

ROYAL INDIA CORPORATION LIMITED

29TH ANNUAL REPORT 2012-2013



:Registered office:

62, 6th Floor, C-Wing, Mittal Tower, 210, Nariman Point, Mumbai 400 021.

☎ 022-43417777, 40768888 📠 022-22877575 ✉ info@ricl.in 🌐 www.ricl.in

**BOARD OF DIRECTORS**

Manish N. Shah	: Managing Director
Hitesh M. Jain	: Whole-time-Director
Vishal Gohil	: Whole-time-Director
Damodar Hari Pai	: Independent Director
Ravikant Chaturvedi	: Independent Director
Ashokaditya Dhurandhar	: Independent Director
Manisha Anand	: Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Siddhi Patil

AUDITORS

M/s DMKH & Co., Chartered Accountants
C-9, Sanjay Apartments, Near Gokul Hotel,
S.V.P. Road, Borivali (West),
Mumbai 400092.

BANKERS

ICICI Bank Ltd.
Ratnakar Bank
Syndicate Bank

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400078

REGISTERED OFFICE

62, 6th Floor, C-Wing, Mittal Tower,
210, Nariman Point, Mumbai 400020.

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**NOTICE**

Notice is hereby given that the 29th Annual General Meeting of the Members of Royal India Corporation Limited will be held on Friday, 27th September, 2013 at 10.00 a.m. at the registered office of the Company at Office No. 62, 6th Floor, 'C' Wing, Mittal Tower, Nariman Point, Mumbai: 400 021, to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2013 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Damodar Hari Pai, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Ravikant Chaturvedi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. DMKH & Co., Chartered Accountants as the Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr. Ashokaditya Dhurandhar, who was appointed as an Additional Director of the Company during the year holds office till the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as a Director of the

company whose period of office shall be liable to determination by retirement of Directors by rotation.

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

"RESOLVED THAT Mr. Vishal Gohil who was appointed as an Additional Director of the Company during the year holds office till the date of this Annual General Meeting and in respect of whom the company has received a notice in writing from a shareholder proposing his candidature for the office of Director, be and is hereby appointed as a Director of the company whose period of office shall be liable to determination by retirement of Directors by rotation.

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 & 310 read with Schedule XIII of the Companies Act, 1956 and subject to the approval of the Central Government and such other approvals, if any, as may be required, the Company hereby accords its approval for the appointment of Mr. Vishal Gohil, as Whole Time Director of the company for a period of 3 years i.e. from 30th October, 2012 to 29th October, 2015, on a remuneration of ₹ 3,00,000/- p.a. (₹ Three Lacs Only) as emoluments for his services."

BY ORDER OF THE BOARD

Sd/-
Siddhi Patil
Company Secretary

Place: Mumbai
Date: 14th August, 2013.

**NOTES:**

1. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and poll, to vote instead of himself such a proxy need not be a member of the company. Proxies in order to be valid and effective the instrument appointing proxy should however, be deposited at the registered office of the company not less than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Bodies Corporate, Societies etc. must be supported by certified copy of appropriate resolution /authority as applicable
2. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 24, 2013 to Friday, September 27, 2013 (both days inclusive) for the purpose of 29th Annual General Meeting (AGM) of the Members of the Company to be held on Friday, 27th September, 2013.
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act 1956 is annexed to the Notice.
4. If the members have any queries on the Audited Accounts, Directors' Report & Auditor's Report, the same should be forwarded to the Company in writing at its registered office at least 10 days before the meeting so that the same can be replied at the time of annual general meeting to the members' satisfaction.
5. Members/Proxies should bring the Attendance slip duly filled in for attending the Annual General Meeting.
6. The representative of a body corporate who is registered shareholder of the Company may attend and vote at the Annual General Meeting provided a certified true copy of the resolution of the Board of Directors or Governing body of such body corporate authorizing such person to act as its representative at the Annual General Meeting is lodged with the Company at its Registered Office not later than 48 hours before the commencement of the meeting.
7. Members having multiple folios in identical name(s) or joint name(s) in the same order are requested to write to the Registrar & Share Transfer Agent of the Company, M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078 enclosing the respective share certificates so as to enable the Company to consolidate their holding in one folio.
8. Members are requested to:
 - i. Intimate change in their Registered Addresses, if any, in respect of Equity Shares held in electronic form (Dematerialized form) to their Depository Participants.
 - ii. Intimate the Registrar & Share Transfer Agent M/s. Link Intime India Private Limited about any change in their Registered Addresses in respect of equity shares held in physical form.
 - iii. Quote the registered folio number / DP-ID and CL-ID in all future correspondence.
 - iv. Please bring their copies of Annual Report at the meeting.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5: The Board of Directors had appointed Mr. Ashokaditya Dhurandhar on February 13, 2013 pursuant to Section 260 of the Companies Act 1956. He is liable to retire by rotation and being eligible offers himself for re-appointment. A notice in writing has been received by the Company from a member along with necessary deposit, proposing his candidature for the office of Director, under Section 257 of the Companies Act, 1956.

None of the Directors of the Company may be deemed to be concerned in or interested in passing of the said resolution, except Mr. Ashokaditya Dhurandhar.

ITEM NO. 6 & 7: The Board of Directors had appointed Mr. Vishal Gohil on October 30, 2012 pursuant to Section 260 of the Companies Act 1956. He is liable to retire by rotation and being eligible offers himself for re-appointment. A notice in writing has been received by the Company from a member along with necessary deposit, proposing his candidature for the office of Director, under Section 257 of the Companies Act, 1956.



The Board of Directors of the Company at the meeting held on October 30, 2012 subject to the approval of the members unanimously approved the appointment of Mr. Vishal Gohil as Whole Time Director of the Company w.e.f October 30, 2012 to October 29th, 2015 for a period of three years.

Mr. Vishal Gohil is a Chartered Accountant from the Institute of Chartered Accountant of India. He is having rich experience in Finance & Taxation and currently he is heading the Finance team.

None of the Directors of the Company may be deemed to be concerned in or interested in passing of the said resolution, except Mr. Vishal Gohil.

BY ORDER OF THE BOARD

Sd/-
Siddhi Patil
Company Secretary

Place: Mumbai
Date: 14th August, 2013.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE TWENTY NINTH ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF LISTING AGREEMENT OF STOCK EXCHANGES:

Name of the Director	Age	Nature of expertise	Qualifications	Other Directorship	Membership in the committees of other Public Companies	Share holding
Mr. Damodar Hari Pai	76	Management, administration and Accounts	Graduate in Commerce	2	-	-
Mr. Ravikant Chaturvedi	33	Management administration	M.B.B.S.	-	-	-
Mr. Vishal Gohil	24	Management, Finance & Taxation	C.A., B.Com	-	-	-
Mr. Ashokaditya Dhurandhar	50	Geologist and Exploration Manager	M. Tech	-	-	-

**Green Initiative in Corporate Governance**

Dear Shareholder(s),

The Ministry of Corporate Affairs has through its Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 allowed paperless compliances by Companies through electronic mode. Companies are now allowed to send the various notices/documents through electronic mode to the shareholders whose e-mail addresses are registered and available in the Company's records.

Ministry of Corporate Affairs has introduced this green initiative in order to reduce the consumption of paper and hence contributing towards the green environment. It will also help in speedy communication of the documents and evade loss in postal transit.

In order to welcome this green initiative, we wish to send all the statutory documents like Balance Sheet, Profit & Loss Account, Directors Report, Auditors Report, Audited financial statements, Notices of General Meetings etc. to the shareholder's e-mail addresses which are available with the Company.

In order to contribute towards this initiative, the members are requested to register their e-mail address(es) and changes therein from time to time, by directly sending the relevant e-mail address alongwith details of name, address, Folio No., shares held:

- i) To the registrar and share transfer agent, for shares held in physical form and;

**Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400078**

- ii) In respect of shares held in demat form, since the Company seeks all the information of their members from the Depository so those who want to register their e mail-ids can directly provide the same to the respective Depository Participants where their demat accounts are maintained.

In case any Members insist for physical copies of above documents, the same shall be sent to him physically, by post free of cost. The members whose e-mail addresses are not available with the Company shall be sent the statutory documents through other modes as specified under Section 53 of the Companies Act, 1956.

The members are requested to please move a step towards this ultimate initiative of the Ministry and co-operate with the Company in the implementation of the same.



DIRECTOR'S REPORT TO THE MEMBERS

Your Directors present the 29th Annual Report on the business operations of the Company along with the Statement of Audited Accounts for the year ended March 31, 2013.

