltd, Mumbai, and the Bombay Stock Exchange Ltd, Mumbai. The annual listing fees for National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. have been paid.

ACKNOWLEDGEMENTS

Your directors specially wish to place on record, their sincere appreciation to the employees of the Company for their dedication and hard work, which have resulted in overwhelming success of the Company during the year under report. Your directors place on record their gratitude to Canara Bank, State Bank of Hyderabad, Bank of India and IDBI Bank for their continued support. Your Directors also thank all the Shareholders, Consultants, Customers, Vendors, Service providers, Government & Statutory authorities for their continued support in successful running of company's business and its continued progress.

For and on behalf of the Board

Sd/-

Place : Bangalore

Date : 30-5-2014

RAJESH MEHTA

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

India ended the last fiscal year with a GDP growth rate of 4.7 %. Environment—internal and external—continued to remain challenging during the year with higher input cost combined with higher depreciation, interest and volatile performance of rupee.

Under this condition, in the last financial year we saw impressive results of the company with a pre-tax net profit for the year at Rs. 4037.33 Million; post-tax net profit for the year at Rs. 3574.50 Million; and revenues for the year at Rs. 291979.23 Million—especially in these highly challenging times for gold and gold jewellery business in India. Due to the severe restrictions on the overall gold business by the Government in the form of the 80:20 scheme, the company had to shift some of its business appropriately to its subsidiaries, which has yielded the above results for the company.

Currently with the restrictions on the gold and gold jewellery being brought back to normalcy in a phased manner by the government, the company would witness much better productive years in future in non-restricted climate. With a strong Government at the Center, Company looks to future with optimism and renewed vigor as it is well-footed in all aspects, and well-equipped to meet the ever-changing taste of our consumers.

With a total of 82 retail stores, SHUBH Jewellers is the largest retailer of gold jewellery in the state of Karnataka, and has emerged as also the most trusted jewellery brand in the State due to the best Purity, Product and Price being offered by them. The Company has plans to open 34 more SHUBH Jewellers in the state of Karnataka, which would complete its retail expansion plans in the state of Karnataka. The company would be further expanding its retail presence to the other three Southern States, and further to a Pan Indian presence. The company has plans to open 500 SHUBH Jewellery showrooms by the year 2017.



We are consistently striving to deliver high quality jewellery, on a mine-to-customer basis, at lower rate. Our vision is to be the recognized performance leader in the Global jewellery market with World's largest catalogue of jewellery designs. It means we will achieve operational excellence, customer satisfaction and superior marketing performance.

MANAGEMENT

The Board of Directors head the Management of the Company, which also includes Whole Time Directors. The following is the composition of the Board of Directors of the Company as on 31.03.2014.

Sl. No.	Name	Designation	Profession
01.	Mr. Rajesh Mehta	Executive Chairman	He is responsible for the overall functioning of the company, in addition to being specifically in-charge of finance and marketing functions. He has an experience of over 30 years in the functioning and management of the jewellery trade and has traveled extensively within India and abroad for establishing a strong network in the industry. In addition to his post as Executive Chairman of REL he is a member of the Export Trade Advisory Committee of the Bangalore Jewellers Association. He is also the president of the Karnataka Jewellery Exports Association.
02.	Mr. Prashant Mehta	Managing Director	He is in charge of the day-to-day functioning and holds specific charge of the production unit of REL. He has over 30 years of experience in the jewellery business and is recognized as an authority in the production of Gold jewellery.
03.	Mr. Y Venu Madhava Reddy	Non Executive & Independent Director	Has an experience of over 19 years in Management and Administration. He advises the Board on administrative requirements.
04.	Mr. G. Shanker Prasad	Non Executive & Independent Director	Well known Practicing Company Secretary and Cost Accountant. He advises the Board with insight on Company Law-related and statutory matters.

The Board of Directors are efficiently complemented in the day-to-day functioning by a team of highly qualified professionals with considerable experience and expertise in their respective fields.

HUMAN RESOURCES

Rajesh Exports realizes the importance of human resources, which it considers next only to capital in the order of importance. The Company has a pool of highly qualified and experienced professionals, who are instrumental in achieving giant strides the Company is making year after year towards progress. The Company has an HR policy which emphasizes the need for attaining organizational goals through individual growth and development. Staff audit and performance appraisal are the key areas of the Company's HR Policy.

DISCLAIMER

Statements made in Management Discussion and Analysis report include forward looking statements and may differ from the actual situation. The important factors that would make a difference to the Company's operations include market factors, government regulations and policies, developments within and outside the country etc.

RAJESH EXPORTS LIMITED

ANALYSIS OF FINANCIAL PERFORMANCE

a) **Key financial Indicators:**

	2013-2014	2012-2013
Return on Net Worth	13.03	18.75%
PAT to Sales	1.23	1.46%
Turnover (Times)/ Fixed Assets	173.30	449.79
Sales / Total Assets (Times)	2.598	2.25

b) **Revenues:**

The business operations of Rajesh Exports Ltd. for the year 2013-14 resulted in the Company achieving total revenue of Rs. 291979.23 as against Rs. 312286.46 Million during the previous year.

(Rs. in Million)

	2013-2014	2012-2013
Operating Revenue	291971.97	310744.34
Other Income	7.26	1542.12
Total Revenue	291979.23	312286.46

c) **Operating Income:**

Operating income (excluding other income) for the year 2013-2014 is Rs. 291971.97 Million as compared to Rs. 312259.64 Million in the previous year.

d) **Cost of Revenue:**

Cost of goods sold for 2013-2014 is Rs. 281698.66 Million as compared to Rs. 304102.39 Million in the previous year.

e) **Provision for Taxation:**

The provision for taxation for 2013-2014 is Rs. 462.83 Million as compared to Rs. 370.12 Million during the previous year.

f) **Debt:**

The Company as at 31st March 2014 had working capital facilities outstanding with the consortium of member Banks of Rs. 9000.00 million. The Company has not availed any long term debt.

g) **Fixed Assets:**

The book value of fixed assets for the year ended 31.03.2014 after providing for depreciation is Rs. 1684.74 Million.

h) **Loans and Advances:**

The loans and advances as on 31st March 2014 were Rs. 4314.71 Million as compared to Rs. 4596.66 Million during the previous year.

i) **Cash and Bank Balances:**

REL continues to be a cash positive Company. As on 31st March 2014 the Company has Rs. 72141.60 Million (Net) as cash and bank balances.

h) **Current Liabilities:**

The current liabilities as on 31.03.2014 are Rs. 83487.40 Million.

For and on behalf of the Board

Sd/-

RAJESH MEHTA

Chairman

Place : Bangalore

Date : 30-5-2014



REPORT ON CORPORATE GOVERNANCE

Rajesh Exports Ltd. recognises the ideals and importance of corporate governance and acknowledges its responsibilities towards all its shareholders, employees, customers and regulatory authorities. The Company believes that a good corporate governance process aims to achieve a balance between the shareholders' interest and corporate goals of the Company. It aims to attain the highest levels of transparency, accountability and integrity to all its shareholders by implementing transparent corporate governance, thereby enhancing the value of the shareholders and their Company.

Accountability improves decision-making and transparency helps to explain rationale behind decision-making and reinforces the shareholders' confidence in the company.

BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is as follows:

Category	Names of Directors	Number of Directors	Composition %	No of Directorship's in other Companies	No. of Executive positions in other Companies	No. of Membership in committees of other companies
Promoter Executive Chairman	1. Mr. Rajesh Mehta	2	50 %	1. Rajesh Global Solutions Limited	Nil	1. Shareholders and Investor Grievance Committee of Rajesh Global Solutions Limited.
Managing Director	2. Mr. Prashant Mehta			1. Rajesh Global Solutions Limited	Nil	1. Audit and Compliance Committee of Rajesh Global Solutions Ltd.
Independent & non Executive Directors	1. Mr. Y.Venu Madhava Reddy	2	50%	1. Rajesh Global Solutions Ltd.	Nil	1. Audit Committee of Rajesh Global Solutions Ltd.
	2. Mr. G. Shanker Prasad			1. SME Development Centre 2. Gopichand Rohra & Associates P Ltd	Nil	2. Investor Grievance Committee of Rajesh Global Solutions Ltd. Nil

The Company has not entered into any transactions with its Directors or relatives which would affect the interest of the Company at large.

RAJESH EXPORTS LIMITED

BOARD MEETINGS

During the year 2013-14, nine (9) board meetings were held on 06.04.2013, 30.05.2013, 18.07.2013, 14.08.2013, 28.08.2013, 13.11.2013, 06.02.2014, 14.02.2014 & 08.03.2014. The details of attendance of the Directors (including past directors) at the Meetings are as follows.

Name of the Director	Attendance at the board meetings.
Mr. Rajesh Mehta <i>Executive Chairman</i>	09
Mr. Prashant Mehta <i>Managing Director</i>	09
Mr. Y. Venu Madhava Reddy <i>Independent & Non-Executive Director</i>	04
Mr. G. Shanker Prasad <i>Independent & Non-Executive Director</i>	07

COMMITTEES OF DIRECTORS

The Board has constituted Committees of Directors to deal with matters which need quick decisions and timely monitoring of the activities falling within their terms of reference. The Board Committees are as follows.

AUDIT COMMITTEE

The Audit Committee presently comprises one executive Director viz Mr. Rajesh Mehta, and two non-executive Directors viz Mr. G. Shanker Prasad and Mr. Y. Venu Madhava Reddy. During the year under review the Committee held four meetings.

The terms of reference of the Audit Committee are in accordance with Clause 49(ii) of Listing Agreements entered into with the Stock Exchanges which inter-alia include the following:

- Overseeing the Company's financial reporting process and to ensure correct, adequate and credible disclosure of financial information.
- Recommending the appointment and removal of external auditors and fixing their fees.
- Reviewing the annual financial statements, with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements concerning financial statements.
- Reviewing the adequacy of the audit and compliance function, including their policies, procedures, techniques and other regulatory requirements.

The Audit Committee of the Company met four times during the year.

Members	Attendance
Mr. Y. Venu Madhava Reddy <i>Independent & Non-Executive Director</i>	04
Mr. G. Shanker Prasad <i>Independent & Non-Executive Director</i>	04
Mr. Rajesh Mehta <i>Executive Director</i>	04



SHAREHOLDERS & INVESTOR GRIEVANCE COMMITTEE

The Shareholders and Investor Grievance Committee presently comprises of Mr. Y. Venu Madhava Reddy, Mr. G Shanker Prasad and Mr. Rajesh Mehta. The Committee approves and monitors transfers, transmissions, dematerialisation, splitting and consolidation of shares issued by the Company and issue of duplicate share certificates. The Committee also monitors redressal of complaints from shareholders relating to transfer of shares, non-receipt of balance sheet, dividends etc. and reviewing the share transfers executed by S.K.D.C. Consultants Ltd.

No. of investor complaints received during the year : 0

No. of complaints resolved : 0

No. of complaints pending : 0

The Committee is chaired by Mr. Y. Venu Madhava Reddy, who is a non executive director. The Committee had four meetings during the year.

SHAREHOLDERS & INVESTORS GRIEVANCE COMMITTEE

Members	Attendance
Mr. Y. Venu Madhava Reddy <i>Independent & Non-Executive Director</i>	04
Mr. G Shanker Prasad <i>Independent & Non-Executive Director</i>	04
Mr. Rajesh Mehta <i>Executive Director</i>	04

REMUNERATION OF DIRECTORS

The Directors' remuneration includes consolidated remuneration paid to Executive Chairman, Mr. Rajesh Mehta, and Managing Director, Mr. Prashant Mehta amounting to Rs. 2,39,976/- per annum. Independent and non executive directors do not receive any remuneration or sitting fees from the Company.

