

OROSIL SMITHS INDIA LIMITED
(Formerly Known as Silver Smith India Ltd.)

19TH ANNUAL REPORT

DATE: 27TH SEPTEMBER, 2013

DAY: FRIDAY

TIME: 10 A.M.

Place: YWCA of Delhi, Ashoka Road New Delhi- 110001

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CORPORATE INFORMATION

CHAIRMAN-CUM- MANAGING DIRECTOR	MR. B.K.NARULA
DIRECTOR	MRS. RITA NARULA, MR.PUNEET JAIN, MR.MAHESH PRASAD MS. BHAVANA SAMPATH KUMAR
BANKERS	HDFC Bank Ltd, Deutsche Bank, Bank of Baroda, Oriental Bank of Commerce.
STATUTORY AUDITORS	Khanna Gulati & Associates, 171, Somdutt Chamber-2, 9- Bhikaji Cama place, New Delhi-110066
REGISTERED OFFICE	Flat No. 620, Hemkunt Chambers, 89 Nehru Place, New Delhi- 110019
CORPORATE OFFICE	A-89, Sector-2, Noida 201301(U.P)
REGISTRAR&SHARE TRANSFER AGENT	M/s Sky Line Financial Services Pvt. Ltd 264,1stFloor, Sant nagar, East of Kailash, New Delhi-110065

FROM THE CHAIRMAN'S DESK

Dear Shareholders,

It gives me immense pleasure to welcome you to the 19th Annual General Meeting of your Company.

During the year 2012-13, all of us have witnessed a little bit of upturn and facelift in the global economy which leads to the growing prospects in the jewellery industry as well. Apart from euro zone problem which is also adversely affecting India's growth story, the prices of precious metals like gold and silver are rising by leaps and bounds so volatile which has become a concerning issue for the mango people. Looking into the current market scenario, our company has introduced the two brands named "Kuhjohl" and "Sincere". With the launch of Kuhjohl, we are catering to the ever increasing demand of Sterling Silver jewellery made with Swarovski Elements & Swarovski Zirconia which is delicately crafted to perfection and plated with fine rhodium. Our "Sincere" brand has successfully fashioned fine quality 14k Gold jewellery made with Swarovski Zirconia (Signity) and 18K Gold jewellery studded with diamond which has now become the first choice of the common man because of its excellent quality, latest design, and affordable cost effective price. The company has already opened its store at Vaishali, UP and we are getting excellent response from the customer's end. We have started getting enormous response for the franchisee & dealership for our both brands and hopeful of generating remarkably good business during this FY 2013-14.

Unlike other developed countries in the world, e-commerce has reached at its zenith in India as well. Our both the brands have established its strong presence on web also & we are now associated with our various channel partners namely Jabong, Snapdeal.com, Pepperfry, Futurebazaar.com etc which has its excellent online presence.

Your Company is hoping to rise with the industry trend out of slowdown and will definitely show the sign of prosperity very soon.

At this note I would like to thank all the stakeholders, bankers and business associated for having confidence in the Company.

As always, I continue to seek your good wishes and support for our vision and goal.

B.K. Narula

Chairman & Managing Director

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 19th ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF OROSIL SMITHS INDIA LIMITED WILL BE HELD ON FRIDAY, THE 27TH DAY OF SEPTEMBER, 2013 AT 10:00 A.M AT YWCA OF DELHI , ASHOKA ROAD, NEW DELHI 110001 TO TRANSACT THE FOLLOWING BUSINESS:-

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet for the year ended 31st March, 2013 the Profit & Loss Account as on that date together with Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mrs Rita Narula., Director, who retires by rotation and being eligible, offers herself for re- appointment.
3. To Appoint Auditors to hold Office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Place: New Delhi
Date: 10th August, 2013

**By order of the Board of Directors
OROSIL SMITHS INDIA LIMITED**

Sd/ -
(B. K. Narula)

Managing Director

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The enclosed proxy form, if intended to be used should reach the registered office of the company duly completed, stamped and signed not less than forty eight hours before the time fixed for the meeting.
3. Members are requested to bring their copy of Annual Report and duly filled and signed Attendance Slips and deposit them at the entrance of the meeting for attending the meeting.
4. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd day of September 2013 to 27TH day of September 2013 (both days inclusive)
6. The Company has entered into Agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Further, as per SEBI Notification dated 29th May 2000, trading in shares of the Company is now permitted only in dematerialized form. Shareholders are, therefore, advised to dematerialize their shareholding to avoid inconvenience in future.
7. Members are requested to promptly intimate change in their address, if any, at the Company's Registered Office.
8. Members seeking any further clarification/information relating to Annual Accounts are requested to write at the Registered Office of the Company at-least one week before date of meeting.
9. The relative explanatory statement, pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business set out hereinabove in the item no 1 is annexed hereto.