1. FINANCIAL RESULTS

Particulars	₹ In Lacs	
	31.03.2013	31.03.2012
Total Income	11051.66	11745.65
Profit Before Tax	5.20	147.19
Provision for Tax		
-Current Tax	1.72	42.00
-Deferred Tax	(0.55)	(0.20)
-Previous year adjustment	-	(0.74)
Profit after Tax	4.03	106.14

2. DIVIDEND

Your Directors are unable to recommend payment of dividend on equity share capital for the year ended 31st March, 2013.

3. TURNOVER & PROFITS

The Directors wish to inform you that, during the financial year ended March 31, 2013 the sales and other income stood at ₹ 11,051.66 Lacs to ₹ 11,745.65 Lacs. The Net profit after tax stood at ₹ 4.03 lacs as against ₹ 106.14 lacs in the previous year.

4. BOARD OF DIRECTORS

During the year under review, there have been changes in the Management of the Company as mentioned below:

Mr. Kumarpal Punamiya tendered his resignation as a Whole Time Director of the Company w.e.f. October 30, 2012. The Board places on records its sincere appreciation for the valuable services rendered by Mr. Kumarpal Punamiya during his Tenure.

Mr. Vishal Gohil was appointed as Additional Director designated as Whole Time Director on October 30, 2012 subject to approval of Members in the ensuing Annual General Meeting.

Mr. Ashokaditya Dhurandhar was appointed as Additional Director and holds office up to the ensuing Annual General Meeting. The resolution for his appointment as a Director is being moved at the ensuing Annual General Meeting.

Ms. Damodar Hari Pai retires by rotation as a Director at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Ms. Ravikant Chaturvedi retires by rotation as a Director at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

Pursuant to Clause 49 of the Listing Agreement, the detailed profiles of the Directors seeking appointment and re-appointment are provided in the Notice convening the Annual General Meeting.

5. Appointment of Company Secretary and Compliance Officer:

Mrs. Shweta Agrawal, resigned as Company Secretary & Compliance officer on February 13th 2013. As required under Section 383A of the Companies Act, 1956, read with the provisions of Stock Exchanges, Ms. Siddhi Patil, an Associate Member of the Institute of Company Secretaries of India, New Delhi was appointed as the Company Secretary and Compliance Officer of the Company on February 13th 2013.

6. EMPLOYEES

The Company has no employees in the category specified under Section 217(2A) of the Companies Act, 1956.

7. DEPOSITS FOR PUBLIC

The Company has not raised any deposits from public during the year under review.

8. LISTING

The shares of the Company are listed on the Bombay Stock Exchange Limited. The Company has paid the annual listing fees to the BSE for the year 2012-2013.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis for the year under review as required under Clause 49 of the Listing Agreement entered with Stock Exchange is given as a separate statement in the Annual Report.



10. Corporate Governance:

The Company has taken steps to comply with the mandatory provisions of Clause 49 of the Listing Agreement and a separate report on Corporate Governance is enclosed.

Further, due to change in the Management of the Company the following Committees were reconstituted viz. Audit Committee and Shareholders' Cum Investors' Grievance Committees.

Re-constitution of Audit Committee:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
Mr. Damodar Hari Pai	Member, Independent & Non Executive
*Mr. Hitesh Jain	Member, Whole time Director
**Mr. Kumarpal Punamiya	Member, Whole Time Director

Re-constitution of Shareholders' Cum Investors' Grievance Committee:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
Mr. Damodar Hari Pai	Member, Independent & Non Executive
*Mr.Hitesh Jain	Member, Whole Time Director
**Mr. Kumarpal Punamiya	Member, Whole Time Director

*Appointed as a Member of Audit Committee and Shareholders cum Investors Grievance Committee w.e.f. 30/10/2012.

**Ceased to be a Member of Audit Committee and Shareholders cum Investors Grievance Committee w.e.f. 30/10/2012.

11. Auditors:

M/s. DMKH & Co., Chartered Accountants, retire as the Auditors at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a certificate from the retiring auditors to the effect that their reappointment, if made, will be in accordance with the limits specified under Section 224(1B) of the Companies Act, 1956.

The Board has recommended their re-appointment.

Auditors Report: Auditors Report as issued by M/s. DMKH & Co., Chartered Accountants is self explanatory and need not call for any explanation by your Board.

12. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo:

Considering the nature of activities of the company, the information required to be disclosed pursuant to Section - 217(1)(e) of the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption do not apply to the Company. Hence, no comment is being made on energy conservation. There is no foreign technology involved/absorbed. During the year under review, the company has not earned or spent any foreign exchange.

13. Directors' Responsibility Statement:

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- (i) In the preparation of the annual accounts, all the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The Company has 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 as on 31st March 2013 and of the Profit & Loss Account of the company for the year ended on that date.
- (iii) The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) These Accounts have been prepared on a going concern basis.

14. Acknowledgements:

Your Directors greatly appreciate the co-operation and support of Shareholders and Employees for reposing their faith in us and motivating us to excel in all facets of our Business.

Sd/-

Hitesh M. Jain

Whole-Time- Director

Sd/-

Manish Shah

Managing Director

Place : Mumbai

Date: 14th August, 2013.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT****INDIAN ECONOMIC SCENARIO**

The Financial Year 2012 – 2013 turned out to be a tough year for the Indian economy, due to the impacts of the global economic slowdown. The Indian economy was affected because of eurozone debt crisis and also because of the slow growth in the US Economy. The government brought several reforms like FDI in retail, sugar decontrol, petrol and diesel price hikes and others, boosting the economic climate. Wholesale price inflation dived to below 5% in 2013 – 2014 from the high level of around 8% in 2012 – 2013. The government also targets to bring down fiscal deficit to 3% of GDP by 2016 – 2017 from 4.89% of GDP in 2012 – 2013.

SEGMENT INFORMATION**SEGMENT – BULLIONS & DIAMONDS****INDIAN GEMS AND JEWELLERY INDUSTRY**

India has the largest jewellery market globally. However, the country's jewellery market is highly fragmented in nature. In India, Jewellery consumption recorded a growth of 15% over the past decade, while the jewellery sector is expected to grow at a compound annual growth rate (CAGR) of around 16.26% during 2012 – 17 (Source: Ministry of Commerce & Industry Report, ICRA). The market size is estimated to reach 3,000 Billion by 2013 – 2014

Bullions Industry at a Glance:

India is the one of the World's largest Bullion market. Indian gems and jewellery industry is export oriented, as its one of the important component in India's growth story by driving the country's economic development through exports and by helping the economy to earn foreign exchange. Thus, the Bullions Industry is leading foreign exchange earner for the county. It is expected that, the India's Gems & Jewellery industry to touch more than US\$ 140 billion by 2015. Throughout the India, there are over 100,000 Jewellery Manufacturing units, about 6,000 diamond processing units, and 450,000 goldsmiths.

Over the years, the purchase of jewellery is evolving; apart from the traditional necessity, it has now become one of the most popular forms of investments in recent times. There is a continuous rise in discretionary expenditures of the people, indicating a robust demand.

Opportunities:

The Gems and Jewellery Export Promotion Council (GJEPC) is also looking at exploring new markets, such as Latin American countries. Worldwide there has been increased outsourcing of jewellery fabrication to low cost countries like India and China. There has been expansion possibilities in lifestyle and luxury products in India like watches, leather goods, platinum jewellery because of increasing disposable income of people. The Indian gems and jewellery industry is competitive in the world market due to its low cost of production and availability of skilled labor.

Threats:

The industry gets affected mainly due to increase in fiscal deficit government is tightening import policies and change in government's support and incentives. The industry also driven due to foreign exchange fluctuations, as increasing the rate dollar against rupee. Due to which, there is unpredictability in the prices of gold and diamond. Again, the Infrastructure bottlenecks, absence of latest technology in India. Region-wise demand for gold and diamond Gold demand is mainly concentrated in southern and western India, while Diamond demand prevails in the northern and western parts of the country. The difference in consumption is due to traditional and cultural diversity across regions.

Geographical Concentration for Gold in India in 2011 – 2012 (%)

Product	North	East	West	South
Gold	23	13	28	36

(Source: JM Financial Report, 2013)

Financial and Operating performances:

Your Company's revenues from Bullions and Diamonds Segment for the financial year 2012-13 is ₹ 110,47,47,141/- as compared to previous corresponding years ₹ 1,07,38,56,985/-.