ANNUAL GENERAL BODY MEETINGS

Details of Previous General Meetings of the company held during last three years

Last 3 AGM's	Date/Time of AGM	Venue
17th AGM	30th September 2011 @ 12.00 Noon.	Guru Raja Kalyana Mantap, Crescent Road Bangalore
18th AGM	28th September 2012 @ 12.00 Noon.	Guru Raja Kalyana Mantap, Crescent Road Bangalore
19th AGM	30th September 2013 @ 5.30 P.M.	Guru Raja Kalyana Mantap, Crescent Road Bangalore

No resolutions were passed through postal ballot during the last three financial years.

RAJESH EXPORTS LIMITED

DISCLOSURE

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.

These disclosures have been made under related party transactions in notes (B 10) to financial statements of the Company, which form part of annual report.

No penalties or strictures were imposed on the Company by any of the Stock Exchanges, Securities and Exchange Board of India or any statutory authority, on any matters related to capital market, during the last three years.

MEANS OF COMMUNICATION

The Company's quarterly and half yearly un-audited results and audited annual results were published in the leading print media, both in regional language and English having nation-wide circulation and also through various information notices sent to Stock Exchanges about the latest developments in the Company. Our Company's web site i.e. www.rajeshindia.com is regularly updated regarding the corporate actions undertaken by the Company.

WHISTLE BLOWER POLICY

We have established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the chairman of the Audit Committee in exceptional cases.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis also forms part of the Directors Report.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting : 30th September 2014 at 11.30 AM
at Guru Raja Kalyana Mantap,
No 21, Crescent Road,
BANGALORE - 560 001.

INVESTOR HELP-DESK

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of our Registrars and Transfer Agents. For lodgment of transfer deeds and any other documents for any grievances / complaints kindly contact at the following address:-

M/s. S.K.D.C. CONSULTANTS LTD.

Kanapathy Towers, 3rd Floor ; 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 012.
Phone: 0422 - 6549995; 2539835-36 Fax: 0422-2539837. E-mail: info@skdc-consultants.com.

The powers to approve share transfers and dematerialization requests have also been delegated to some of the executives of the company in order to avoid delays that may arise due to non-availability of the Members of the Shareholders and Investor Grievance Committee.

Name of the compliance officer : Joseph T. D. Phone No: 080-22266735 (Extn No 151).
E-mail: compsect@rajeshindia.com

No request for share transfers received up to 31st March 2014.



FINANCIAL CALENDAR FOR THE YEAR 2013-14

Financial Year 1st April 2013 to 31st March 2014

Board meeting for considering audited accounts and recommendation of dividend for the year ended 31.03.2013.	30.05.2013
Board meeting for considering Un-audited results for the first quarter.	14.08.2013
Board meeting for considering Un-audited results for the Second quarter.	13.11.2013
Board meeting for considering Un-audited results for the Third quarter.	14.02.2014
Board meeting for considering audited results for the financial year ended 31.03.2014 and recommendation of Dividend.	30.05.2014
Posting of Annual Reports.	on / before 09.09.2014
Book Closure Date.	26.09.2014 to 30-09-2014
Last date for receipt of Proxy Forms.	25-09-2014
Date of AGM.	30-09-2014
Probable date for dispatch of Dividend Warrants.	Second week of October 2014

DIVIDEND

The Board of Directors are pleased to recommend payment of dividend for the year ended 31st March 2014 @ Re 1 per share or 100 per cent for all the shareholders whose names appear on the Register of Members as on the Book Closure date i.e. 26-09-2014.

LISTING ON STOCK EXCHANGES

National Stock Exchange of India Ltd. (Exchange Code: rajeshexpo)

Bombay Stock Exchange Ltd. (Exchange Code: 531500)

MONTHLY HIGH AND LOW QUOTATION AND VOLUME OF SHARES TRADED FROM 01.04.2013 TO 31.03.2014.

Period	Highest Quotation in Rs.		Lowest Quotation in Rs.		Volume of shares Traded		Turnover Rs. in Millions	
	NSE	BSE	NSE	BSE	NSE	BSE	NSE	BSE
@ Re. 1 / share								
April, 2013	126.40	128.50	114.95	115.20	36,48,997	25,36,552	431.94	300.59
May, 2013	134.90	134.40	109.00	108.90	20,35,141	6,93,753	254.67	86.46
June, 2013	131.45	131.95	110.00	109.80	17,69,255	5,83,145	216.33	71.18
July, 2013	123.80	123.95	95.00	94.00	14,13,628	5,52,752	149.74	57.73
August, 2013	111.85	110.60	93.10	93.00	8,03,869	2,91,668	82.72	29.74
September, 2013	108.00	107.00	92.10	93.65	8,06,755	1,73,850	79.69	17.28
October, 2013	101.00	101.90	92.10	91.15	32,43,103	9,33,977	313.16	89.57
November, 2013	97.00	97.45	89.10	90.10	5,13,196	1,82,328	47.99	17.10
December, 2013	95.00	94.85	68.60	69.35	42,27,326	17,93,710	331.93	142.10
January, 2014	85.40	86.00	76.05	76.00	26,58,311	13,85,464	211.18	110.23
February, 2014	85.95	86.60	75.50	76.00	12,39,919	7,58,274	99.12	60.58
March, 2014	88.90	89.90	74.50	74.65	25,71,593	18,58,502	204.67	147.30

RAJESH EXPORTS LIMITED

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH 2014

Value (in Rs.)	No. of share holders	%	Amount (Rs)	%
Up to 5,000	35179	99.25	6983938	2.38
5,001 to 10,000	120	0.34	869961	0.29
10,001 to 20,000	50	0.14	721764	0.24
20,001 to 30,000	17	0.05	413240	0.14
30,001 to 40,000	7	0.02	240668	0.08
40,001 to 50,000	8	0.02	363336	0.12
50,001 to 1,00,000	13	0.04	857615	0.29
1,00,001 and above	49	0.14	284809437	96.46
TOTAL	35443	100.00	295259959	100.00

CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH 2014

Category	No of Shares	%
Indian Promoters	156590879	53.04
Foreign Institutional Investors	45936840	15.56
Private Corporate Bodies	5068565	1.72
Indian Public/Mutual Fund / Financial Institutions etc.	21928312	7.41
NRI's / OCB's	65735363	22.27
TOTAL	295259959	100.000

DEMATERIALIZATION OF EQUITY SHARES

The Company's shares are under compulsory dematerialization list and can be transferred through depository system. The Company entered into tripartite agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the dematerialization of shares. As on 31.03.2014, 99.87% shares of the Company were in electronic form.

	No. of shares	% of holding
No of shares held in CDSL	6278978	2.12
No of shares held in NSDL	288600280	97.75
Total No. of shares held in DE-Mat form	294879258	99.87
No. of shares held in Physical form	380701	0.13
Grand Total	295259959	100.00



CEO / CFO CERTIFICATION

The Company is fully cognizant of and committed to, adhering to the statutory requirements for the internal controls as set out by the Securities and Exchange Board of India. Accordingly, the Managing Director and Finance Manager of the Company have duly verified and certified to the Board of the Company that the procedures and internal controls of the reporting as fully compliant with SEBI guidelines.

The Managing Director and Finance Manager have certified to the Board by placing a certificate thereof on the financials of the Company that they have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

- (i) These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of Conduct.

For and on behalf of the Board

Place : Bangalore
Date : 30.05.2014

PRASHANT MEHTA
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

M/s. RAJESH EXPORTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Rajesh Exports Limited ("the Company") for the year ended on 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For **V. SIVASANKAR & CO,**

Chartered Accountants

Firm Regn. No. 0108395

Sd/-

(CA VIJAYA SIVASANKAR.P)

Proprietrix

M.No. 214786

Place : Bangalore
Date : 30-5-2014

RAJESH EXPORTS LIMITED

AUDITOR'S REPORT

To,
The Members,
M/S. RAJESH EXPORTS LIMITED

We have audited the accompanying Financial Statements of M/S. RAJESH EXPORTS LIMITED ('the Company') which comprises the Balance Sheet as on 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement of the company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audit.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management is responsible for the Preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the Accounting Principles Generally Accepted in India. 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.

AUDITORS RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report as follows.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks and verification of the books of accounts as we consider necessary and to the best of our knowledge and according to the information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 above.
 - 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, the company has kept proper books of account as required by law so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss account and cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Statement of Profit and Loss account, Cash Flow Statement and Balance Sheet comply with mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2013 from being appointed as a director in terms of Clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said accounts give information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the balance sheet, of the state of affairs of the company as 31st March 2014 and
 - ii) In the case of statement of profit and loss account, of the profit for the year ended on that date;
 - iii) In the case of cash flow statement, of the cash flow of the company for the year ended on that date.Except that the Company has the accounting policy with regard to accounting of interest income on interest bearing Loans other than Bank Deposits on Cash basis and Company has not recognized the deferred tax liability during the year.
3. We have not audited financial statements of the overseas subsidiary. These unaudited financial statements as approved by the respective Board of Directors of this Company have been furnished to us by the management and our report insofar as it relates to the amount included in respect of amount included in respect of the overseas subsidiary is based solely on such approved unaudited financial statements.

For **V. SIVASANKAR & CO,**
Chartered Accountants
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Proprietrix
M.No. 214786

Place : Bangalore
Date : 30-5-2014



**ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE REPORT OF EVEN DATE
OF THE AUDTOR'S TO THE MEMBERS OF M/s. RAJESH EXPORTS LIMITED,
BANGALORE, ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2014.**

1. (a). The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets but identification mark on the individual assets is not displayed.
- (b). The Company has drawn up a programme of Physical verification of Fixed Assets, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c). Fixed Assets Disposed off during the year were not substantial and therefore do not affect the going concern assumption.
2. As explained to us, Inventories held by the company have been physically verified by the management at regular intervals during the year.
In our opinion and according to the information and explanations given to us, the procedures of physical verification followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
The Company has maintained proper records of inventories. As explained to us, there were no discrepancies noticed on physical verification of inventory as compared to the book records.
3. As per the information and explanations furnished by the Management, the company has not granted any loans to companies or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
The Company has taken loan from the parties listed in the register maintained under section 301 of the companies Act, 1956. These loans were taken from three parties and the amount outstanding as at the year end is Rs.446599110/- and maximum amount taken at any time of the year is Rs. 451919252/-. The rate of interest and other terms and conditions of these loans taken are not prima facie prejudicial to the interest of the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system of the company in respect of these areas.
5. (a). In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the companies Act, if any, have been entered in the register maintained under section 301 the companies Act, 1956.
- (b). The transactions made in pursuance of such contracts or arrangements, exceeding the value of rupees five lakhs in respect of any part during the year, if any, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The company has accepted deposits from an individual and the directives issued by the Reserve Bank of India and the provision of Section 58A and 58AA or any other relevant provisions of the Companies Act 1956 and the rules framed there under, where applicable, have been complied with. The Company Law Board has not passed any order with regard to public deposits.
7. In our opinion, the company has its own internal audit system commensurate with the size and the nature of its business.
8. The company has maintained cost records and accounts as prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956. We have broadly reviewed the accounts and records of the company in this connection and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the same.
9. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise duty, Cess and other statutory dues, as applicable to it, with the appropriate authorities.

RAJESH EXPORTS LIMITED

According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were outstanding at the year end for a period of more than six months from the date they become payable. Based on information and explanations given to us, we furnish hereunder the particulars of disputed dues :-

Name of the Statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
Karnataka Sales Tax Act	Sales Tax	1,54,702	2001-02	First Appellate authority
--Do--	--Do--	1,00,000	2002-03	--Do--
--Do--	--Do--	2,24,355	2003-04	--Do--
Income Tax Act	Income Tax	26,23,25,771	2007-08	The Commissioner Appeals
Income Tax Act	Income Tax	18,84,18,119	2008-09	The Commissioner Appeals
ESI of Karnataka	ESI	89,27,290	04/2000 to 03/2003	The Appellate Authority ESI, Karnataka
ESI of Karnataka	ESI	37,78,409	04/06 to 09/07	The Appellate Authority ESI, Karnataka
Service Tax	Service Tax and penalty	3,67,24,590	2006-07	The Appellate Tribunal, Customs, Excise and Service Tax

During the financial year an Income Tax search was conducted on the Company U/s.132 of the Income Tax Act by DDIT (Inv), Unit-I(3), Bangalore. The Company has not declared any additional Income and according to the Company no discrepancies were found in the accounts of the Company.