DIRECTOR'S REPORT

To,

The Members,

Your Directors are pleased to present the Nineteenth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2013.

1. FINANCIAL RESULTS

Particulars	Amount (Rs. in Lacs)	Amount (Rs. in Lacs)
	Current Year 31.03.2013	Previous Year 31.03.2012
Total Income	297.85	274.94
Profit before Interest, Depreciation & Taxes	(53.72)	(33.45)
Less: Interest & Depreciation	60.36	62.69
Profit/(Loss) before Tax	(114.08)	(96.14)
Less: Provision for Tax	-	(3.23)
	(0.13)	(3.36)
Profit/(Loss) after Tax	(114.21)	(96.01)
Add: Profit/(Loss) Brought forward from Previous Year	-	-
Profit available for appropriation	-	-
APPROPRIATIONS		
I) Proposed Dividend on Equity Shares	N.A	N.A
II) Transfer to General Reserve	-	-

2. DIVIDEND

The Directors regret their inability to recommend dividend on equity shares for the year ended 31st March 2013, in view of the current financial position of your company.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry Structure and Development

Your Company is engaged in the manufacturing and sale of silver jewellery, gold jewellery as well as plain and trading of Silver Articles.

B. Opportunity and Threats

Your Company foresees great opportunity in this line of business as the export markets as well as the domestic market are gaining momentum. The efforts put in by the management by introducing the affordable silver& gold jewellery specially targeted to the working class women may reap benefits in the long run.

C. Risk and Concern

The prices of the precious metals is the only matter of concern for the Company otherwise there is no other risk as the global market is picking up and jewelley is always a value addition

D. Internal Control System and their Adequacy

Your company has proper and adequate system of Internal Controls to provide reasonable assurance that all assets are safeguarded and protected against any loss.

All the policies, procedures, guidelines, authorization and approval procedures are well documented

The Management periodically reviews the internal control system and its adequacy and report to the Board, observations, if any.

E. Discussion of Financial Performance with respect to Operational Performance

Your Company's gross turnover for the year ended March 31, 2013 was Rs.297.85 Lacs as compared to Rs. 274.94 Lacs in the previous year.

There is a Net Loss of Rs. 114.21 Lacs in the present financial year due to fact that the investments are shown at cost (less diminution).

Other Income for the year stood as Rs. 20.83 Lacs mainly representing lease rent miscellaneous income.

Interest expenses were Rs. 22.65 Lacs.

Depreciation was at Rs.37.70 as compared to Rs47.69 Lacs for the corresponding period of the previous year.

Last year there were 39 employees on the rolls of the Company.

3. CORPORATE GOVERNANCE

Report of the Directors on Corporate Governance is given separately and forms a part of this Annual Report.

A certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.

4. DIRECTORS

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Rita Narula retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

5. LISTING OF SHARES

The shares of the company are listed at Bombay Stock Exchange Limited and the Annual listing fee for the year 2013-14 have been paid to the concerned Stock Exchange.

6. FIXED DEPOSITS

Your Company has not invited or accepted any deposits from the public with in the meaning of section-58A of the Companies Act 1956, during the year under report.

7. AUDITORS AND AUDIT REPORT

M/s Khanna Gulati & Associates, Chartered Accountant, New Delhi, Auditors of the Company, retire at the conclusion of this Annual General Meeting and, being eligible offer, themselves for reappointment.

The notes to the Account referred to in the Auditor's Report are self explanatory and therefore do not call for any further comments.

8. PARTICULARS AS PER SECTION-217 OF THE COMPANIES ACT 1956

Employees

Remuneration to none of the employees attracts the provisions of Section-217(2A) of the Companies Act, 1956 and as such the statement as required there under, read with the Companies (Particulars of Employees) Rules 1975 is not attached with this report.

Information relating to the Conservation of Energy, Research & Development and Foreign Exchange Earnings and Outgo.

Your Company's operations involve low energy consumption and as such no special energy conservation measures were taken and accounted for except periodically monitoring energy consumption and creating awareness among all.

All the Company's operations are as per market requirements and have in house Research & Development Center, The R&D expenses are however not accounted under separate head.

9. DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the newly inserted section 217(2AA) of Companies Act, 1956, regarding inclusion of "Director's Responsibility Statement" in the Board's Report, the directors hereby confirm:

- (i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of state of affairs of the Company at the end of the financial year and of the Profit & Loss of the Company for that period.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other Irregularities.
- (iv) That the Directors had prepared the annual accounts on a going concern basis.

10. ACKNOWLEDGEMENT

We take this opportunity to express our deep sense of gratitude to the Institutions, Bankers, Central and State Government Departments, Local Authorities, our Associates and Customers for their continued guidance and support.

Your Directors would like to record their sincere appreciation of the dedicated efforts put in by across all levels in the Organization. And to you, shareholders, we are deeply grateful for the confidence and faith that you have reposed in us.

Regd Office:
Board
Flat No. 620, Hemkunt Chambers
89 Nehru Place
New Delhi-110 019

For and on behalf of the
OROSIL SMITHS INDIA LIMITED

Sd/
(B.K Narula)
CHAIRMAN & MANAGING DIRECTOR

Date: 10th August, 2013
Place: New Delhi

CORPORATE GOVERNANCE REPORT

1. Corporate Governance Policies

Orosil Smiths India Limited continuously strives for excellence through adopting best governance and disclosure practices. The Company believes that the good corporate governance practices enables the organization to perform efficiently and ethically, generate long term wealth and create value for all the stakeholders. The corporate governance philosophy of the Company rests on the tenets of Board's accountability to the Company and shareholders, equitable treatment to all the shareholders, strategic guidance and effective monitoring by the Board and timely disclosure.

This section, along with the sections on additional shareholder information and management discussion and analysis in the annual report, constitutes compliance with Clause 49 of the Listing Agreement.

2. Board of Directors

Your Company has an optimum combination of executive and non-executive Directors to provide strategic guidance to the Company, effective over-seeing of the management, defining responsibilities of the senior management and ensuring accountability.

The Chairman of the Board of Directors is executive director whereas more than half of the Directors are non-executive and independent directors. The composition of the Board of Directors as on 31st March 2013 is as under:-

Designation	Name of Director	Date of appointment	Date of Birth
Chairman and Managing Director	Mr. B. K. Narula	01.06.1994	28.02.1954
Whole Time Director	Mrs. Rita Narula	01.06.1994	16.07.1958
Non Executive Independent Directors	Mr. Puneet Jain	29.12.2009	05.10.1965
Non Executive Independent Directors	Mr. Mahesh Prasad	19.09.2003	16.07.1935
Non Executive Independent Directors	Ms. Bhavana Sampath Kumar	19.09.2012	01.11.1979

Attendance of the Directors at the Board Meetings and at the last Annual General Meeting, outside Directorships and Board Committees is as under:

S.No	Name of Directors	No of Board Meetings Attended ^A	Attendance at last AGM	No of Outside Directorships Held ^B	No of Memberships/chairmanships in Board Committee
1.	Mr. B.K Narula	4	Present	5	1
2.	Mrs. Rita Narula	4	Present	4	-
4.	Mr. Puneet Jain	4	Appointed after the AGM date	5	3
5.	Mr. Mahesh Prasad	4	Present	1	1

Attendance of the Director at the Board Meetings during the relevant period

Directorships in companies registered under the Companies act 1956 excluding the Directorships of Private Companies, Section-25 Companies and alternate directorships

Memberships/Chairmanships of Audit Committee, Remuneration Committee and Shareholders/Investors Grievance Committee only taken into A/c

No non executive Directors has any pecuniary relationship vis-à-vis the company other than the sitting fees for attending the Board Meetings

None of the Directors of the Company was the member of more than 10 committees nor was the Chairman of more than 5 Committees across all Companies in which he was a director.

3. Board Meetings held during the year 2012-2013

Four (4) Board Meetings were held during the financial year ended March 31, 2013. The dates on which the Board meetings held were as follows: 1) May 28, 2012; 2) August 10, 2012; 3) November 10, 2012 and 4) February 09, 2013. The maximum time gap between any two meetings was not more than four months.

4. Directors

Ms. Bhavna Sampath Kumar has been appointed as an director on the AGM with effect from 19th September, 2012.

5. Audit Committee

The company has an audit committee consisting of Four Independent and Non Executive Directors viz. Mr. Puneet Jain, Mr. Mahesh Prasad, Mr. B. K. Narula and Ms. Bhavana Sampath Kumar. There had been four audit committee meetings in the year ended 31st March 2013. The dates are 1) May 28, 2012; 2) August 10, 2012; 3) November 10, 2012 and 4) February 09, 2013. The terms of reference of Audit Committee are as per the requirements of the Listing Agreement Clause-49 and Section 292A of the Companies Act 1956.