B. OUTLOOK

Sustainability comes with a long term vision and focus. Involvement in diverse activities across several industries enables the company to tap opportunity to diversify business, reduce risk and increase revenues. The Company continues to explore the possibilities of expansion in its activities and accordingly company plan to enter into refining of Gold Dore Bar, Gold Bar & other gold product.



The company is confident about its prospect in the forthcoming year, and is looking forward to garner larger share in Gems & Jewellery segment and expect to earn increasingly stable return for its shareholders.

C. RISKS AND CONCERNS

The bullions business has its own typical risks and the company takes full cognizance of the fact that these risks can have a serious impact on the operation of the company as well as its profitability. In order to ensure that the impact of risks is minimal, the company lays utmost importance on scanning the external environment regularly.

D. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has proper and adequate internal control systems to ensure that all the assets are safeguarded and that all transactions are authorized recorded and reported correctly. Internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that the systems are adequate. The Audit committee of the company oversees the internal audit function and the internal control systems and procedure to ensure the efficient conduct of business. The company maintains adequate internal control systems, which is designed to provide assurance regarding effectiveness and efficiency of operations, the adequacy of safeguards of assets, reliability of financials controls and compliance with applicable laws and regulations.

E. CAUTIONARY STATEMENT

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the company. The company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

F. HUMAN RESOURCE DEVELOPMENT

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.



CORPORATE GEVERNANCE REPORT

1. Company's philosophy on code of governance:

The Company believes that while its primary responsibility is to generate sustainable returns for all its stakeholders, it must also make a harmonious contribution to the socio-economic environment in which it operates. Toward these ends, the Company strives to follow two guiding principles.

- i. The Company must not compromise on certain core values like Integrity, Statutory Compliance and Fairness in all of its internal or external dealings, transactions, financial statements or corporate announcements.
- ii. The Company must always remain sensitive to the long-term societal implications of its businesses.

2. Board of Directors:

As on March 31, 2013 the Board of Directors of the Company comprises of Seven Directors including the One Managing Director, Two Whole Time Directors and Four Non-Executive & Independent Directors.

The composition of the Company's Board of Directors is in conformity with the listing agreement. The Company does not have any nominee director on its Board. All directors of the Company are liable to retire by rotation as per the provisions of the Companies Act, 1956.

The composition of the Board of Directors and other relevant details relating to them are given hereunder:

Sr. No.	Name of Directors	Category	No. of other Directorships ##	No. of Members of other Board Comm.	No. of other Committees Chairmanships
1.	Mr. Manish N. Shah	Managing Director	1	-	-
2.	Mr. Hitesh Jain	Whole Time Director	-	-	-
3.	^Mr. Kumarpal Punamiya	Whole Time Director	10	-	-
4.	*Mr. Vishal Gohil	Whole Time Director	-	-	-
5.	Mr. Damodar Hari Pai	Non Executive & Independent	2	-	-
6.	Ms. Manisha Anand	Non Executive & Independent	-	-	-
7.	Mr. Ravikant Chaturvedi	Non Executive & Independent	-	-	-
8.	@Mr. Ashokaditya Dhurandhar	Non Executive & Independent	-	-	-

*Appointed as Whole Time Director w.e.f. 30.10.2012.

^Resigned from Directorship w.e.f.30.10.2012

@Appointed as a additional Director of the Company at the Board Meeting held on 13.03.2013.

##Including Directorship in Private Limited Company.

**Board Meetings and Attendance of Directors**

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.

There were Six (6) Board Meetings during the year ended 31st March, 2013 i.e. on 12th April, 2012, 30th May, 2012, 20th June, 2012, 8th August, 2012, 30th October, 2012, 13th February, 2013. The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2012-13 and the last AGM:

Name of the Directors	Number of Board Meetings held during the year	Number of Board Meetings attended	Whether attended last AGM
Mr. Manish N. Shah	6	2	Yes
^Mr. Kumarpal J. Punamiya	6	5	Yes
*Mr. Hitesh Jain	6	4	Yes
**Mr. Vishal Gohil	6	2	No
Ms. Manisha Anand	6	5	Yes
Mr. Ravi Kant Chaturvedi	6	-	No
@Mr. Ashokaditya Dhurandhar	6	1	No
Mr. Damodar Hari Pai	6	1	Yes

^ Resigned from Directorship w.e.f. 30.10.2012

* Appointed as Whole Time Director w.e.f 20.06.2012

**Appointed as Whole Time Director w.e.f 30.10.2012

@ Appointed as a Additional Director at the Board Meeting held on 13.02.2013.

3. AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective control environment. The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the Listing Agreement with the Stock Exchange and Section 292A of the Companies Act, 1956 and inter alia includes:-

Terms of references of Audit Committee:

- To ensure transparency, integrity, correctness, statutory compliance, and credibility of all financial statements or announcements before their submissions to the Board.
- To hold periodic discussions with statutory auditors on the scope and content of audit and to recommend the appointment, removal and remuneration of auditors.
- To review with management the adequacy of Company's internal control systems and the action taken on auditors' reports.
- To apprise the Board on the impact of accounting policies, standards and legislation.
- To examine and report on the Company's financial and risk management policies and major defaults if any.

Scope of the Audit Committee:

- Provide an open avenue of communication between the independent auditor and the Board of Directors ("BoD").
- Recommending the appointment, re-appointment and if required the replacement or removal of statutory auditors, fixation of audit fees and also to approve the payment for other services.



- iii. Meet Four times a year or more frequently as circumstances require. The Audit Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.
- iv. Confirm and assure the independence of the external auditor.
- v. Review with independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
- vi. Consider and review with the independent auditor the adequacy of internal controls including the computerized information system controls and security;
- vii. Reviewing with the management the Quarterly financial statements before submission to the Board for approval.
- viii. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - a. Any changes in the accounting policies and practices
 - b. The going concern assumption.
 - c. Compliance with accounting standards
 - d. Compliance with listing and other legal requirements concerning financial statement
 - e. Significant adjustment arising out of audit
 - f. Disclosure of any related party transactions.
 - g. Qualification in the draft audit report
- ix. Consider and review with the management and the independent auditor;
 - a. Significant findings during the year, including the status of previous audit recommendations.
 - b. Any difficulties encountered in the course of audit work including any restrictions on the scope of activities or access to required information.
- x. Review of the following information:
 - a. Management discussion and analysis of the financial conditions and results of operations;
 - b. Statement of significant related party transactions submitted by the management;
 - c. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- xi. To look into the reasons for substantial default in the payment to the depositors, debentures holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- xii. Carrying out any other function as is mentioned in the terms of reference of Audit Committee.

Composition of the Audit Committee

The Terms of Reference of the Audit Committee are in accordance with the guidelines set out in the listing agreement with the Stock Exchange. The statutory auditors are invited to the Audit Committee Meetings whenever required. The quorum for the Audit Committee Meeting is two members.

The composition of the reconstituted Audit Committee as on date of this report is as follows:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
Mr. Damodar Hari Pai	Member, Independent & Non Executive
*Mr. Hitesh Jain	Member, Whole Time Director
**Mr. Kumarpal Punamiya	Member, Whole Time Director

*Appointed as a Member of Audit Committee w.e.f. 30/10/2012.

**Ceased to be a Member of Audit Committee w.e.f. 30/10/2012



Audit Committee Meetings & Attendance during the financial year ended 31st March, 2013

During the financial year ended 31st March, 2013, Four Audit Committee Meetings were held on May 30, 2012, August 08, 2012, October 30, 2012 & February 13, 2013. The table hereunder gives the attendance record of the Audit Committee members.

Name of the Audit Committee Members	No. of meetings held	No. of meetings attended
Ms. Manisha Anand	4	4
Mr. Damodar Hari Pai	4	1
*Mr. Kumarpal J. Punamiya	4	3
@Mr. Hitesh Jain	4	2

* Ceased to be member of the Audit Committee w.e.f. 30.10.2012

@Appointed as a member of the Audit Committee w.e.f. 30.10.2012

The Management is responsible for the Company’s internal controls and the financial reporting process. The independent auditors are responsible for performing an independent audit of the Company’s financial statements in accordance with the applicable accounting standards and for issuing a report thereon. The Committee’s responsibility is to monitor these processes. The Committee is also responsible to oversee the processes related to the financial reporting and information dissemination, in order to ensure that the financial statements are true, correct, sufficient and credible.

4. REMUNERATION OF DIRECTORS

Scope of Remuneration Committee:

To Determine on behalf of the Board and shareholders with agreed terms of reference, the Company’s policy on specific remuneration packages for Executive Directors including pension rights and any compensation payments. To Consider and recommend to Board commission/ other remuneration package for the Non-Executive Chairman of the Company and such other matters concerning remuneration as may be referred by the Board from time to time.