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by the audit or in the immediately preceding financial year.
11. As per information furnished by the management, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
12. According to the information and explanations given to us, the Company has maintained adequate document and records in cases where the Company has granted loans on the basis of security by way of pledge of immovable properties.
13. The company is not a chit fund or a nidhi /mutual benefit fund/society and hence clause 4 (xiii) of Companies (Auditor's Report) Order 2003 is not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
15. The company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company did not have any outstanding term loans at the end of the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the company.
18. During the year, 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 created any security or charge in respect of debentures/bonds issued.
20. The company has not raised any money through a public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Bangalore
Date : 30-5-2014

For **V. SIVASANKAR & CO,**
Chartered Accountants
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786



BALANCE SHEET AS AT 31st MARCH 2014

(Amount in Indian Rupees)

	Note No	As on 31.03.2014	As on 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	295,259,959	295,259,959
(b) Reserves and Surplus	2	25,825,068,662	23,850,410,951
(2) Non-Current Liabilities			
(a) Other Long Term Liabilities	3	81,154,201	82,532,943
(b) Long Term Provisions	4	4,119,116	4,119,116
(3) Current Liabilities			
(a) Short Term Borrowings	5	30,889,943,592	27,286,130,433
(b) Trade Payables	6	51,970,826,258	80,499,077,343
(c) Other Current Liabilities	7	778,827,991	5,718,397,110
(d) Short- Term Provisions	8	758,092,472	665,377,065
TOTAL EQUITY AND LIABILITIES		<u>110,603,292,252</u>	<u>138,401,304,920</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	703,984,995	694,280,832
(ii) Capital Work-in-Progress	9	3,640,446	3,504,796
(b) Non-Current Investments	10	1,168,007,609	34,176,800
(c) Deferred Tax Assets/ (Liability)	11	8,223,385	8,223,385
(d) Long -Term Loans and Advances	12	415,063,173	5,997,007
(2) Current Assets			
(a) Inventories	13	4,956,781,416	7,753,027,130
(b) Trade Receivables	14	24,340,252,682	23,291,052,886
(c) Cash and Cash Equivalent	15	70,879,265,450	98,457,631,765
(d) Short- Term Loans and Advances	16	4,314,714,555	4,596,664,833
(e) Other Current Assets	17	3,813,358,541	3,556,745,487
TOTAL ASSETS		<u>110,603,292,252</u>	<u>138,401,304,920</u>

Notes to Accounts from Note 1 to 25 and Significant Accounting Policies form an integral part of these Financial statements

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786

RAJESH EXPORTS LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

(Amount in Indian Rupees)

	Note No	As on 31.03.2014	As on 31.03.2013
I REVENUE			
(i) Revenue from Operations	18	235,374,854,331	312,259,642,261
(ii) Other Income	19	7,260,832	26,822,404
Total Revenue (i+ii)		235,382,115,163	312,286,464,665
II EXPENSES			
Cost of Materials Consumed	20	228,780,249,497	304,102,397,456
Selling, Administrative and Other Expenses	21	359,818,015	202,097,885
Employee Benefit Expenses	22	57,751,460	70,070,663
Finance Costs	23	3,430,718,145	2,995,138,169
Depreciation and Amortization Expenses	9	20,827,862	20,605,444
Total Expenses		232,649,364,979	307,390,309,617
III Profit before exceptional and extraordinary items (I-II)		2,732,750,184	4,896,155,048
IV Add Exceptional Items		Nil	Nil
V Profit before extraordinary items (III -IV)		2,732,750,184	4,896,155,048
VI Less Extraordinary Items		Nil	Nil
VII Profit before Tax (PBT) (V-VI)		2,732,750,184	4,896,155,048
VIII Less Current Tax		462,832,513	370,117,106
IX Less Income Tax for earlier years		Nil	Nil
X Profit for the period from continuing operations (VII-VIII-IX)		2,269,917,670	4,526,037,942
XI Profit from discontinuing operations		Nil	Nil
XII Tax Expense of discontinuing operations		Nil	Nil
XIII Profit from discontinuing operations (after tax) (XI-XII)		Nil	Nil
XIV Profit for the period [Profit After Tax (PAT)] (X+XI+XII+XIII)		2,269,917,670	4,526,037,942
XV Earnings per equity share Basic & Diluted		7.69	15.33

Notes to Accounts from Note 1 to 25 and Significant Accounting Policies form an integral part of these Financial statements

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786



CASH FLOW STATEMENT

(Amount in Indian Rupees)

	2013-2014	2012-2013
A. Cash Flow from operating Activities		
Net Profit before tax and Extra ordinary items	2,732,750,184	4,896,155,048
Depreciation	20,827,862	20,605,444
Finance cost	3,430,718,145	2,995,138,169
Rent received	(1,032,627)	(1,629,961)
Loss on sale of Fixed assets	(134,498)	-
Operational profit before working capital changes	6,183,129,066	7,910,268,700
Adjustments for Decrease/(increase) in Trade and - - other receivables including Loans & Advances	(813,706,479)	3,483,971,224
Increase/(Decrease) in inventories	2,796,245,714	(1,409,015,480)
Increase/(Decrease) in current Liabilities	(33,839,316,052)	19,352,636,449
Cash Generated from Operations	(25,673,647,751)	29,337,860,893
Direct Taxes Paid	(619,589,259)	(852,134,941)
Net Cash from Operating activities	(26,293,237,010)	28,485,725,952
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(30,773,178)	(7,119,353)
Sale proceeds of Fixed Assets	240,000	-
(Purchase)/Sale proceeds of Investments	(1,133,463,809)	Nil
Rent received	1,032,627	1,629,961
Net cash from Investing Activities	(1,162,964,360)	(5,489,392)
C. Cash Flow from Financing activities		
Finance cost	(3,430,718,145)	(2,995,138,169)
Increase/(Decrease) in Secured Loan	3,490,768,553	(5,228,086,054)
Increase/(Decrease) in Unsecured Loan	113,044,606	(52,440,868)
Dividend paid and Tax on dividend	(295,259,959)	(295,259,959)
Net cash from Financing Activities	(122,164,945)	(8,570,925,050)
Net increase(decrease) in cash & cash equivalents (A+B+C)	(27,578,366,315)	19,909,311,510
Opening cash and cash equivalents	98,457,631,765	78,548,320,255
Closing cash and cash equivalents	70,879,265,450	98,457,631,765

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-

(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786

RAJESH EXPORTS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
1	SHARE CAPITAL		
	Authorised Share Capital 30,00,00,000 Equity Shares of Re.1/- each Issued, Subscribed & Paidup Share Capital	300,000,000 295,259,959	300,000,000 295,259,959
	Reconciliation of number of equity shares outstanding at the beginning and at the end of the year		
	Number of shares outstanding as at the beginning of the year	295,259,959	295,259,959
	Add:		
	Number of shares allotted as fully paid-up bonus shares during the year	Nil	Nil
	Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	Nil	Nil
	Number of shares allotted to employees pursuant to ESOPs/ESPs	Nil	Nil
	Number of shares allotted for cash pursuant to public issue	Nil	Nil
	Less:		
	Number of shares bought back during the year	Nil	Nil
	Number of shares outstanding as at the end of the year	295,259,959	295,259,959
	Details of Shareholders holding more than 5% shares		
	Sl.no	Name of the shareholder	Number of shares held in the company
			Percentage of shares held
	1	Mr.Rajesh J Mehta	87,964,734
	2	Mr.Prashanth J Mehta	37,140,000
	3	Mr.Mahesh J Mehta	21,597,965
			29.79%
			12.58%
			7.31%
Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
2	RESERVES AND SURPLUS		
	(A) Securities Premium Reserve	6,449,295,162	6,449,295,162
	(B) General Reserve:	12,340,000,000	11,670,000,000
	(C) Surplus in Statement of Profit and Loss		
	(i) Balance as per last year	5,731,115,789	2,170,337,807
	(ii) Add Profit for the year	2,269,917,670	4,526,037,942
	(iii) Less Proposed Dividend	(295,259,959)	(295,259,959)
	(iv) Less Tax on Dividend	NIL	NIL
	(v) Total Surplus in Statement of Profit and Loss	7,705,773,500	640,111,5789
	(vi) Less Transfer to General Reserve	670,000,000	67,000,0000
	Available Surplus in Statement of Profit and Loss	7,035,773,500	573,111,5789
	(D) Total Reserves and Surplus	<u>25,825,068,662</u>	<u>2,385,041,0951</u>



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
3	OTHER LONG TERM LIABILITIES		
	(i) Franchise Deposit Received	60,930,851	61,255,351
	(ii) Rent Advance	20,223,350	21,277,592
	Total Other Long Term Liabilities	81,154,201	82,532,943
4	LONG-TERM PROVISIONS		
	Provision for gratuity	4,119,116	4,119,116
	Total Long Term Provisions	4,119,116	4,119,116
5	SHORT TERM BORROWINGS		
	(a) Secured		
	(i) Working Capital Loans(secured against stocks, book debts, Immovable properties and export bills)	13,125,100,568	7,330,503,506
	(ii) Loans against Company's own Fixed deposits with Banks	17,318,243,914	19,622,072,423
	(b) Unsecured		
	(i) From Directors	443,070,504	322,554,504
	(ii) From Others	3,528,606	11,000,000
	Total Short Term Borrowings	30,889,943,592	27,286,130,433
6	TRADE PAYABLES		
	(i) Raw Materials	9,770,159	10,358,103
	(ii) FLC liabilities	51,961,056,099	80,488,719,240
	Total Trade Payables	51,970,826,258	80,499,077,343
7	OTHER CURRENT LIABILITIES		
	(i) Tax Deducted at Source	3,385,555	4,276
	(ii) Value Added Tax	26,880,018	1,365,825
	(iii) Unclaimed Dividend	4,613,232	4,102,510
	(iv) Advance Received From Customers	740,016,242	5,711,584,539
	(v) Other Payables	3,932,944	1,339,960
	Total Other Current Liabilities	778,827,991	5,718,397,110
8	SHORT-TERM PROVISIONS		
	(i) Provision for Proposed Dividend	295,259,959	295,259,959
	(ii) Provision for Current Income Tax	462,832,513	370,117,106
	Total Short Term Provisions	758,092,472	665,377,065

RAJESH EXPORTS LIMITED

Note - 9 : FIXED ASSETS - TANGIBLE (As per Companies Act)

Amount in Rs.