S.No.	NAME	Designation	No. Of Audit Committee meetings Attended
1.	Mr. Mahesh Prasad	Chairman	4
2.	Mr. Puneet Jain	Member	4
3.	Mr. B. K. Narula	Member	4
4.	Ms. Bhavana Sampath Kumar	Member	4

Amongst other things, the terms of Reference to the Audit Committee included:

- Annual operating plans and budgets and any updates.
- Review of annual and half yearly financial statements before submission to the Board
- Review of the un-audited Quarterly results for the Company.
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment of goods sold by the Company.
- Review of the draft audit report including the quarterly/half yearly financial statements
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Non-compliance of any regulatory, statutory nature or listing requirements.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Review with the management and the external auditors the adequacy of the internal control system.
- Any related party transactions entered by the company and the records thereto.
- Discussion and review of the findings of the external auditors.
- Discussion with the external auditors before the audit commences about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Reviewing the Management's Financial and risk Management policies

6. Remuneration Committee

During the year under review no remuneration committee meeting was held.

7. Shareholder's/Investor's Grievance Committee

The Board of Directors of the Company has constituted a Shareholder's / Investor's Grievance Committee comprising of directors namely Mr. Puneet Jain, Mr. Mahesh Prasad and Mr. B. K. Narula . The Committee, inter alia, looks into Redressal of Shareholder's complaints like transfer of shares, non-receipt of balance sheets, non-receipt of declared dividend etc. It also oversees the performance of the Registrar and Share Transfer Agents, so as to ensure expeditious share transfer process.

The total number of complaints received and replied to the satisfaction of shareholders during the year under review was NIL. None of the transfer or dematerialization request was pending for approval as on March 31, 2012.

8. General Body Meetings

Date time and venue of the last three Annual General Meetings are given in the below table

Financial Year (ended)	Date	Time	Venue
March31, 2011	September 16, 2011	11.00 a.m	YWCA of Delhi, Ashoka Road, New Delhi-110001.
March31, 2012	September 19, 2012	11.00 a.m	YWCA of Delhi, Ashoka Road, New Delhi-110001.
March31, 2013	September 27, 2013	10.00 a.m	YWCA of Delhi, Ashoka Road, New Delhi-110001.

Special Resolutions passed during previous three AGM's

September 16, 2011	NONE
September 19, 2012	Name Change of the Company from Silver Smith India Ltd. To Orosil Smiths India Ltd.
September 27,2013	NONE

During the last year ended March 31, 2013, there have been no resolutions passed by the Company's shareholders through postal ballot.

At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

9. Disclosures

- a. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or relatives etc. that may have potential conflict with the interests of the Company at large.**

None of the transactions with related parties were in conflict with the interests of the Company.

- b. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges on SEBI, or and statutory authority, on any matter related to Capital market, during the last three years.**

10. Means of Communication

- a) **Half yearly un-audited financial results**

Half yearly un-audited financial results for the half-year ended September 30, 2013 will be published in leading English and Hindi daily newspapers and will be circulated to each household of shareholders.

- b) **Quarterly Results**

The quarterly results for the first, second, third quarters and the audited yearly results were published in "The Financial Express" and "Veer Arjun".

Since SEBI has discontinued the services of EDIFAR w.e.f April 01, 2010, therefore the quarterly results, half yearly, annual results & Annual Report together with important official news releases will be displayed on the website of the company www.orosil.com.

No presentations were made to Institutional Investors or to Analysts.

Management Discussion and Analysis Report forms part of this Annual report.

11. Compliance with other mandatory requirements

(a) 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.

(b) 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). 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 dematerialized shares held with NSDL and CDSL. The Company had submitted the secretarial audit report to BSE within 30 days from the end of each quarter in accordance with the SEBI requirements.

(c) Code for prevention of Insider Trading

The Company has a comprehensive code on prevention of insider trading. The Code is in compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992.

(d) CEO/CFO Certification

A certificate from Chairman & Managing Director and Executive Director was placed before the Board.

(e) Risk Management

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure which is periodically reviewed by the Board.