Composition:

The Composition of the reconstituted Remuneration Committee as on date of this report is as follows:

Mr. Ashokaditya Dhurandhar	Chairman, Independent & Non Executive
Ms. Manisha Anand	Member, Independent & Non Executive
Mr. Manish Shah	Member, Managing Director

The details of remuneration paid to the Directors during the Financial Year 2012-13 are given below:

Name of the Director	Salary	Sitting Fees Paid (Rs.)		No. of shares held as on 31st March, 2013
		Board Meeting	Audit Committee	
Mr. Hitesh Jain	1,40,000	Nil	Nil	Nil
Mr. Manish N. Shah	2,40,000	Nil	Nil	Nil
Mr. Kumarpal J. Punamiya	1,40,000	Nil	Nil	Nil



Mr. Damodar Hari Pai	N.A.	6,000	Nil	Nil
Ms. Manisha Anand	N.A.	8,000	Nil	Nil
Mr. Ravi Kant Chaturvedi	N.A.	Nil	Nil	Nil
Mr Vishal Gohil	1,50,000	Nil	Nil	Nil
Mr. Ashokaditya Prakash Dhurandhar	Nil	Nil	Nil	Nil

Apart from the sitting fees that are paid to the non-executive directors for attending the board meetings, no other fees / commission were paid during the year. No significant material transactions have been made with the Non-Executive Directors vis-à-vis the Company.

5. SHAREHOLDER'S CUM INVESTORS GRIEVANCE COMMITTEE

The Committee oversees the performance of the Registrars and Transfer Agents of the Company and recommends for overall improvement in the quality of investor services. The Shareholder's Cum Investors Grievance Committee was headed by Mr. Ashokaditya Dhurandar.

The composition of the reconstituted Shareholders' Cum Investors Grievance Committee is as under:

Ms. Manisha Anand	Chairperson, Independent & Non Executive
*Mr. Hitesh Jain	Member, Whole Time Director
Mr. Damodar Hari Pai	Member, Independent & Non-Executive
**Mr. Kumarpal Punamiya	Member, Whole Time Director

*Appointed as a Member of Audit Committee w.e.f. 30/10/2012.

**Ceased to be a Member of Audit Committee w.e.f. 30/10/2012.

Meetings and Attendance:

Four Shareholders/Investors Grievance Committee Meetings were held during the year ended March 31, 2013. All the members of the Committee were present in all the Meetings held during the year.

The Committee expresses satisfaction with the Company's performance in dealing with investors' grievance and its share transfer system.

Status of number of shareholders' complaints received, pending & redressed is as under:

(i) No. of Shareholder's complaints received	2
(ii) No. of complaints not redressed and pending as on date	Nil
(iii) No. of share transfers pending for more than a fortnight	Nil

6. GENERAL BODY MEETING

Location and time where last three Annual General Meetings were held are given below:

Financial Year	Date	Location of the Meeting	Time
2009-2010	29/10/2010	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	11.00 A.M.
2010-2011	29/09/2011	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	3.00 P.M.
2012-2013	07/08/2012	Conference Hall, 18 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	11.00 A.M.

**7. DISCLOSURES**

The Company has been complying with all statutory requirements in compliance with SEBI, BSE or any regulatory or statutory body on any matter. However, proper explanation has been provided to concern authorities wherever required wherein.

Related Party Transactions:

Your Company places all the aforesaid details before the Audit Committee periodically. A comprehensive list of related party transactions as required by the Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of the Note No. 26 of financial statements. However, these transactions are not likely to have any conflict with the interests of the Company at large.

8. MEANS OF COMMUNICATION

- i. The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the listing agreement. Generally, the same are published in *Business Standard (English language)* and *Mumbai Lakshadweep (Marathi language)* in Mumbai. As the results of the Company are published in the newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as the proceedings of the Annual General Meeting are submitted to the Bombay Stock Exchange Limited, immediately after the conclusion of the respective meeting.
- ii. No presentations were made to the institutional investors or to analysts during the year under review.
- iii. The Management Discussion and Analysis Report form a part of this Annual Report.
- iv. Financial Calendar (tentative and subject to change)

Financial reporting for quarter ended	
June 30, 2013	by August 14, 2013
September 2013	by November 15, 2013
December 2013	by February 15, 2014
March 2014	by May 30, 2014
Annual General Meeting for the year ended 31st March 2013 – on or before September 30, 2013	

9. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS**(I) Management Discussion And Analysis**

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters specified under clause 49(IV) (F) of the Listing Agreement.

(II) Secretarial Audit For Reconciliation Of Capital

A qualified Practicing Company Secretary has carried out secretarial audit for every quarter to reconcile the total admitted capital with both the depositories; viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialised shares held with NSDL and CDSL. The Company had submitted the secretarial audit report to BSE and NSE within 30 days from the end of each quarter in accordance with the SEBI requirements

**(III) Certificate on Corporate Governance:**

As required by Clause 49 of the Listing Agreement, a certificate from the Statutory Auditors regarding compliance with all the conditions of Corporate Governance norms is given as an annexure to this Report.

(IV) CEO Declaration:

As required by Clause 49 of the Listing Agreement, declaration by Managing Director on compliance of the Company's code of conduct is provided as an Annexure to Report.

10. GENERAL SHAREHOLDER INFORMATION

i.	Date and time of Annual General Meeting of Shareholders	Friday, 27 th September, 2013 at 10.00 a.m.
ii.	Dates of book closures	Tuesday, September 24, 2013 to Friday September 27, 2013 (both days inclusive)
iii.	Venue of AGM	62, 6 th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai: 400 021
iv.	Listing on stock exchanges	The Equity Shares of the Company are listed on Bombay Stock Exchange Limited. There is no default in payment of Annual Listing Fees as prescribed.
v.	Stock Exchange Code	512047 (Bombay Stock Exchange Limited)
vi.	Financial year	April to March
vii.	Dividend payment date	N.A.

Share Transfer System:

All share transfer, dematerialization and related work is managed by a common agency, Link Intime India Private Limited, Bhandup (W), Mumbai-78. Shareholders are requested to send all share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. to the registrar and transfer agents.

Market Price Data (Monthly High/Low on BSE):

Month	High (₹)	Low (₹)	No. of Shares	No. of Trades
April 2012	76.45	57	2,39,731	680
May 2012	78	61.1	95,172	554
June 2012	81	64.5	2,59,339	618
July 2012	89.9	70.05	7,90,248	894
August 2012	80	58.15	4,30,867	512
September 2012	103.95	68.1	7,33,227	2,038
October 2012	124	84.3	12,57,535	3,297
November 2012	128	107	16,50,473	2,656
December 2012	130	110.15	19,62,294	2,722
January 2013	137	115	11,08,443	1,757
February 2013	130	99.85	12,07,520	1,637
March 2013	103.9	24.5	1,34,969	195

Comparative Performance: No meaningful comparison is possible with any index.


(I) CATEGORY-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013

CATEGORY	SHAREHOLDERS		SHARES	
	Number	% to total Shareholders	Number	% to total Capital
PROMOTERS HOLDING				
Indian Promoters	7	0.83	1,06,09,251	45.96
Total of promoter holding	7	0.83	1,06,09,251	45.96
NON-PROMOTER HOLDING				
<u>Institutional Investors</u>	-	-	600	-
Banks	-	-	10,000	0.04
FII's				
<u>Others</u>	84	9.93	34,32,340	14.87
Corporate Bodies	736	87.00	70,44,446	30.52
Indian Public	2	0.24	1,400	0.01
NRIs / OCBs	17	2.00	2,32,131	1.005
Clearing Member				
Total of non-promoter holding	839	99.17	79,93,155	34.63
Grand Total	846	100.00	2,30,80,000	100.00

(II) SLAB-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2013

NOMINAL VALUE OF RS.	SHAREHOLDERS NUMBER	% OF TOTAL	NO. OF SHARES (Rs.10 each)	% TO EQUITY
1 - 5000	460	54.37	58161	0.25
5001 - 10000	59	6.97	48528	0.21
10001 - 20000	35	4.14	53968	0.23
20,001 - 30,000	18	2.13	47978	0.21
30,001 - 40,000	14	1.65	51984	0.23
40,001 - 50,000	25	2.95	121004	0.52
50,001 - 1,00,000	55	6.50	532517	1.87
1,00,001 & Above	180	21.28	22265860	96.47
TOTALS	846	100.000	23,08,00,000	100.000

**11. DEMATERIALIZATION OF SHARES**

The Company's shares are available for trading in dematerialized form under both the Depository Systems – NSDL and CDSL. Connectivity with both NSDL and CDSL is provided by Link Intime India Pvt. Ltd., Mumbai – 400 078 under tripartite agreements. The distribution of dematerialized and physical shares as on March 31, 2013 was as follows:

Sr. No.	Particulars	No. of shares	%
1.	Dematerialized Shares		
	NSDL	1, 79,24,525	77.66
	CDSL	49,01,455	21.24
2.	Physical Shares	2,54,020	01.10
	Total	2,30,80,000	100.00

Outstanding GDR/ADR/Warrants/Convertible instruments etc:

There are no outstanding securities as at 31st March 2013.