Reconciliation of gross block and net block at the beginning and at the end of the year

Particulars	Gross block				Depreciation				Net block	
	As on 01.04.2013	Additions	Sales/ Transfers	As on 31.03.2014	As on 01.04.2013	For the Year	With Drawn	Acc., Depn., on 31.03.2014	As on 31.03.2013	As on 31.03.2014
A. BUSINESS ASSETS										
Land	44,079,660	-	-	44,079,660	-	-	-	-	44,079,660	44,079,660
Building	326,990,136	-	-	326,990,136	121,605,128	10,921,471	-	132,526,599	205,385,008	194,463,537
Plant & Machinery	120,831,749	842,231	-	121,673,980	43,530,177	6,319,597	-	49,849,774	77,611,125	71,824,206
Generator	3,294,621	-	-	3,294,621	931,039	173,956	-	1,104,995	2,363,582	2,189,626
Furniture & Fixtures	19,761,535	-	-	19,761,535	9,943,004	1,250,122	-	11,193,125	9,818,531	8,568,410
Office Equipments	8,381,608	78,274	-	8,459,882	2,521,081	437,609	-	2,958,691	5,828,938	5,501,191
Computer	4,848,925	24,726	-	4,873,651	4,451,007	280,588	-	4,731,595	397,918	142,056
Weighing Scale	2,566,642	152,220	-	2,718,862	898,840	141,993	-	1,040,832	1,664,015	1,678,030
Borewell	148,000	-	-	148,000	24,350	4,943	-	29,293	123,650	118,707
Technical Knowhow	670,000	-	-	670,000	395,823	35,376	-	431,199	-	238,801
Motor Vehicle	13,748,000	35,000	725,000	13,058,000	6,349,663	1,262,208	619,498	6,992,373	7,398,337	6,065,627
Sub Total	545,320,876	1,132,451	725,000	545,728,327	190,650,112	20,827,862	619,498	210,858,477	354,670,764	334,869,850
WIP Whitefield	3,504,796	-	-	3,504,796	-	-	-	-	3,504,796	3,504,796
Other Work In Progress (SEZ Jewellery)	-	135,650	-	135,650	-	-	-	-	-	135,650
Sub Total	548,825,672	1,268,101	725,000	549,368,773	190,650,112	20,827,862	619,498	210,858,477	358,175,560	338,510,296
B. OTHER IMMOVABLE PROPERTIES										
Sujatha Complex Building	20,505,157	-	-	20,505,157	-	-	-	-	20,505,157	20,505,157
Mohan Building	97,715,861	-	-	97,715,861	-	-	-	-	97,715,861	97,715,861
Volga Hotel Building	2,608,855	-	-	2,608,855	-	-	-	-	2,608,855	2,608,855
Land at Kumbalgod	20,023,112	-	-	20,023,112	-	-	-	-	20,023,112	20,023,112
Land at Akkuppette	11,195,065	-	-	11,195,065	-	-	-	-	11,195,065	11,195,065
Property in Kerla	31,418,930	-	-	31,418,930	-	-	-	-	31,418,930	31,418,930
Property at Nandi	12,174,066	-	-	12,174,066	-	-	-	-	12,174,066	12,174,066
Land at Peenya	1,368,320	-	-	1,368,320	-	-	-	-	1,368,320	1,368,320
Jayashree Co-mplex	13,183,210	-	-	13,183,210	-	-	-	-	13,183,210	13,183,210
Property at Commercial Street	88,263,968	-	-	88,263,968	-	-	-	-	88,263,968	88,263,968
Malleshwaram	37,149,868	-	-	37,149,868	-	-	-	-	37,149,868	37,149,868
Magadi Road Prop	4,003,656	-	-	4,003,656	-	-	-	-	4,003,656	4,003,656
MG Road Property	-	29,505,077	-	29,505,077	-	-	-	-	-	29,505,077
Sub Total	339,610,068	29,505,077	-	369,115,145	-	-	-	-	339,610,068	369,115,145
Grand Total	888,571,390	30,637,528	725,000	918,483,918	190,650,112	20,827,862	619,498	210,858,477	697,785,628	707,625,441
Previous Year	881,317,269	7,119,353	-	888,436,622	170,044,669	20,605,444	-	190,650,112	697,785,628	697,786,510



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
10	NON CURRENT INVESTMENTS		
	(i) Investment in Equity instruments(Unquoted)	34,116,800	34,116,800
	(ii) Investments in Government or Trust - securities(National Saving Certificates)	60,000	60,000
	(iii) Investments in Subsidiary Firms/Companies	1,033,830,809	
	(iv) Investments in Mutual Funds	100,000,000	
	(v) a. Doubtful Investments	2,010,000	13,911,000
	b. Provision for doubtful investments	(2,010,000)	(13,911,000)
	Total Non Current Investments	<u>1,168,007,609</u>	<u>34,176,800</u>
11	DEFERRED TAX ASSET (NETT)		
	Deferred Tax Assets	8,223,385	822,3385
	Total Deffered Tax Asset (Nett)	<u>8,223,385</u>	<u>822,3385</u>
12	LONG-TERM LOANS AND ADVANCES		
	Security Deposits Furnished	415,063,173	5,997,007
	Total Long Term Loans and Advances	<u>415,063,173</u>	<u>5,997,007</u>
13	INVENTORIES		
	(i) Gold Jewellery and Gold	4,276,914,131	7,279,301,081
	(ii) Diamonds	149,957,200	160,677,900
	(iii) Silver	492,701,085	313,048,149
	(iv) Oysterbay Items	37,209,000	-
	Total Inventories	<u>4,956,781,416</u>	<u>7,753,027,130</u>
14	TRADE RECEIVABLES		
	Unsecured,		
	(i) Outstanding for less than 6 months, Considered Good	856,652,896	23243189,699
	(ii) Outstanding for more than 6 months, Considered good	20,108,334	47673,187
	(iii) Doubtful Debts	3,367,236	3557,236
	(iv) Other Advances	23,463,491,452	
	(iv) Allowance for bad and doubtful debts	(3,367,236)	(3,367,236)
	Total Trade Recievables	<u>24,340,252,682</u>	<u>23,291,052,886</u>

RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
15	CASH AND CASH EQUIVALENTS		
	(i) Unpaid Dividend Bank Accounts	4,613,232	4,102,510
	(ii) Bank Balances in Current Accounts	143,078,376	5,784,750,767
	(iii) Cash on hand	19,990,193	28,775,643
	(iv) Fixed Deposits with banks	70,711,583,649	92,640,002,845
	(v) Doubtful Bank Balances	2,500,000	2,500,000
	(vi) Provision for doubtful balances	(2,500,000)	(2,500,000)
	Total Cash and Cash Equivalents	<u><u>70,879,265,450</u></u>	<u><u>98,457,631,765</u></u>
16	SHORT TERM LOANS AND ADVANCES		
	(i) Advances Recoverable in normal course of business	123,428,281	286,108,609
	(ii) Advances to employees	-	249,534
	(iii) Advances to Suppliers	12,897,616	916,142
	(iv) Prepaid expenses	4,454,389	460,208
	(v) Capital Advances	616,660,040	593,880,040
	(vi) Inter Corporate Deposits	3,557,274,229	3,715,050,300
	(vii) Doubtful advances	8,591,113	253,664,904
	(viii) Provision for Doubtful Advances	(8,591,113)	(253,664,904)
	Total Short Term Loans and Advances	<u><u>4,314,714,555</u></u>	<u><u>4,596,664,833</u></u>
17	OTHER CURRENT ASSETS		
	(i) Deferred revenue expenditure	-	1,458,241
	(ii) Balances with Govt departments	3,811,767,417	3,551,232,857
	(iii) Other Receivables	1,591,124	4,054,389
	Total Other Current Assets	<u><u>3,813,358,541</u></u>	<u><u>3,556,745,487</u></u>
18	REVENUE FROM OPERATIONS		
	(i) Sale of products	228,551,394,390	304,251,056,138
	(ii) Income from operations- Bank interest received	6,636,652,943	7,718,725,430
	(iii) Interest on ICD's	186,806,998	289,860,693
	Total Revenue from Operations	<u><u>235,374,854,331</u></u>	<u><u>312,259,642,261</u></u>



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
19	OTHER INCOME		
	(i) Other Miscellaneous income	744,898	25,192,443
	(ii) Rent received	1,032,627	1,629,961
	(iii) Profit/(loss) on Sale of Asset	134,498	-
	(iv) In Income of Associates	5,348,809	-
	Total Other Income	7,260,832	26,822,404
20	COST OF MATERIAL CONSUMED		
	(i) Raw material consumed	227,813,140,671	308,149,649,594
	(ii) Gold Hedging cost	388,825,352	(167,164,600)
	(iii) Currency Hedging and Forex Fluctuation cost	578,283,474	(3,880,087,538)
	Total Cost of material Consumed	228,780,249,497	304,102,397,456
21	S&A AND OTHER EXPENSES		
	Rent	3,276,619	3,826,660
	Repairs & Maintenance	5,333,544	10,813,745
	Legal, Professional and consultancy charges	8,103,033	9,114,098
	Postage &Telegrams &Telephones	1,169,279	1,716,232
	Insurance	25,640,166	33,322,051
	Rates and Taxes	21,748,277	30,557,130
	Auditors Fees	800,000	800,000
	Advertisement, Publicity and Sale Promotion	191,818,951	57,945,143
	Travelling and Conveyance	1,684,424	2,453,488
	Hedging fees and Charges	2,774,967	5,247,771
	Freight Charges	23,168,021	22,546,098
	Printing & Stationery	762,810	2,038,948
	Membership Fees	968,332	1,642,911
	Donations	5,150,000	1,397,529
	Miscellaneous expenses	55,554,330	2,736,556
	Other Manufacturing and Processing Expenses	11,865,262	15,939,525
	Total S&A and Other Expenses	359,818,015	202,097,885

RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
22	EMPLOYEE BENEFIT EXPENSES		
	(i) Salaries and wages	53,509,406	64,887,044
	(ii) Contribution to PF, ESIC and superannuation fund	226,726	370,244
	(iii) Staff Welfare Expenses	4,015,328	4,813,375
	Total Employee Benefit Expenses	<u>57,751,460</u>	<u>70,070,663</u>
23	FINANCE COST		
	(i) Bank charges	265,491,793	80,635,412
	(ii) Interest on working capital	3,161,364,596	2,910,413,826
	(iii) Interest on others	3,861,756	4,088,931
	Total Finance Costs	<u>3,430,718,145</u>	<u>2,995,138,169</u>
24	<p>COMPANY OVERVIEW</p> <p>Rajesh Exports Limited (“The Company”) is an Indian public Company and incorporated under the provisions of Companies Act, 1956. The Company is a leading gold refiner and manufacturer of all kinds of Gold Jewellery, medallions and other Gold products. The Company exports its products to various countries around the world and it also retails its products in India through its own retail showrooms under the brand name of SHUBH Jewellers.</p> <p>The Company is having head quarters at Bangalore and manufacturing units at Whitefield, Kakkanad (Kerala State) and Panthnagar (Uttarkhand State), Associate firm M/s. A one Exports, Bangalore and subsidiary M/s. REL Singapore Pte Ltd at Singapore.</p> <p>SIGNIFICANT ACCOUNTING POLICIES</p> <p>The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (GAAP) under the historical cost convention. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The provisions of Companies Act, 2013 (to the extent notified and applicable and other generally accepted accounting principles in India.</p> <p>The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.</p> <p>i. Use of Estimates</p> <p>The preparation of financial statements in conformity with GAAP (generally accepted accounting principles) requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.</p> <p>ii. Fixed assets and Capital work-in-progress</p> <p>a. Tangible Assets:</p> <p>Fixed assets are stated at historical cost less accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and includes financing cost if any, relating to borrowed funds attributable to construction or acquisition of fixed assets, up to the date when the asset is ready for intended use, any trade discounts and rebates are deducted in arriving at the purchase price.</p>		



Note No.	
24	<p data-bbox="261 398 555 427">b. Work in Progress</p> <p data-bbox="304 434 1471 524">Cost of fixed assets not ready for use before the balance sheet date is disclosed under capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.</p> <p data-bbox="209 533 448 562">iii. Depreciation</p> <p data-bbox="261 568 1471 658">The Company has provided depreciation on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions made during the year is provided for the period the assets were in use during the year.</p> <p data-bbox="261 667 1471 734">Assets individually costing Rs. 5,000 /- or less are depreciated fully in the period / year of purchase.</p> <p data-bbox="209 743 424 772">iv. Inventories</p> <p data-bbox="261 779 1471 936">Stock in trade is valued at cost or net realisable value (International standard rate as on 31.03.2014), whichever is less for SEZ units and in respect of other units at cost or net realisable value (Rate prevailing at Bangalore Market as on 31.03.2014), whichever is lower. The cost formula used for this purpose is first in first out (FIFO) method and includes direct cost incurred in bringing the items of inventory to their present location and condition.</p> <p data-bbox="209 945 564 974">v. Revenue Recognition</p> <p data-bbox="261 981 1471 1227">Revenue is recognized only when it can be reliably measured and when it is reasonable to expect ultimate collection. Revenue from operations includes Sale of goods and interest received on fixed deposits made for margin purposes for sake of procurement of raw materials. Sales are recorded net of trade discounts, rebates and value added tax if any and are recorded at the realized foreign currency rates. Making charges income is recognized on dispatch of goods. Interest on bank deposits are accounted on accrual basis and other interest bearing loans are accounted on cash basis. Dividend income on investment is accounted as and when the right to receive the payment is established.</p> <p data-bbox="209 1236 501 1265">vi. Borrowing Costs</p> <p data-bbox="261 1272 1471 1368">Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date, when such asset is ready for its intended use. Other borrowing costs are charged to the profit and loss account.</p> <p data-bbox="209 1377 711 1406">vii. Foreign Currency Transactions</p> <p data-bbox="261 1413 1471 1509">a. For its import and export transactions the company is exposed to foreign exchange transactions, the company hedges its foreign exchange transactions against its own imports and exports and also by way of forward contracts with banks.</p> <p data-bbox="261 1518 1471 1675">b. Completed foreign exchange transactions are recorded at the actual exchange rate paid and pending foreign exchange transactions are recorded at notional rates, the notional rates are converted in to prevailing rates at the end of the year and the difference is recorded as fluctuation in foreign exchange. Premium paid on forward contracts is recognized over the life of the contracts.</p> <p data-bbox="261 1684 1471 1751">c. Premium in respect of forward foreign exchange contract is charged to the Profit and Loss Account.</p> <p data-bbox="209 1760 539 1789">viii. Employees Benefits</p> <p data-bbox="261 1796 1471 1915">Provident Fund contributions are charged to the Statement of profit and loss of the period when the contributions to the respective fund is due. The Company has no obligation, other than the contribution payable under the respective scheme. Superannuation Schemes is not applicable to the Company at present.</p>

RAJESH EXPORTS LIMITED

Note No.	
24	<p>Gratuity liability if applicable for the year under the Payment of Gratuity Act is accounted on the Basis of Actuarial valuation. The Company does not provide leave encashment and carry forward of accumulated leave to next year to its employees.</p> <p>xi. Taxation Provision for current tax is made on the basis of Taxable income for the current accounting year determined in accordance with the Income Tax Act, 1961. Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date. Deferred tax assets/ liabilities in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that such deferred tax Asset/ liability can be realised against future taxable profits.</p> <p>xii. Segment reporting policies The Company and the other Companies in the group are mainly engaged in the business of gold and gold products. These, in the context of accounting standard 17 on segment reporting, issued by the institute of chartered accounts, India are considered to constitute one single primary segment.</p> <p>xiii. Micro and Small enterprises dues Based on the information / Documents available with the Company, amounts due to micro and small enterprises is NIL</p> <p>xiv. Earning per share Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average of number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.</p> <p>xv. Contingent Liabilities A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability in the financial statements, but are disclosed in the notes.</p> <p>xvi. Provisions A provision is recognised when the Company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision/Write-off of doubtful and unrecoverable book debts and advances have been made, wherever found necessary by the management.</p> <p>xvii. Investments Long term investments are stated at cost after deducting the provisions if any made for permanent diminution in values. Current investments are stated at lower of the cost and fair market value.</p> <p>xviii. Cash Flow Statement The Cash Flow statement is prepared by the indirect method setout in the accounting standards on cash flow statement. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand.</p>



Note No.					
25	NOTES TO FINANCIAL STATEMENTS				
	i. Related Party Disclosure				
	a. Related parties where control exists				
	Loans and advances	Current Year (Rs.)	Previous Year (Rs.)	Max. Balance at any time during the year	
	Laab Jewels Gold Pvt Ltd	1,825,358	1,825,358	1,825,358	
	Shubh laabh Housing Pvt Ltd	39,700,000	39,700,000	39,700,000	
	b. Transactions with related parties				
	Name of the related party	Description of the nature of relation	Description of transaction	31.03.2014	31.03.2013
	Rajesh.J.Mehta	Chairman	Remuneration	1,19,988	1,19,988
	Prashanth.J.Mehta	Managing Director	Remuneration	1,19,988	1,19,988
	Balance Outstanding as on 31.03.2013 :				
	Name of the related party	Receivable Amount (Rs)		Payable Amount (Rs)	
	Mr. Prashanth.J.Mehta	NIL		173,574,420	
	Mr. Rajesh.J.Mehta	NIL		269,496,084	
	Mr. Mahesh.J.Mehta	NIL		3,528,606	
	ii. Leases				
	Operating lease:				
	The Company has let-out and taken premises under cancelable operating lease agreements, which the Company intends to renew in the normal course of its business. The lessees cannot sublease these properties. Total lease rentals recognized as income in the Profit and Loss Account for the year with respect to above is Rs. 1032627 /- (Previous year Rs. 1629961 /-) and total lease rentals recognized as expenditure is Rs.3276619/- (Previous year Rs. 3826660/-).				
	iii. Capital and other commitments				
	Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (Previous Year is NIL).				
	iv. Contingent Liabilities				
	Contingent liabilities not provided for :				
	(a) Sales tax and entry tax demands of Rs.479057/- (Previous year Rs. 4,79,057/-) are disputed by the Company				
	(b) The Company had an order from the Income Tax authorities dated December 27, 2006 for the period April 1, 2003 to March 31, 2004 demanding a tax payment of Rs.9,99,60,890/- The Commissioner of Income Tax (Appeals) has passed an adverse order confirming the order of assessing authority. The Company has appealed against the said order before the Income Tax Appellate Tribunal, and the income Tax Appellate Tribunal has passed an order in favor of the company, allowing the deduction under section 10B of the Income Tax Act, which is the major portion of the demand raised by the department. However, the Tribunal				

RAJESH EXPORTS LIMITED

Note No.										
25	<p>did not allow expenses of Rs. 200 lakhs. Against the order of the Income Tax Appellate Tribunal, the company and the Income Tax Department both have appealed before the Hon'ble High Court of Karnataka and the Company firmly believes that the issue will be settled in its favor. Further, the Company had received an order from the tax authorities dated November 13, 2009, (rectified by order dated December 31, 2009) for the period April 1, 2006 to March 31, 2007 demanding an additional tax payment of Rs. 36,99,89,925/-. The Company has appealed before the Commissioner of Income Tax (Appeals) against the said order and the Company firmly believes that the issue will be settled in its favour.</p> <p>Further, the Company had received an order from the tax authorities dated December 30, 2010, (rectified by order dated January 19, 2011 and order dated January 27, 2011) for the period April 1, 2007 to March 31, 2008 demanding an additional tax payment of Rs.88,23,82,070. The Company has appealed before the Commissioner of Income Tax (Appeals) against the said order and the Company firmly believes that the issue will be settled in its favour.</p> <p>(c) The Company has appealed against the order of Demand Notice from Employees State Insurance Corporation, Karnataka Region for the period from April 2000 to March 2003 and paid Rs. 29,75,764 /- under protest and Appellate Authority has reduced the tax to Rs 33,93,286/- & currently the matter is in Employees State Insurance Court. The management firmly believes that the issue will be settled in its favour.</p> <p>The Company has also appealed against the order of Notice from Employees State Insurance Corporation, Karnataka Region for the period from April 2006 to September 2007 demanding for Rs. 47,22,209 /- (including interest etc) and paid Rs. 9,43,800 /- under protest, which is pending decision before Appellate Authority. The management firmly believes that the issue will be settled in its favour.</p> <p>(d) The company has appealed against the order of Show cause Notice from Commissioner of Central Excise(Service Tax) Bangalore demanding Service Tax of Rs. 2,44,83,060/- before the CESTAT and paid Rs. 1,22,41,530 /- under protest, The CESTAT has passed orders on the matter and directed the service tax commissioner to review the order in the light of its findings. The management firmly believes that the issue will be settled in its favor.</p> <p>v. Earnings and Expenditure in foreign currency</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">As on 31.03.2014</th> <th style="text-align: right;">As on 31.03.2013</th> </tr> </thead> <tbody> <tr> <td>Earnings (Exports)</td> <td style="text-align: right;">191,689,593,182</td> <td style="text-align: right;">246,836,408,578</td> </tr> <tr> <td>Expenditure (Imports)</td> <td style="text-align: right;">218,855,669,681</td> <td style="text-align: right;">307,817,544,969</td> </tr> </tbody> </table> <p>vi. Directors remuneration includes remuneration payable to Executive chairman and Managing director of Rs. 2,39,976/- (Previous Year Rs. 2,39,976/-)</p> <p>vii. Brief Particulars of Employees who were entitled to receive or were in receipt of emoluments aggregating to Rs.60,00,000/- or more per annum and/or Rs.500,000/- or more per month, if employed, for a part of the year is Nil (Previous Year Nil)</p> <p>viii.In Accordance with the Accounting Standandard 22 on “ Accounting for Taxes on Income” issued by the Institute of Chartered Accountant of India, The Company has not recognized the Deferred tax liabilities (on account of fixed assets etc. on account of timing differences).</p> <p>ix. Company has identified that there is no material impairment of assets and as such no provision is required as per AS-28 issued by the ICAI.</p>	Particulars	As on 31.03.2014	As on 31.03.2013	Earnings (Exports)	191,689,593,182	246,836,408,578	Expenditure (Imports)	218,855,669,681	307,817,544,969
Particulars	As on 31.03.2014	As on 31.03.2013								
Earnings (Exports)	191,689,593,182	246,836,408,578								
Expenditure (Imports)	218,855,669,681	307,817,544,969								

RAJESH EXPORTS LIMITED



Note No.	
25	<p>x. In opinion of the management, no provision is required against contingent liabilities.</p> <p>xi. Unclaimed dividend accounts are subject to reconciliation.</p> <p>xii. Additional information required pursuant to paragraph 3 and 4 of the Part II of Schedule VI of the Companies Act 1956.</p>

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2013

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786

RAJESH EXPORTS LIMITED

CONSOLIDATED AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF RAJESH EXPORTS LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. We have audited the accompanying consolidated financial statements of RAEJSH EXPORTS LIMITED (the Company) and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

2. The Company's management is responsible for the Preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the Accounting Principles Generally Accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have conducted our audit in accordance with the auditing standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Companies preparation and fair presentation of the Consolidated 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 the management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion

OPINION

4. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements and the consideration of the unaudited financial statements gives a true and fair view in conformity with the accounting principles generally accepted in India.
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

OTHER MATTERS

5. The unaudited financial statements as approved by the respective Boards of Directors of the company have been furnished to us by the Management and our report insofar as it relates to the amounts included in respect of Subsidiary is based solely on such approved unaudited financial statements.
Our opinion is not qualified in respect of other matters.