12. PLANT LOCATION

The Company does not have any Plant.

13. INVESTORS CORRESPONDENCE:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400078
Tel No: (022) 25963838
Fax No: (022) 2594 6969
Email-id: rnt.helpdesk@linkintime.co.in

**CERTIFICATE ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 I (D) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the current year.

For ROYAL INDIA CORPORATION LIMITED

Sd/-

Whole Time Director

Place: Mumbai

Date: 14th August, 2013.

CERTIFICATE FROM THE AUDITORS OF THE COMPANY**Auditors' Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement**

To,

The Members of Royal India Corporation Limited.

We have examined the compliance of conditions of Corporate Governance by Royal India Corporation Limited (the Company) for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.

- The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
- We state that in respect of investor grievances received during the year ended March 31, 2013, no investor grievances are pending against the Company as on August 14, 2013 as per the records maintained by the Company and presented to the Shareholder's/Investors' Grievance Committee.
- 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 DMKH & Co.

Chartered Accountants

Firm Reg. No. - 116886W

Sd/-

CA Omprakash Somani

Partner

M. No. 123830

Place: Mumbai.

Date: 14th August, 2013.

**AUDITOR'S REPORT**

To,
The Members of **ROYAL INDIA CORPORATION LIMITED**

1. We have audited the attached Balance Sheet of **ROYAL INDIA CORPORATION LIMITED** as at 31st March 2013 and also the statement of Profit & Loss Account and the Cash Flow Statement 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.
2. We 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 misstatements. 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.

In Accordance with the provisions of Section 227 of the Companies Act, 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of 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 above, we report that:
 - I. 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.

- II. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of these books.
- III. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- IV. In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
- V. On the basis of the information and explanations given to us, and on the basis of written representations received from the Directors and taken on record, none of the directors of the company is 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.
- VI. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - i) In the case of the Balance sheet, of the state of affairs of the Company as at 31st March 2013.
 - ii) In the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on that date; and
 - iii) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For DMKH & Co.
Chartered Accountants
Firm Reg. No. - 116886W

Sd/-
CA Omprakash Somani
Partner
M. No. 123830
Place : Mumbai.
Date : 29th May 2013

**ANNEXURE REFER TO IN PARAGRAPH 1 OF OUR REPORT
TO THE MEMBERS OF ROYAL INDIA CORPORATION LIMITED**

1. (a) The Company has maintained proper records showing full Particulars, including quantitative details and situation of fixed Assets on the basis of information available.
(b) As explained to us, all the fixed assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such physical verification.
(c) In our opinion and according to information and explanation given to us no substantial part of fixed asset has been disposed off by the company during the year and the going concern status of the company is not affected.
2. (a) As explained to us, the inventory of the company has been physically verified by the management In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to information and explanation given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the company and the nature of its business.
(c) In our opinion, the company is maintaining proper records of inventory. As per the information and explanations provided to us and having regard to the size of the company, no material discrepancies have been noticed on physical verification of inventory as compared to book records.
3. (a) The Company has not granted any loans to party covered in register maintained under section 301 of the Companies Act, 1956, hence Para (b) to (d) of the clause 4 (iii) of the order is not applicable to the company.
(b) The Company has not taken loans from party covered in the register maintained under Section 301 of the Companies Act, 1956, hence Para (f) to (g) of the clause 4 (iii) of the order is not applicable to 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 with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
5. (a) In respect of transactions covered under section 301 of the Companies Act, 1956. In our opinion and according to the information given to us, there are no such transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956, hence Para (b) of the clause 4 (v) of the order is not applicable to the company.
6. The Company has not accepted any deposits during the year and consequently the provision of section 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
7. In our opinion, the Company has an Internal Audit System commensurate with the size and nature of the business.
8. We have been informed that the maintenance of cost records has not been prescribed by the central government under section 209(1) (d) of the Companies Act, 1956.
9. (a) According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax, customs duty, excise duty, service tax, cess and other material statutory dues applicable.
(b) According to the information and explanation given to us no undisputed statutory dues including income tax, sales tax, wealth tax, customs duty, excise duty, service tax, cess and other material statutory dues applicable were in arrears as at 31.03.2013 for a period of more than six months from the date they became payable.



(c) According to the information and explanation given to us, there are no dues of income tax, sales tax, customs duty, wealth tax, service

tax, excise duty and cess which has been deposited on account of any dispute except the below :

Name of the Statute	Nature of the Dues	Amount Disputed ₹	Year to which amount related	Forum which Dispute is pending
Income Tax Act, 1961	Income Tax and Interest thereon (Substantive Addition)	9,77,02,258/-	A. Y. 2010-11	Commissioner of Income Tax (Appeal)
Bombay Stamp Act, 1958	Stamp Duty	30,75,492/-	F.Y. 2010-11	Dy. Superintendent of Stamps

10. The Company does not have any accumulated losses at the end of the year. The company has not incurred any cash losses for the year under review and immediately preceding such current year.
11. According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to Financial Institution or Banks.
12. We are informed that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and the securities. Accordingly the provisions of the clause 4 (xii) of the order are not applicable to the company.
13. The Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly the provisions of the clause 4 (xiii) of the order are not applicable to the company.
14. In our opinion, the company has maintained proper records of the transactions and contracts of the investments dealt in by the company and timely entries have been made therein. The investments made by the company are held in its own name.
15. According to the information and explanation given to us the company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanation given and based on the documents and records produced, on an overall basis, the company does not have any term loans for the given period, Accordingly the provisions of the clause 4 (xvi) of the order are not applicable to the company.

17. According to the information and explanations provided to us and an overall examination of the balance sheet and the cash flow statement of the Company, in our opinion no funds raised on short term have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of the clause 4 (xviii) of the order are not applicable to the company.
19. According to the information and explanations provided to us, during the year the Company has not issued any Debentures. Accordingly the provisions of the clause 4 (xix) of the order are not applicable to the company.
20. According to the information and explanations provided to us, during the year the Company has not raised any money by way of public issues. Accordingly the provisions of the clause 4 (xx) of the order are not applicable to the company.
21. Based upon the Audit procedures performed and information and explanation given to us, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For DMKH & Co.
Chartered Accountants
Firm Reg. No. - 116886W

Sd/-
CA Omprakash Somani
Partner
M. No. 123830
Place : Mumbai.
Date : 29th May 2013

**BALANCE SHEET**As at 31st March, 2013

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
I. EQUITY AND LIABILITIES		₹	₹
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	3	23,08,00,000	23,08,00,000
(b) Reserves and Surplus	4	13,58,90,995	13,54,88,023
(2) Share Application money pending allotment		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	5	18,00,000	18,00,000
(b) Deferred Tax Liabilities (Net)		46,241	101,108
(c) Long Term Provisions	6	57,21,852	-
<u>(4) Current Liabilities</u>			
(a) Trade Payables	7	55,04,46,720	21,56,18,435
(b) Other Current Liabilities	8	6,47,658	6,76,602
(c) Short-Term Provisions	9	-	57,21,852
Total Equity & Liabilities		92,53,53,466	59,02,06,020
II. ASSETS		₹	₹
<u>(1) Non-Current Assets</u>			
(a) Fixed Assets	10		
Tangible Assets		16,35,101	20,48,282
(b) Non-current investments		-	-
(c) Long term loans and advances	11	3,01,84,520	13,32,02,227
(d) Other non-current assets	12	1,21,470	6,39,137
<u>(2) Current Assets</u>			
(a) Inventories	13	8,61,11,580	8,42,90,000
(b) Trade receivables	14	80,59,73,907	36,97,69,528
(c) Cash and cash equivalents	15	10,68,055	2,56,921
(d) Other current Assets	16	2,58,833	-
Total Assets		92,53,53,466	59,02,06,020
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		

The accompanying notes are an integral part of the financial statements.

For DMKH & Co.

Chartered Accountants
Firm Reg. No. 116886W

Sd/-

CA Ompraksah Somani

Partner

Membership No. 123830

29th May 2013, Mumbai.

For and on behalf of Board of Directors

Sd/-

Manish Shah

Managing Director

Sd/-

Hitesh Jain

Whole-time-Director

Sd/-

Siddhi Patil

Company Secretary

**STATEMENT OF PROFIT AND LOSS**For the year ended 31st March, 2013

Sr. No.	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
			₹	₹
I	Revenue from operations	17	1,10,47,47,141	1,07,38,56,985
II	Other Income	18	4,18,366	10,07,08,242
III	Total Revenue (I +II)		1,10,51,65,507	1,17,45,65,227
IV	Expenses:			
	Purchases	19	1,10,20,58,031	1,23,14,49,930
	Changes in inventories of Stock-in-Trade	20	(18,21,580)	(8,00,99,000)
	Employee Benefit Expense	21	15,32,540	8,50,800
	Financial Costs	22	57,493	15,830
	Depreciation and Amortization Expense	10	4,13,181	4,14,288
	Other Administrative Expenses	23	24,05,672	72,85,451
	Total Expenses (IV)		1,10,46,45,337	1,15,99,17,299
V	Profit before exceptional and extraordinary items and tax	(III - IV)	5,20,170	1,46,47,928
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		5,20,170	1,46,47,928
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		5,20,170	1,46,47,928
X	Tax expense:			
	(1) Current tax		1,72,065	42,00,000
	(2) Deferred tax		(54,867)	(20,861)
	(3) Previous Years Adjustments		-	(74,123)
XI	Profit from the period	(IX-X)	4,02,972	1,05,42,912
XII	Basic and Diluted Earning Per Share		0.02	0.46
	CORPORATE INFORMATION	1		
	SIGNIFICANT ACCOUNTING POLICIES	2		

*The accompanying notes are an integral part of the financial statements.***For DMKH & Co.**Chartered Accountants
Firm Reg. No. 116886W

Sd/-

CA Omprakash Somani

Partner

Membership No. 123830

29th May 2013, Mumbai.**For and on behalf of Board of Directors**

Sd/-

Manish Shah

Managing Director

Sd/-

Hitesh Jain

Whole-time-Director

Sd/-

Siddhi Patil

Company Secretary

**CASH FLOW STATEMENT**For the year ended 31st March, 2013

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
	₹	₹
A. Cash Flow from Operating Activities		
Net profit before Tax as per Profit & Loss Account	5,20,170	1,46,47,928
Adjusted for:		
Interest received	(4,18,366)	(6,91,187)
Depreciation	4,13,181	4,14,288
(Profit) on Sale of Investment	-	(10,00,00,000)
Share Issue Expenses written off	2,58,834	2,62,627
Operating Profit before Working Capital Changes	7,73,819	(8,53,66,344)
Adjusted for:		
(Increase) in Stock in trade	(18,21,580)	(8,00,99,000)
(Increase)/ Decrease Trade and Other receivables	(43,62,04,379)	(14,84,25,161)
(Increase)/ Decrease Trade Payables	33,48,28,185	20,62,05,068
Provisions	(28,844)	(1,82,277)
	(10,32,26,618)	(2,25,01,370)
Less: Taxes Paid	(1,72,065)	-
Cash Flow from Operating Activities (A)	(10,26,24,864)	(10,78,67,714)
B. Cash Flow from Investing Activities		
Sale of Investment	-	10,50,00,000
Net Cash from Investing Activities (B)	-	10,50,00,000
C. Cash Flow from Financing Activities		
Interest Received	4,18,366	6,91,187
Repayment of Long term Loans and Advances	10,30,17,632	-
Net Cash used in Financing Activities (C)	10,34,35,998	6,91,187
Opening Balance of Cash and Cash Equivalents	2,56,921	24,33,449
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	8,11,134	(21,76,527)
Closing Balance of Cash and Cash Equivalents	10,68,055	2,56,921

For DMKH & Co.
Chartered Accountants
Firm Reg. No. 116886W

Sd/-
CA Omprakash Somani
Partner
Membership No. 123830
29th May 2013, Mumbai.

For and on behalf of Board of Directors

Sd/-
Manish Shah
Managing Director

Sd/-
Hitesh Jain
Whole-time-Director

Sd/-
Siddhi Patil
Company Secretary



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

1. CORPORATE INFORMATION

Royal India Corporation Limited is engaged in the business of Trading in Gold Jewellery, Gold Bar and Diamond.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting and preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

2.4 Cash and Cash Equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand, Cash at bank and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition),

highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.6 Depreciation and Amortization

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

Vehicles - 4 years

Computers and data processing equipments - 4 years

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalization

2.7 Revenue Recognition

All incomes and expenditure are recognised as per 'Accounting Standard-9' accounted on accrual basis except where stated otherwise.

Dividends on investments are accounted for when the right to receive the dividend is established.

2.8 Fixed Assets

Fixed assets are stated at cost of acquisition or construction. All cost relating to the acquisition and installation of fixed assets are capitalized and includes borrowing cost directly attributable to company.

2.9 Employee Benefits

I. P.F and E.S.I.C Scheme is not applicable to the company.

II. Gratuity is accounted as and when it becomes due.

2.10 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/ assets/ liabilities".

2.11 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Costs of investments include acquisition charges such as brokerage, fees and duties.

2.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account.

2.13 Taxes on Income

Current Tax is determined as the tax payable in respect of taxable income for the year, if any. Deferred tax for the year is recognised on timing difference; 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. Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognized and

Carried forward only if there is a reasonable/virtual certainty of realisation.

Current and deferred taxes relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

2.14 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the 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. Contingent liabilities are disclosed in the Notes.

2.15 Derivative Contracts

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing stock in trade and highly probable transactions.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

2.16 Share Issues Expenses/ Miscellaneous Expenditure

The share issue expenses are carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013		As on 31.03.2012	
		₹		₹	
NOTE : 3 SHARE CAPITAL					
1)	Authorised Capital				
	2,40,00,000 Equity Shares of Rs. 10/- each.		24,00,00,000		24,00,00,000
			24,00,00,000		24,00,00,000
2)	Issued, Subscribed & Paid up Capital				
	2,30,80,000 Equity Shares of Rs.10/- each fully paid		23,08,00,000		23,08,00,000
	Total in ₹		23,08,00,000		23,08,00,000
3)	Details of the Shareholder holding more than 5% Shares				
	Name of the Shareholder	As on 31.03.2013		As on 31.03.2012	
		Nos.	%	Nos.	%
	I. Manoj Punamiya	42,35,067	18.34%	45,10,000	19.54%
	II. Lata M. Jain	29,39,339	12.74%	29,39,339	12.74%
	III. Hillview Impes Private Limited	15,24,845	6.61%	18,04,245	7.82%
	IV. Shri Baiju Trading & Investment Private Limited	19,10,000	8.28%	19,10,000	8.28%
NOTE : 4 RESERVE AND SURPLUS					
1	Capital Reserve	(A)	30,00,000		30,00,000
2	Securities Premium reserve	(B)	11,05,30,000		11,05,30,000
3	Surplus (Profit & Loss Account)				
	Balance brought forward from previous year		2,19,58,023		1,14,15,111
	Add: Profit for the year		4,02,972		1,05,42,912
	Total	(C)	2,23,60,995		2,19,58,023
	Total in ₹	(A+B+C)	13,58,90,995		13,54,88,023
NOTE : 5 LONG TERM BORROWINGS					
1	Unsecured Inter-corporate Deposits		18,00,000		18,00,000
	Total in ₹		18,00,000		18,00,000
NOTE : 6 LONG TERM PROVISIONS					
Provision					
	Provision for Income Tax		57,21,852		-
	Total in ₹		57,21,852		-
NOTE : 7 TRADE PAYABLE					
Sundry Creditors for Material/Supplies:					
1	Sundry Creditors for Material		54,87,92,214		21,39,77,155
2	Sundry Creditors for Services		16,54,506		16,41,280
	Total in ₹		55,04,46,720		21,56,18,435


NOTES TO FINANCIAL STATEMENT

 For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013	As on 31.03.2012
		₹	₹
NOTE : 8 OTHER CURRENT LIABILITIES			
1	Salary Payable	63,232	63,827
2	Bombay Stock Exchange	2,90,043	2,90,043
3	GVAT Payable	-	703
4	Profession Tax Payable	7,500	3,400
5	TDS Payable	12,346	43,556
6	Other	2,74,537	2,75,073
	Total in ₹	6,47,758	6,76,602