Place : Bangalore
Date : 30-5-2014

For **V. SIVASANKAR & CO,**
Chartered Accountants
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Proprietrix
M.No. 214786



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2014

(Amount in Indian Rupees)

	Note No	As on 31.03.2014	As on 31.03.2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	295,259,959	295,259,959
(b) Reserves and Surplus	2	27,129,653,660	23,850,410,951
(2) Non-Current Liabilities			
(a) Other Long Term Liabilities	3	81,540,719	82,532,943
(b) Long Term Provisions	4	4,119,116	4,119,116
(3) Current Liabilities			
(a) Short Term Borrowings	5	31,176,187,156	27,286,130,433
(b) Trade Payables	6	52,155,091,688	80,499,077,343
(c) Other Current Liabilities	7	778,847,991	5,718,397,110
(d) Short- Term Provisions	8	760,610,232	665,377,065
TOTAL EQUITY AND LIABILITIES		112,381,310,521	138,401,304,920
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	1,684,749,900	694,280,832
(ii) Capital Work-in-Progress	9	3,640,446	3,504,796
(b) Non-Current Investments	10	134,176,800	34,176,800
(c) Deferred Tax Assets/ (Liability)	11	8,223,385	8,223,385
(d) Long -Term Loans and Advances	12	415,063,173	5,997,007
(2) Current Assets			
(a) Inventories	13	5,713,049,216	7,753,027,130
(b) Trade Receivables	14	24,151,931,368	23,291,052,886
(c) Cash and Cash Equivalent	15	72,141,602,741	98,457,631,765
(d) Short- Term Loans and Advances	16	4,314,714,555	4,596,664,833
(e) Other Current Assets	17	3,814,158,937	3,556,745,487
TOTAL ASSETS		112,381,310,521	138,401,304,920

Notes to Accounts from Note 1 to 25 and Significant Accounting Policies form an integral part of these Financial statements

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786

RAJESH EXPORTS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2014

(Amount in Indian Rupees)

	Note No	As on 31.03.2014	As on 31.03.2013
I REVENUE			
(i) Revenue from Operations	18	291,971,974,389	312,259,642,261
(ii) Other Income	19	7,260,832	26,822,404
Total Revenue (i+ii)		<u>291,979,235,221</u>	<u>312,286,464,665</u>
II EXPENSES			
Cost of Materials Consumed	20	281,698,667,337	304,102,397,456
Selling, Administrative and Other Expenses	21	2,226,953,582	202,097,885
Employee Benefit Expenses	22	209,236,291	70,070,663
Finance Costs	23	3,634,761,182	2,995,138,169
Depreciation and Amortization Expenses	9	164,133,561	20,605,444
Total Expenses		<u>287,933,751,953</u>	<u>307,390,309,617</u>
III Profit before exceptional and extraordinary items (I-II)		4,045,483,268	4,896,155,048
IV Add Exceptional Items		Nil	Nil
V Profit before extraordinary items (III -IV)		4,045,483,268	4,896,155,048
VI Less Extraordinary Items		Nil	Nil
VII Profit before Tax (PBT) (V-VI)		4,045,483,268	4,896,155,048
VIII Less Profit of Partnership subsidiary, which is already accounted for as other income		8,148,087	-
IX Profit before Tax (PBT) (VII-VIII)		4,037,335,181	4,896,155,048
X Less Current Tax		462,832,513	370,117,106
XI Less Income Tax for earlier years		Nil	Nil
XII Profit for the period from continuing operations (IX-X-XI)		3,574,502,668	4,526,037,942
XIII Profit from discontinuing operations		Nil	Nil
XIV Tax Expense of discontinuing operations		Nil	Nil
XV Profit from discontinuing operations (after tax) (XIII-XIV)		Nil	Nil
XVI Profit for the period [Profit After Tax (PAT)] (XII+XIII+XIV+XV)		3,574,502,668	4,526,037,942
XVII Earnings per equity share Basic & Diluted		12.11	15.33

Notes to Accounts from Note 1 to 25 and Significant Accounting Policies form an integral part of these Financial statements

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786



CONSOLIDATED CASH FLOW STATEMENT

(Amount in Indian Rupees)

	2013-2014	2012-2013
A. Cash Flow from operating Activities		
Net Profit before tax and Extra ordinary items	4,037,335,181	4,896,155,048
Depreciation	164,133,561	20,605,444
Finance cost	3,634,761,182	2,995,138,169
Rent received	(1,032,627)	(1,629,961)
Loss on sale of Fixed assets	(134,498)	-
Operational profit before working capital changes	7,835,062,799	7,910,268,700
Adjustments for Decrease/(increase) in Trade and - - other receivables including Loans & Advances	(623,667,801)	3,483,971,224
Increase/(Decrease) in inventories	2,039,977,914	(1,409,015,480)
Increase/(Decrease) in current Liabilities	(33,652,126,344)	19,352,636,449
Cash Generated from Operations	(24,400,753,431)	29,337,860,893
Direct Taxes Paid	(622,107,019)	(852,134,941)
Net Cash from Operating activities	(25,022,860,450)	28,485,725,952
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(1,154,843,782)	(7,119,353)
Sale proceeds of Fixed Assets	240,000	-
(Purchase)/Sale proceeds of Investments	(100,000,000)	Nil
Rent received	1,032,627	1,629,961
Net cash from Investing Activities	(1,253,571,155)	(5,489,392)
C. Cash Flow from Financing activities		
Finance cost	(3,634,761,182)	(2,995,138,169)
Increase/(Decrease) in Secured Loan	3,777,012,117	(5,228,086,054)
Increase/(Decrease) in Unsecured Loan	113,044,606	(52,440,868)
Dividend paid and Tax on dividend	(295,259,959)	(295,259,959)
Net cash from Financing Activities	(39,964,418)	(8,570,925,050)
Net increase(decrease) in cash & cash equivalents (A+B+C)	(26,316,396,023)	19,909,311,510
Opening cash and cash equivalents	98,457,998,765	78,548,320,255
Closing cash and cash equivalents	72,141,602,741	98,457,631,765

For and on behalf of the Board

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-
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RAJESH EXPORTS LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2014

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
1	SHARE CAPITAL		
	Authorised Share Capital		
	30,00,00,000 Equity Shares of Re.1/- each	300,000,000	300,000,000
	Issued, Subscribed & Paidup Share Capital	295,259,959	295,259,959
	Reconciliation of number of equity shares outstanding at the beginning and at the end of the year		
	Number of shares outstanding as at the beginning of the year	295,259,959	295,259,959
	Add:		
	Number of shares allotted as fully paid-up bonus shares during the year	Nil	Nil
	Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	Nil	Nil
	Number of shares allotted to employees pursuant to ESOPs/ESPs	Nil	Nil
	Number of shares allotted for cash pursuant to public issue	Nil	Nil
	Less:		
	Number of shares bought back during the year	Nil	Nil
	Number of shares outstanding as at the end of the year	295,259,959	295,259,959
	Details of Shareholders holding more than 5% shares		
	Sl.no	Name of the shareholder	Number of shares held in the company
			Percentage of shares held
	1	Mr.Rajesh J Mehta	87,964,734
	2	Mr.Prashanth J Mehta	37,140,000
	3	Mr.Mahesh J Mehta	21,597,965
			29.79%
			12.58%
			7.31%
Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
2	RESERVES AND SURPLUS		
	(A) Securities Premium Reserve	6,449,295,162	6,449,295,162
	(B) General Reserve:	12,340,000,000	11,670,000,000
	(C) Surplus in Statement of Profit and Loss		
	(i) Balance as per last year	5,731,115,789	2,170,337,807
	(ii) Add Profit for the year	3,574,502,668	4,526,037,942
	(iii) Less Proposed Dividend	(295,259,959)	(295,259,959)
	(iv) Less Tax on Dividend	NIL	NIL
	(v) Total Surplus in Statement of Profit and Loss	9,010,358,498	640,111,5789
	(vi) Less Transfer to General Reserve	670,000,000	67,000,0000
	Available Surplus in Statement of Profit and Loss	8,340,358,498	573,111,5789
	(D) Total Reserves and Surplus	<u>27,129,653,660</u>	<u>2,385,041,0951</u>



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
3	OTHER LONG TERM LIABILITIES		
	(i) Franchise Deposit Received	60,930,851	61,255,351
	(ii) Rent Advance	20,223,350	21,277,592
	(iii) Partner Capital	386,518	-
	Total Other Long Term Liabilities	<u>81,540,719</u>	<u>82,532,943</u>
4	LONG-TERM PROVISIONS		
	Provision for gratuity	4,119,116	4,119,116
	Total Long Term Provisions	<u>4,119,116</u>	<u>4,119,116</u>
5	SHORT TERM BORROWINGS		
	(a) Secured		
	(i) Working Capital Loans(secured against stocks, book debts, Immovable properties and export bills)	13,411,344,132	7,330,503,506
	(ii) Loans against Company's own Fixed deposits with Banks	17,318,243,914	19,622,072,423
	(b) Unsecured		
	(i) From Directors	443,070,504	322,554,504
	(ii) From Others	3,528,606	11,000,000
	Total Short Term Borrowings	<u>31,176,187,156</u>	<u>27,286,130,433</u>
6	TRADE PAYABLES		
	(i) Raw Materials	194,035,589	10,358,103
	(ii) FLC liabilities	51,961,056,099	80,488,719,240
	Total Trade Payables	<u>52,155,091,688</u>	<u>80,499,077,343</u>
7	OTHER CURRENT LIABILITIES		
	(i) Tax Deducted at Source	3,385,555	4,276
	(ii) Value Added Tax	26,880,018	1,365,825
	(iii) Unclaimed Dividend	4,613,232	4,102,510
	(iv) Advance Received From Customers	740,016,242	5,711,584,539
	(v) Other Payables	23,467,444,396	1,339,960
	Total Other Current Liabilities	<u>24,242,339,443</u>	<u>5,718,397,110</u>
8	SHORT-TERM PROVISIONS		
	(i) Provision for Proposed Dividend	295,259,959	295,259,959
	(ii) Provision for Current Income Tax	465,350,273	370,117,106
	Total Short Term Provisions	<u>760,610,232</u>	<u>665,377,065</u>

RAJESH EXPORTS LIMITED

Note - 9 : CONSOLIDATED FIXED ASSETS - TANGIBLE (As per Companies Act)

Reconciliation of gross block and net block at the beginning and at the end of the year Amount in Rs.

Particulars	Gross block				Depreciation				Net block	
	As on 01.04.2013	Additions	Sales/ Transfers	As on 31.03.2014	As on 01.04.2013	For the Year	With Drawn	Acc., Depn., on 31.03.2014	As on 31.03.2013	As on 31.03.2014
A. BUSINESS ASSETS										
Land	44,079,660	-	-	44,079,660	-	-	-	-	44,079,660	44,079,660
Building	326,990,136	-	-	326,990,136	121,605,128	10,921,471	-	132,526,599	205,385,008	194,463,537
Plant & Machinery	120,831,749	696,735,518	-	817,567,267	43,530,177	75,908,925	-	119,439,102	77,611,125	698,128,165
Generator	3,294,621	24,537,496	-	27,832,117	931,039	5,081,455	-	6,012,494	2,363,582	21,819,623
Furniture & Fixtures	19,761,535	8,845,923	-	28,607,458	9,943,004	3,019,306	-	12,962,309	9,818,531	15,645,149
Office Equipments	8,381,608	6,363,024	-	14,744,632	2,521,081	1,380,321	-	3,901,403	5,828,938	10,843,229
Computer	4,848,925	3,304,299	-	8,153,224	4,451,007	1,264,459	-	5,715,466	397,918	2,437,758
Weighing Scale	2,566,642	3,826,055	-	6,392,697	898,840	876,760	-	1,775,599	1,664,015	4,617,098
Borewell	148,000	-	-	148,000	24,350	4,943	-	29,293	123,650	118,707
Technical Knowhow	670,000	293,900,747	-	294,570,747	395,823	46,882,716	-	47,278,539	-	247,292,208
Motor Vehicle	13,748,000	87,689,993	725,000	100,712,993	6,349,663	18,793,206	619,498	24,523,371	7,398,337	76,189,622
Sub Total	545,320,876	1,125,203,055	725,000	1,669,798,931	190,650,112	164,133,561	619,498	354,164,176	354,670,764	1,315,634,755
WIP Whitefield	3,504,796	-	-	3,504,796	-	-	-	-	3,504,796	3,504,796
Other Work In Progress (SEZ Jewellery)	-	135,650	-	135,650	-	-	-	-	-	135,650
Sub Total	548,825,672	1,125,338,705	725,000	1,673,439,377	190,650,112	164,133,561	619,498	354,164,176	358,175,560	1,319,275,201
B. OTHER IMMOVABLE PROPERTIES										
Sujatha Complex Building	20,505,157	-	-	20,505,157	-	-	-	-	20,505,157	20,505,157
Mohan Building	97,715,861	-	-	97,715,861	-	-	-	-	97,715,861	97,715,861
Volga Hotel Building	2,608,855	-	-	2,608,855	-	-	-	-	2,608,855	2,608,855
Land at Kumbalgod	20,023,112	-	-	20,023,112	-	-	-	-	20,023,112	20,023,112
Land at Akkuppette	11,195,065	-	-	11,195,065	-	-	-	-	11,195,065	11,195,065
Property in Kerla	31,418,930	-	-	31,418,930	-	-	-	-	31,418,930	31,418,930
Property at Nandi	12,174,066	-	-	12,174,066	-	-	-	-	12,174,066	12,174,066
Land at Peenya	1,368,320	-	-	1,368,320	-	-	-	-	1,368,320	1,368,320
Jayashree Co-mplex	13,183,210	-	-	13,183,210	-	-	-	-	13,183,210	13,183,210
Property at Commercial Street	88,263,968	-	-	88,263,968	-	-	-	-	88,263,968	88,263,968
Malleswaram	37,149,868	-	-	37,149,868	-	-	-	-	37,149,868	37,149,868
Magadi Road Prop	4,003,656	-	-	4,003,656	-	-	-	-	4,003,656	4,003,656
MG Road Property	-	29,505,077	-	29,505,077	-	-	-	-	-	29,505,077
Sub Total	339,610,068	29,505,077	-	369,115,145	-	-	-	-	339,610,068	369,115,145
Grand Total	888,435,740	1,154,843,782	725,000	2,042,554,522	190,650,112	164,133,561	619,498	354,164,176	697,785,628	1,688,390,346
Previous Year	881,317,269	7,119,353	-	888,436,622	170,044,669	20,605,444	-	190,650,112	697,785,628	697,786,510