NOTE : 9 SHORT TERM PROVISIONS
1) Provision

Provision for Income Tax	-	57,21,852
Total in ₹	-	57,21,852

NOTE : 10 FIXED ASSET

Sr. No.	Particulars	Rate	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
	<u>Tangible Assets</u>											
1	Plant and Equipment	16.21%	64,840	-	-	64,840	55,437	9,403	-	64,840	-	9,403
2	Vehicles	9.50%	42,50,288	-	-	42,50,288	22,11,409	4,03,777	-	26,15,187	16,35,101	20,38,879
	TOTAL		43,15,128	-	-	43,15,128	22,66,846	4,13,180	-	26,80,027	16,35,101	20,48,282
	(Previous Year)		43,15,128	-	-	43,15,128	18,52,558	4,14,288	-	22,66,846	20,48,282	24,62,570

NOTE : 11 LONG TERM LOANS AND ADVANCES
I) Capital Assets

- -

II) Security Deposit (Unsecured, Consider Good)

Deposits for GVAT	2,00,000	2,00,000
Deposits for MVAT	25,000	25,000
BSE Base Capital Adequacy Funds	5,00,000	5,00,000
BSE Broker Contingency Funds	2,50,000	2,50,000
BSE Initial Margin Money	10,000	10,000
BSE Membership Security Deposits	5,00,000	5,00,000
BSE Trade Guarantee Funds	10,00,000	10,00,000
BSE Deposit	1,00,00,000	1,00,00,000
Rent deposit	1,00,000	-
	1,25,85,000	1,22,85,000



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013	As on 31.03.2012
		₹	₹
III)	Loans & Advances for Property (Unsecured, Consider Good)	-	10,94,20,000
		-	10,94,20,000
IV)	Advance Income Tax (Unsecured, Considered good)		
	Self Assessment Tax	42,13,354	10,35,547
	TDS Receivable	10,23,807	10,23,807
	Income tax Refundable	10,17,269	9,98,067
		62,54,430	30,57,421
V)	Balance with Government Authorities (Unsecured, Considered good)		
	MVAT Credit Receivable	8,39,870	8,27,110
		8,39,870	8,27,110
VI)	Other Loans & Advances (Unsecured, Considered good)	1,05,05,220	74,12,621
		1,05,05,220	74,12,621
	Total in ₹	3,01,84,520	13,32,02,152

NOTE : 12 OTHER NON CURRENT ASSETS

1	Deferred Revenue Expenditure	-	10,207
2	Prefential Issue Expenses	-	2,52,000
3	Preliminary Expenses	1,21,470	3,76,930
	Total in ₹	1,21,470	6,39,137

NOTE : 13 INVENTORIES

1	Stock-in-Trade	8,61,11,580	8,42,90,000
	Total in ₹	8,61,11,580	8,42,90,000

NOTE : 14 TRADE RECIEVABLES

1)	Outstanding for more than six months		
	Unsecured, Considered Good	9,61,23,159	-
2)	Others		
	Unsecured, Considered Good	70,98,50,748	36,97,69,528
	Total in ₹	80,59,73,907	36,97,69,528



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013	As on 31.03.2012
		₹	₹
NOTE : 15 CASH & CASH EQUIVALENT			
1)	Cash-in-Hand		
	Cash Balance	9,54,595	1,38,155
	Sub-Total (A)	9,54,595	1,38,155
2)	Bank Balances	1,13,460	1,18,767
	Sub-Total (B)	1,13,460	1,18,767
	Total in ₹ (A+B)	10,68,055	2,56,922
NOTE: 16 OTHER CURRENT ASSETS			
1	Deferred Revenue Expenditure	5,103	-
2	Preferential Issue Expenses	1,26,000	-
3	Preliminary Expenses	1,27,730	-
	Total in ₹	2,58,833	-
NOTE : 17 REVENUE FROM OPERATIONS			
1	Gold Bar	87,49,71,200	1,07,33,34,707
2	Silver Bar	-	5,22,278
3	Export Diamonds	23,33,48,645	-
4	FEGL	(35,72,704)	-
	Total in ₹	1,10,47,47,141	1,07,38,56,985
NOTE : 18 OTHER INCOME			
1	Profit on sale of Investment	-	10,00,00,000
2	Interest Income	4,18,366	6,91,187
3	Other Income	-	17,055
	Total in ₹	4,18,366	10,07,08,242
NOTE : 19 PURCHASES			
1	Gold Bar	87,62,46,992	1,15,59,77,735
2	Silver Bar	-	5,19,915
3	Diamonds	22,57,96,260	-
4	Hedging Cost	-	7,49,52,280
5	Consumables	14,779	-
	Total in ₹	1,10,20,58,031	1,23,14,49,930
NOTE : 20 CHANGE IN INVENTORIES			
1	Opening Stock	8,42,90,000	41,91,000
2	Closing Stock	8,61,11,580	8,42,90,000
	Total in ₹	(18,21,580)	8,00,99,000

**NOTES TO FINANCIAL STATEMENT**For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013	As on 31.03.2012
		₹	₹
NOTE : 21 EMPLOYMENT BENEFIT EXPENSES			
1	Salaries	8,62,540	6,10,800
2	Directors Remuneration	6,70,000	2,40,000
	Total in ₹	15,32,540	8,50,800
NOTE : 22 FINANCIAL COST			
1	Bank Interest	3,113	417
2	Bank Charges	54,380	9,400
3	Bank Guarantee Charges	-	6,013
	Total in ₹	57,493	15,830
NOTE : 23 OTHER ADMINISTRATIVE EXPENSES			
1	Advertisement & Publicity	63,870	68,684
2	Auditors Remuneration	86,517	86,517
3	BSE charges & Annual Fees	99,803	27,575
4	Conveyance	31,499	63,145
5	Custodial Fees	56,180	1,27,875
6	Clearing & Forwarding Expenses	68,290	-
7	Directors Sitting Fees	14,000	-
8	Electricity Expenses	1,12,005	-
9	Franking Charges Receivables written off	-	6,71,225
10	Legal & Professional Charges	7,29,496	3,48,873
11	Motor Car Expenses	56,733	60,000
12	Miscellaneous / Preliminary Exp. Written off	2,58,834	2,62,627
13	Office & General Expenses	92,310	69,258
14	Printing & Stationery Expenses	93,414	98,257
15	Rent	4,47,000	2,16,000
16	Repair & Maintenance	55,757	1,05,275
17	ROC Expenses	3,000	4,500
18	Share Transfer Fees	-	1,31,250
19	Sundry balance Written off	3,300	48,16,205
20	Telephone & Internet Expenses	27,969	43,464
21	Travelling Expenses	1,05,695	84,721
	Total in ₹	24,05,672	72,85,451

**NOTES TO FINANCIAL STATEMENT**For the year ended 31st March, 2013

Sr. No.	Particulars	As on 31.03.2013	As on 31.03.2012
		₹	₹
NOTE : 23.1 AUDITORS REMUNERATION			
1	Statutory Audit Fees	44,000	44,000
2	Tax Audit Fees	16,500	16,500
3	VAT Audit Fees	11,000	11,000
4	Service Tax	15,017	15,017
	Total in ₹	86,517	86,517

NOTE : 24 DEFERRED TAX

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax

Particulars :	As at 1 st April, 2012	Credit (Charge) for the year	As at 31 st March, 2013
Due to difference in Depreciation as per Income Tax Act and Companies Act	1,01,108	46,241	54,867

NOTE : 25 EARNING PER SHARE

The company has not issued potential equity shares, accordingly, basic and diluted earnings per share are same:

Particulars :	2012-13	2011-12
Net Profit after Tax (₹)	4,02,972	1,05,42,912
Weighted Average No. of Equity Shares for computing Basic & Diluted EPS	2,30,80,000	2,30,80,000
Nominal Value of Share (₹)	10	10
Basic and diluted Earnings per share (₹)	0.02	0.46

NOTE : 26 RELATED PARTY DISCLOSURE**1. Details of the Related Party****A) Key Management Personnel**