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
10	NON CURRENT INVESTMENTS		
	(i) Investment in Equity instruments(Unquoted)	34,116,800	34,116,800
	(ii) Investments in Government or Trust - securities(National Saving Certificates)	60,000	60,000
	(iii) Investments in Mutual Funds	100,000,000	
	(iv) a. Doubtful Investments	2,010,000	13,911,000
	b. Provision for doubtful investments	(2,010,000)	(13,911,000)
	Total Non Current Investments	<u>134,176,800</u>	<u>34,176,800</u>
11	DEFERRED TAX ASSET (NETT)		
	Deferred Tax Assets	8,223,385	822,3385
	Total Deffered Tax Asset (Nett)	<u>8,223,385</u>	<u>822,3385</u>
12	LONG-TERM LOANS AND ADVANCES		
	Security Deposits Furnished	415,063,173	5,997,007
	Total Long Term Loans and Advances	<u>415,063,173</u>	<u>5,997,007</u>
13	INVENTORIES		
	(i) Gold Jewellery and Gold	5,033,181,931	7,279,301,081
	(ii) Diamonds	149,957,200	160,677,900
	(iii) Silver	492,701,085	313,048,149
	(iv) Oysterbay Items	37,209,000	-
	Total Inventories	<u>5,713,049,216</u>	<u>7,753,027,130</u>
14	TRADE RECEIVABLES		
	Unsecured,		
	(i) Outstanding for less than 6 months, Considered Good	24,131,823,034	23243189,699
	(ii) Outstanding for more than 6 months, Considered good	20,108,334	47673,187
	(iii) Doubtful Debts	3,367,236	3557,236
	(iv) Allowance for bad and doubtful debts	(3,367,236)	(3,367,236)
	Total Trade Recievables	<u>24,151,931,368</u>	<u>23,291,052,886</u>

RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
15	CASH AND CASH EQUIVALENTS		
	(i) Unpaid Dividend Bank Accounts	4,613,232	4,102,510
	(ii) Bank Balances in Current Accounts	143,078,376	5,784,750,767
	(iii) Cash on hand	59,001,939	28,775,643
	(iv) Fixed Deposits with banks	71,934,909,194	92,640,002,845
	(v) Doubtful Bank Balances	2,500,000	2,500,000
	(vi) Provision for doubtful balances	(2,500,000)	(2,500,000)
	Total Cash and Cash Equivalents	72,141,602,741	98,457,631,765
16	SHORT TERM LOANS AND ADVANCES		
	(i) Advances in normal course of business	123,428,281	286,108,609
	(ii) Advances to employees	-	249,534
	(iii) Advances to Suppliers	12,897,616	916,142
	(iv) Prepaid expenses	4,454,389	460,208
	(v) Capital Advances	616,660,040	593,880,040
	(vi) Inter Corporate Deposits	3,557,274,229	3,715,050,300
	(vii) Doubtful advances	8,591,113	253,664,904
	(viii) Provision for Doubtful Advances	(8,591,113)	(253,664,904)
	Total Short Term Loans and Advances	4,314,714,555	4,596,664,833
17	OTHER CURRENT ASSETS		
	(i) Deferred revenue expenditure	-	1,458,241
	(ii) Balances with Govt departments	3,812,567,813	3,551,232,857
	(iii) Other Receivables	1,591,124	4,054,389
	Total Other Current Assets	3,814,158,937	3,556,745,487
18	REVENUE FROM OPERATIONS		
	(i) Sale of products	285,140,560,489	304,251,056,138
	(ii) Income from operations- Bank interest received	6,644,606,902	7,718,725,430
	(iii) Interest on ICD's	186,806,998	289,860,693
	Total Revenue from Operations	291,971,974,389	312,259,642,261



Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.
19	OTHER INCOME		
	(i) Other Miscellaneous income	744,898	25,192,443
	(iii) Rent received	1,032,627	1,629,961
	(iv) Profit/(loss) on Sale of Asset	134,498	-
	(v) In Income of Associates	5,348,809	-
	Total Other Income	7,260,832	26,822,404
20	COST OF MATERIAL CONSUMED		
	(i) Raw material consumed	280,731,558,511	308,149,649,594
	(ii) Gold Hedging cost	388,825,352	(167,164,600)
	(iii) Currency Hedging and Forex Fluctuation cost	578,283,474	(3,880,087,538)
	Total Cost of material Consumed	281,698,667,337	304,102,397,456
21	S&A AND OTHER EXPENSES		
	Rent	10,018,964	3,826,660
	Repairs & Maintenance	6,119,042	10,813,745
	Legal, Professional and consultancy charges	8,114,269	9,114,098
	Postage &Telegrams &Telephones	1,848,044	1,716,232
	Insurance	28,007,331	33,322,051
	Rates and Taxes	25,297,311	30,557,130
	Auditors Fees	3,165,673	800,000
	Advertisement, Publicity and Sale Promotion	216,584,444	57,945,143
	Travelling and Conveyance	9,522,078	2,453,488
	Hedging fees and Charges	1,698,543,402	5,247,771
	Freight Charges	32,023,514	22,546,098
	Printing & Stationery	1,054,748	2,038,948
	Membership Fees	995,240	1,642,911
	Donations	5,150,000	1,397,529
	Miscellaneous expenses	124,927,769	2,736,556
	Other Manufacturing and Processing Expenses	55,581,753	15,939,525
	Total S&A and Other Expenses	2,226,953,582	202,097,885

RAJESH EXPORTS LIMITED

Note No.	Particulars	As on 31.03.2014 Amount in Rs.	As on 31.03.2013 Amount in Rs.									
22	EMPLOYEE BENEFIT EXPENSES											
	(i) Salaries and wages	204,994,237	64,887,044									
	(ii) Contribution to PF, ESIC and superannuation fund	226,726	370,244									
	(iii) Staff Welfare Expenses	4,015,328	4,813,375									
	Total Employee Benefit Expenses	<u>209,236,291</u>	<u>70,070,663</u>									
23	FINANCE COST											
	(i) Bank charges	265,500,569	80,635,412									
	(ii) Interest on working capital	3,318,445,004	2,910,413,826									
	(iii) Interest on others	50,815,609	4,088,931									
	Total Finance Costs	<u>3,634,761,182</u>	<u>2,995,138,169</u>									
24	<p>Significant accounting policies and notes to consolidated accounts for the year ended March 2014 (Rs. in millions, except share and per share data unless otherwise stated.)</p> <p>1. Background. Rajesh Exports Limited ("The Company" or "REL") together with its subsidiaries (Collectively, "the Company" or "the group") is an Indian public Company and incorporated under the provisions of Companies Act, 1956. The Company is a leading gold refiner and manufacturer of all kinds of Gold Jewellery, coins and medallions. The Company exports its products to various countries around the world and it also retails its products in India through its own retail showrooms under the brand name of SHUBH Jewellers. The Company is having head quarters in Bangalore and manufacturing units at Whitefield, Kakkanad (Kerala State), Panthnagar (Uttarkhand State), Associate firm M/s. A one Exports, Bangalore and subsidiary M/s. REL Singapore Pte Ltd at Singapore.</p> <p>SIGNIFICANT ACCOUNTING POLICIES</p> <p>i. Basis of preparation of consolidated financial statements. The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (GAAP) under the historical cost convention. GAAP comprises Accounting standards (AS), issued by the Institute of chartered Accountants of India (ICAI) and other generally accepted accounting principles in India.</p> <p>ii. Principles of Consolidation. The Consolidated financial statements have been prepared on the following basis: The consolidated financial statements include the financial statements of REL and its Subsidiary as set out below:</p> <table border="1"> <thead> <tr> <th>Name of the Associate/Subsidiary</th> <th>Country of formation/ incorporation</th> <th>Proportion of interest</th> </tr> </thead> <tbody> <tr> <td>A One Exports</td> <td>India</td> <td>95%</td> </tr> <tr> <td>REL Singapore PTE Ltd</td> <td>Singapore</td> <td>100%</td> </tr> </tbody> </table>			Name of the Associate/Subsidiary	Country of formation/ incorporation	Proportion of interest	A One Exports	India	95%	REL Singapore PTE Ltd	Singapore	100%
Name of the Associate/Subsidiary	Country of formation/ incorporation	Proportion of interest										
A One Exports	India	95%										
REL Singapore PTE Ltd	Singapore	100%										



Note No.	
24	<p>The consolidated financial statements include the financial statements of the Company and all its associates/subsidiaries, which are more than 50% owned or controlled. The financial statements of the Company and its Associate/Subsidiary Companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions in accordance with the Accounting Standards (AS) 21- “ Consolidated Financial Statements”.</p> <p>iii. Use of Estimates</p> <p>The preparation of financial statements in conformity with GAAP (generally accepted accounting principles) requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.</p> <p>iv. Fixed assets and Capital work-in-progress</p> <p>a. Tangible Assets:</p> <p>Fixed assets are stated at historical cost less accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and includes financing cost if any, relating to borrowed funds attributable to construction or acquisition of fixed assets, up to the date when the asset is ready for intended use, any trade discounts and rebates are deducted in arriving at the purchase price.</p> <p>b. Work in Progress</p> <p>Cost of fixed assets not ready for use before the balance sheet date is disclosed under capital work-in-progress. Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date is disclosed under long term loans and advances.</p> <p>c. Depreciation</p> <p>The Company has provided depreciation on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions made during the year is provided for the period the assets were in use during the year.</p> <p>Assets individually costing Rs. 5,000 /- or less are depreciated fully in the period / year of purchase.</p> <p>v. Inventories</p> <p>Stock in trade is valued at cost or net realisable value (International standard rate as on 31.03.2014), whichever is less for SEZ units and in respect of other units at cost or net realisable value, whichever is lower. The cost formula used for this purpose is first in first out (FIFO) method and includes direct cost incurred in bringing the items of inventory to their present location and condition.</p> <p>vi. Revenue Recognition</p> <p>Revenue is recognized only when it can be reliably measured and when it is reasonable to expect ultimate collection. The Group derives Revenue from operations includes Sale of goods and interest received on fixed deposits made for margin purposes. Sales are recorded net of trade discounts, rebates and value added tax if any and are recorded at the realized foreign currency rates. Making charges income is recognized on dispatch of goods. Interest on bank deposits are accounted on accrual basis and other interest bearing loans are accounted on cash basis. Dividend income on investment is accounted as and when the right to receive the payment is established.</p>

RAJESH EXPORTS LIMITED

Note No.	
24	<p data-bbox="209 398 501 427">vii. Borrowing Costs</p> <p data-bbox="261 450 1466 539">Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date, when such asset is ready for its intended use. Other borrowing costs are charged to the profit and loss account.</p> <p data-bbox="209 562 711 591">viii. Foreign Currency Transactions</p> <p data-bbox="261 613 1466 703">a. For its import and export transactions the company is exposed to foreign exchange transactions, the company hedges its foreign exchange transactions against its own imports and exports and also by way of forward contracts with banks.</p> <p data-bbox="261 725 1466 882">b. Completed foreign exchange transactions are recorded at the actual exchange rate paid and pending foreign exchange transactions are recorded at notional rates, the notional rates are converted in to prevailing rates at the end of the year and the difference is recorded as fluctuation in foreign exchange. Premium paid on forward contracts is recognized over the life of the contracts. The foreign subsidiaries financials are reported at Rs.60 / USD</p> <p data-bbox="209 904 539 934">ix. Employees Benefits</p> <p data-bbox="261 956 1466 1079">Provident Fund contributions are charged to the Statement of profit and loss of the period when the contributions to the respective fund is due. The Group Companies has no obligation, other than the contribution payable under the respective scheme. Superannuation Schemes is not applicable to the Company at present.</p> <p data-bbox="261 1102 1466 1169">Gratuity liability if applicable for the year under the Payment of Gratuity Act is accounted on the Basis of Actuarial valuation.</p> <p data-bbox="261 1191 1466 1247">The Group Companies does not provide leave encashment and carry forward of accumulated leave to next year to its employees.</p> <p data-bbox="209 1270 387 1299">x. Taxation</p> <p data-bbox="261 1321 1466 1572">The current Income Tax charge is determined in accordance with the relevant tax regulations applicable to respective entities within the Group. The tax liability for domestic taxes has been computed under Minimum Alternate Tax (MAT). MAT credit are being recognised if there is convincing evidence that the company will pay normal tax after the tax holiday period and the resultant asset can be measured reliably. The excess tax paid under MAT provision being over and above regular tax liability can be carried forward for a period of ten years from the year of recognition and is available for set of against future tax liabilities computed under regular tax provision, to the extent of MAT liability.</p> <p data-bbox="261 1594 1466 1718">Deferred tax is recognized on timing differences; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax is accounted for using the tax rates and laws that have been substantively enacted as of the balance sheet date.</p> <p data-bbox="261 1740 1466 1830">Deferred tax assets/ liabilities in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that such deferred tax Asset/ liability can be realised against future taxable profits.</p>



Note No.	
24	<p>xi. Segment reporting policies</p> <p>The Group Companies are engaged in the business of gold and gold products. The accounting principles consistently used in the preparation of the financial statement are also consistently applied to record income and expenditure in individual segments.</p> <p>Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of costs are apportioned on an appropriate basis.</p> <p>xii. Micro and Small enterprises dues</p> <p>Based on the information / Documents available with the Company amounts due to micro and small enterprises is NIL</p> <p>xiii. Earning per share</p> <p>In determining earning per share, the Group considers the consolidated net profit or loss for the period attributable to (by dividing) equity shareholders by the weighted average of number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluted potential equity shares.</p> <p>xiv. Contingent Liabilities</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group Companies does not recognize a contingent liability in the financial statements, but are disclosed in the notes.</p> <p>xv. Provisions</p> <p>A provision is recognised when the Group Companies has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Provision/Write-off of doubtful and unrecoverable book debts and advances have been made, wherever found necessary by the management.</p> <p>xvi. Investments</p> <p>Non Current investments are stated at cost after deducting the provisions if any made for permanent diminution in values. Current investments are stated at lower of the cost and fair market value</p> <p>xvii. Consolidated Cash Flow Statement and cash and cash equivalents</p> <p>The Cash Flows are reported using the indirect method set out in the accounting standard 3 on cash flow statement. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand.</p>

RAJESH EXPORTS LIMITED

Note No.					
25	NOTES TO FINANCIAL STATEMENTS				
	i. Related Party Disclosure				
	a. Related parties where control exists				
	Loans and advances	Current Year Balance (Rs.)	Previous Year Balance (Rs.)	Max. Balance at any time during the year	Relationship
	Laab Jewels Gold Pvt Ltd	1,825,358	1,825,358	1,825,358	Key managerial personnel
	Shubh laabh Housing Pvt Ltd	3,79,00,000	3,79,00,000	3,79,00,000	Key managerial personnel
	A one exports	2,184,900	NIL	2,184,900	Associate Firm
	Key Management personal:				
	Mr. Rajesh Mehta	Chairman			
	Mr. Prashanth Mehta	Managing Director			
	b. Transactions with related parties				
	Name of the related party	Description of the nature of relation	Description of transaction	31.03.2014	31.03.2013
	Rajesh.J.Mehta	Chairman	Remuneration	1,19,988	1,19,988
	Prashanth.J.Mehta	Managing Director	Remuneration	1,19,988	1,19,988
	Balance Outstanding as on 31.03.2013 :				
	Name of the related party	Receivable Amount (Rs)		Payable Amount (Rs)	
	Mr. Prashanth.J.Mehta	NIL		173,574,420	
	Mr. Rajesh.J.Mehta	NIL		269,496,084	
	Mr. Mahesh.J.Mehta	NIL		3,528,606	
	ii. Leases				
	Operating lease:				
	The Group Companies has let-out and taken premises under cancelable operating lease agreements, which the Company intends to renew in the normal course of its business. The lessees cannot sublease these properties. Total lease rentals recognized as income in the Profit and Loss Account for the year with respect to above is Rs.1032627 /- and total lease rentals recognized as expenditure is Rs.10018964/-.				
	iii. Capital and other commitments				
	Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (Previous Year is NIL).				



Note No.	
25	<p>iv. Contingent Liabilities</p> <p>Contingent liabilities not provided for :</p> <p>(a) Sales tax and entry tax demands of Rs.4,79,057/- (Previous year Rs. 4,79,057/-) are disputed by the Company.</p> <p>(b) The Company had an order from the Income Tax authorities dated December 27, 2006 for the period April 1, 2003 to March 31, 2004 demanding a tax payment of Rs. 9,99,60,890/- The Commissioner of Income Tax (Appeals) has passed an adverse order confirming the order of assessing authority. The Company has appealed against the said order before the Income Tax Appellate Tribunal, and the income Tax Appellate Tribunal has passed an order in favor of the company, allowing the deduction under section 10B of the Income Tax Act, which is the major portion of the demand raised by the department. However, the Tribunal did not allow expenses of Rs. 200 lakhs. Against the order of the Income Tax Appellate Tribunal, the company and the Income Tax Department both have appealed before the Hon'ble High Court of Karnataka and the Company firmly believes that the issue will be settled in its favor. Further, the Company had received an order from the tax authorities dated November 13, 2009, (rectified by order dated December 31, 2009) for the period April 1, 2006 to March 31, 2007 demanding an additional tax payment of Rs. 36,99,89,925/-. The Company has appealed before the Commissioner of Income Tax (Appeals) against the said order and the Company firmly believes that the issue will be settled in its favour.</p> <p>Further, the Company had received an order from the tax authorities dated December 30, 2010, (rectified by order dated January 19, 2011 and order dated January 27, 2011) for the period April 1, 2007 to March 31, 2008 demanding an additional tax payment of Rs.88,23,82,070. The Company has appealed before the Commissioner of Income Tax (Appeals) against the said order and the Company firmly believes that the issue will be settled in its favour.</p> <p>(c) The Company has appealed against the order of Demand Notice from Employees State Insurance Corporation, Karnataka Region for the period from April 2000 to March 2003 and paid Rs. 29,75,764 /- under protest and Appellate Authority has reduced the tax to Rs 33,93,286/- & currently the matter is in Employees State Insurance Court. The management firmly believes that the issue will be settled in its favour.</p> <p>The Company has also appealed against the order of Notice from Employees State Insurance Corporation, Karnataka Region for the period from April 2006 to September 2007 demanding for Rs. 47,22,209 /- (including interest etc) and paid Rs. 9,43,800 /- under protest, which is pending decision before Appellate Authority. The management firmly believes that the issue will be settled in its favour.</p> <p>(d) The company has appealed against the order of Show cause Notice from Commissioner of Central Excise(Service Tax) Bangalore demanding Service Tax of Rs. 2,44,83,060/- before the CESTAT and paid Rs. 1,22,41,530 /- under protest, The CESTAT has passed orders on the matter and directed the service tax commissioner to review the order in the light of its findings. The management firmly believes that the issue will be settled in its favor.</p> <p>v. The company has reclassified the previous year figures in accordance with the requirements applicable in the current period. Please refer Annexure enclosed</p>

For and on behalf of the Board

As per our Report of even date
For **V. SIVASANKAR & CO**
Chartered Accountants,
Firm Regn. No. 0108395
Sd/-

Place: Bangalore
Date : 30-5-2014

RAJESH MEHTA
Chairman

PRASHANT MEHTA
Managing Director

Director

(CA VIJAYA SIVASANKAR.P)
Prop.
M.No. 214786

Widest range of 22ct (916) BIS Hallmarked Gold jewellery at the lowest prices in the world



Rajesh Exports Limited (REL) imports gold directly from the mines, processes this gold entirely at its own world's largest jewellery manufacturing facility. This world class jewellery is sold directly to the retail customers through "SHUBH JEWELLERS" without the intervention of any middlemen, thereby ensuring a saving of between 10% to 20% compared to any other jewellers.

REL has started the "Gold Revolution" at Bangalore, wherein at all the 82 "SHUBH JEWELLERS" stores at Bangalore; you can buy any design of 22ct (916) BIS Hallmarked jewellery from out of a wide selection of over 20,000 designs at "Real Rate Per Gram" without paying any making charges, or wastage or any other hidden charges. This un-believable offer has been made possible by Rajesh Exports Limited because it is the only 100% fully integrated jewellery company in the world.



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JEWELLERS
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An Enterprise of Rajesh Exports Ltd.

ALSO AVAILABLE WIDE RANGE OF PURE GOLD COINS AND EXCLUSIVE DIAMOND JEWELLERY

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82 Showrooms at Karnataka
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Ph : 080 - 41528987

RAJESH EXPORTS LIMITED

Regd. Office : No.4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bangalore-1. INDIA.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting venue.

Name of the member attending the Meeting (In block letters) _____

Member's Folio No. _____

In case of Proxy, Name of Proxy _____

No. of Shares held _____

I hereby record my presence at the 20th Annual General Meeting at 11.30 AM, on 30.09.2014 at Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce (Near Shivanada Circle), BANGALORE – 560 001

Member's/Proxy's Signature
(To be signed at the time of handing over this slip)

Notes : 1. Interested joint Shareholders may obtain attendance slips from the Company's Registered Office.
2. Shareholders/Joint Shareholders are requested to bring the Annual Report and attendance slips with them.



RAJESH EXPORTS LIMITED

Regd. Office : No.4, Batavia Chambers, Kumara Krupa Road, Kumara Park East, Bangalore-1. INDIA.

PROXY FORM

I/We _____

of _____

being a member/members of Rajesh Exports Ltd., hereby appoint

of _____

or failing him _____

of _____

or failing him _____

of _____

Proxy to attend and vote for me / us and on my / our behalf at the 20th Annual General Meeting of the Company to be held at 11.30 AM, on 30.09.2014 at Guru Raja Kalyana Mantap, No 21, Crescent Road, Next to Karnataka Film Chamber of Commerce (Near Shivanada Circle), BANGALORE – 560 001.

Signed this _____ day of _____

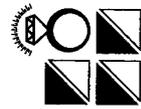
Signature of the said _____

Affix Re. 1
Revenue
Stamp

of _____

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No.4, Batavia Chambers
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Kumara Park East, Bangalore-1. INDIA.