- I) Manish Shah
- II) Hitesh Jain
- III) Kumarpal Punamiya#

B) Companies/ Firms in which KMP can exercise influence

- I) Balaji Universal Tradelink Private Limited
- II) Balaji Bullions & Commodities (I) Private Limited
- III) Balaji Lifestyle Realtors Private Limited
- V) Balaji Propbuilders Private Limited
- VI) Balaji Refineries Limited
- VII) Labh Commodities Private Limited
- VIII) Om Movies Production Private Limited
- IX) Amla Global Impex Private Limited
- X) Hillview Impex Private Limited
- XI) Jaguar Energy & Power Limited
- XII) Jaguar Gems & Jewellery Limited
- XIII) Orbit Diamonds Private Limited
- XIV) Shri Baiju Trading & Investment Private Limited



NOTES TO FINANCIAL STATEMENT

For the year ended 31st March, 2013

- XV) Paridhi Overseas Private Limited
- XVI) Khajana Jewellers
- XVII) Base Mining Resources Private Limited

Resigned from Directorship w.e.f. 21.12.2012

Note: Related Parties have been identified by Management

2. Details of the Related Party Transactions

Sr. No.	Particulars	Name of the Party	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
1	Director's Remuneration	Hitesh Jain	1,40,000 -	-	-
		Manish Navnit Shah	2,40,000 -	-	-
		Kumarpal Punamiya	1,40,000 (2,40,000)	-	-
2	Rent	Balaji Lifestyle Realtors Private Limited	-	-	4,47,000 (2,16,000)
Outstanding as at the year end :					
1	Directors Remuneration	Hitesh Jain	15,000	-	-
		Manish Navnit Shah	2,40,000	-	-
		Kumarpal Punamiya	1,40,000 (2,58,820)	-	-

Sr. No.	<i>Contingent liabilities and commitments (to the extent not provided for)</i>	<i>As at 31st March, 2013</i>	<i>As at 31st March, 2012</i>
A	Income Tax Demand for A.Y. 2007-08, however appeal has been filed and is pending for disposal by Commissioner of Income Tax (Appeal)	-	3,46,14,261
Note: The appeal of A.Y. 2007 -08 has been assessed in the favour of the company.			
B	Income Tax Demand for A.Y 2010-11, Substantive Additions made during the assessment, however appeal has been filed and is pending for disposal by Commissioner of Income Tax (Appeal)	9,77,02,258	9,77,02,258
C	In respect of Stamp Duty demand with respect to order under section 391 & 394 of the Companies Act, 1956 passed by The Hon`ble High Court pertaining to the scheme of Amalgamation of Companies. It is not tenable in the view of the management.	30,75,492	30,75,492

**NOTES TO FINANCIAL STATEMENT****For the year ended 31st March, 2013**

The Income Tax Assessments of the company has been completed up to Assessment Year 2010-11. The disputed demand outstanding upto the said Assessment Year is ₹ 977.02 Lacs. On the Analysis by the expert professionals of the nature of demand and based on the earlier decisions of the authorities, interpretations, relevant provisions and considering the fact the company has been legally advised that the demand is likely to be deleted and accordingly has not been accounted in the books of accounts.

Contingent liabilities with respect to inspection carried by Regional Director (WR), Ministry of Corporate Affairs under section 209A of the Companies Act, 1956 during the year 2010 are not provided in books of accounts, as there was no major discrepancy/ irregularities are observed during the inspection.

NOTE : 28 IMPAIRMENT OF ASSETS

As required by accounting standard (AS 28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets. There has been no impairment loss during the year.

NOTE : 29

The Company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS - 15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Profit & Loss Account.

NOTE : 30 SEGMENT INFORMATION (AS-17)

The Segments are identified based on the dominant sources and nature of risks and return. Unallocated Corporate Expenses relate to the enterprises as a whole and are not attributable to the segments.

S. NO.	Particular	2012-13	2011-12
		₹	₹
1	SEGMENT REVENUE		
	A) Bullion	87,49,71,200	1,07,38,56,985
	B) Investment	-	10,50,00,000
	C) Diamonds	22,97,75,941	-
	D) Others	4,18,366	7,08,242
	Total	1,10,51,65,507	1,17,95,65,227
	Less : Intersegment Revenue	-	-
	Sales/ Income form Operation	1,10,51,65,507	1,17,95,65,227
2	SEGMENT RESULTS		
	[Profit/(Loss) before Tax and Interest from each Segment]		
	A) Bullion	5,31,009	(7,74,98,672)
	B) Investment	-	10,00,00,000
	C) Diamonds	39,11,391	-
	D) Others	4,18,366	7,08,242
	Total	48,60,766	2,32,14,296
	Less :		
	I) Interest	-	-
	II) Other un-allocable expenditure	43,37,596	85,66,368
	Total Profit before Tax	5,20,170	1,46,47,928

**NOTES TO FINANCIAL STATEMENT**For the year ended 31st March, 2013

3	SEGMENT ASSETS		
	A) Bullion	7,11,407,402	45,51,11,638
	B) Investment	-	-
	C) Securities	1,22,60,000	1,22,60,000
	D) Real Estate	-	10,94,20,000
	E) Others	1,03,36,595	73,81,437
	F) Diamonds	94556505	
	G) Unallocable	91,26,212	53,93,809
	Total	92,49,73,164	58,95,66,884
4	SEGMENT LIABILITIES		
	A) Bullion	32,44,37,954	21,39,77,155
	B) Diamonds	22,43,54,260	-
	C) Others	18,00,000	18,00,000
	D) Unallocable	80,70,257	81,40,843
	Total	55,86,62,471	22,39,17,998

NOTE : 31

The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.

NOTE : 32 DERIVATIVE INSTRUMENTS

There was no contract related to hedging outstanding at the end of the year. Exposure related to Stock in hand at the end of the year were not hedged amount ₹ 8,61,11,580 (P.Y- ₹ 8,42,90,000).

For DMKH & Co.

Chartered Accountants
Firm Reg. No. 116886W

Sd/-

CA Omprakash Somani

Partner

Membership No. 123830

29th May 2013, Mumbai.**For and on behalf of Board of Directors**

Sd/-

Manish Shah

Managing Director

Sd/-

Hitesh Jain

Whole-time-Director

Sd/-

Sidhhi Patil

Company Secretary

ROYAL INDIA CORPORATION LIMITED

Regd. Off: - 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021

ATTENDANCE SLIP

--

Members' Folio/ Client & DP-ID No. :	
No. of shares	

I hereby record my presence at the 29th Annual General Meeting of the on Friday, 27th September, 2013 at 10.00 a.m. at the registered office of the Company 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021

.....
Name of the Member/proxy
 (in BLOCK letters)

.....
Signature of the member/proxy

Note: Member/ Proxy must bring the attendance slip to the meeting and hand-over at the entrance duly signed.

.....**please tear from here**.....

ROYAL INDIA CORPORATION LIMITED

Regd. Off: - 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021

PROXY FORM

Members' Folio/ Client & DP-ID No. :	
No. of shares	

Affix Re. 1 Revenue Stamp

I/We of.....
 being a member/members of the above named Company hereby, appoint
of..... or
 failing him/herof.....as my/our proxy to
 vote for me /us on my/ our behalf at the 29th Annual General Meeting of the Company to be held on Friday, August 30, 2013 at 11.00 a.m. at the registered office of the Company at 27th September, 2013 at 10.00 a.m. at the registered office of the Company 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021.

Signed this.....day of 2013.

.....
Signature of a Member

- Note: 1. The instrument of proxy form shall be deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for holding the meeting.**
2. The form should be signed across the stamp as per specimen signature registered with the Company.
3. A proxy need not be a member.





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Royal India Corporation Ltd.

FORM A

Format of covering letter of the annual report to be filed with the stock exchanges

1.	Name of the Company	ROYAL INDIA CORPORATION LIMITED Regd. Office.: 62C Mittal Tower, C wing, Nariman Point, Mumbai 400 021.
2.	Annual Financial Statements for the year ended	31 st March 2013
3.	Type of Audit Observation	Un-qualified
4.	Frequency of Observation	Not Applicable
5.	To be signed by:	
	CEO / Managing Director / CFO / Audit Committee Chairman	 
	Auditor of the Company	 

62, 6TH FLOOR, C - WING, MITTAL TOWER,
NARIMAN POINT, MUMBAI - 400021.
TEL.: 022 - 43417777 / 40768888
FAX : 022-22877272
Email : info@ricl.in
Website : www.ricl.in

BOOK-POST



If undelivered, please return to :

Royal India Corporation Limited

62, 6th Floor, C-Wing, Mittal Tower, 210, Nariman Point, Mumbai 400 021.

☎ 022-43417777, 40768888 📠 022-22877575 ✉ info@ricl.in 🌐 www.ricl.in