12. General Shareholder Information

12.1 Annual General Meeting

Date:	27th day of September 2013
Time:	10:00 AM
Venue :	YWCA of Delhi, Ashoka Road, New Delhi-110001

12.2 Financial Calendar (Tentative) : The Company follows the financial year from 1st April to 31st March

- Results for the quarter ending June 30, 2013: By Second week of August 2013
- Results for the Quarter ending Sep. 30, 2013: By Second week of November 2013
- Results for the Quarter ending Dec. 31, 2013: By Second week of February 2014
- Results for the Quarter ending Mar. 31, 2014: By Second week of May 2014

12.3 Book Closure date : 22nd day of September 2013 to 27th day of September 2013 (both days inclusive)

12.4 Dividend payment date : Not applicable, The Board has not recommended any dividend during the year.

12.5 Listing on Stock Exchanges : Bombay Stock Exchange, Mumbai

Annual listing fee for the year 2012-13 have been paid to the concerned Stock Exchanges.

12.6 Stock Code : 531626
Trading symbol : SILVERSMITH

Month	Year	Month's High Price (Rs.)	Month's Low Price (Rs.)
April	2012	16.70	15.85
May	2012	16.40	13.95
June	2012	14.96	11.98
July	2012	13.60	10.35
August	2012	11.60	9.90
September	2012	11.55	10.00
October	2012	21.44	11.20
November	2012	18.65	14.25
December	2012	17.81	13.17
January	2013	23.05	18.15
February	2013	23.80	21.85
March	2013	21.45	19.65

De-mat ISIN number : INE628B01018

12.7 Stock Market Data : **Bombay Stock Exchange Limited**

12.8 Registers and Share Transfer Agents : **Skyline Financial Services Pvt. Ltd.**
246, 1st Floor, Sant Nagar, East of Kailash,
New Delhi-110065

12.9 Share Transfer System

The share transfers, which are received in physical form, are processed and the share certificates returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The company has, as per SEBI Guidelines dated 18th February 2000, offered the facility of transfer cum demat. Under the said system, after the share transfer is affected, an Option Letter is sent to the transferee indicating the details of the transferred shares and requesting him in case he wishes to demat the shares, to approach a Depository Participant (DP) with the Option Letter. The DP, based on the Option letter, generates a demat request and sends the same to the Company along with the Option Letter issued by the Company. On receipt the same, the Company dematerializes the shares. In case the transferee does not wish to dematerialize shares, he need not exercise the option and the Company will dispatch the share certificates after 15 days from the date of such Option Letter.

12.10 Distribution of Shareholding as on March 31, 2013:

Shareholding pattern for year ended 31st March 2013:

		Statement Showing Shareholding Pattern							
	Name of the Company :	OROSIL SMITHS INDIA LIMITED							
	Scrip Code :	531626		Quarter Ended :		31/03/2013			
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered		
					As a percentage of(A+B) ¹	As a percentage of (A+B+C)	Number of shares	As a percentage	
(A)	Shareholding of Promoter and Promoter Group								
1	Indian								
(a)	Individuals/ Hindu Undivided Family	5	2284858	2284858	55.30	55.30	0.00	0.00	
(b)	Central Government/ State Government(s)	0	0.00	0.00	0.00	0.00	0.00	0.00	
(c)	Bodies Corporate	3	701500	701500	16.98	16.98	0.00	0.00	
(d)	Financial Institutions/ Banks		0.00	0.00	0.00	0.00	0.00	0.00	
(e)	Any Others(Specify)		0.00	0.00	0.00	0.00	0.00	0.00	
(e-i)									
(e-ii)									
	Sub Total(A)(1)	8	2986358	2986358	72.28	72.28	0	0	
2	Foreign								
A	Individuals (Non-Residents Individuals/ Foreign Individuals)		0	0	0.00	0.00	0.00	0.00	
B	Bodies Corporate		0	0	0.00	0.00	0.00	0.00	
C	Institutions		0	0	0.00	0.00	0.00	0.00	
D	Any Others(Specify)		0	0	0.00	0.00	0.00	0.00	
d-i					0.00	0.00	0.00	0.00	

d-ii					0.00	0.00	0.00	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	8	2986358	2986358	72.28	72.28	0	0
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI		0.00	0.00	0.00	0.00	0.00	0.00
(b)	Financial Institutions / Banks		0.00	0.00	0.00	0.00	0.00	0.00
(c)	Central Government/ State Government(s)		0.00	0.00	0.00	0.00	0.00	0.00
(d)	Venture Capital Funds		0.00	0.00	0.00	0.00	0.00	0.00
(e)	Insurance Companies		0.00	0.00	0.00	0.00	0.00	0.00
(f)	Foreign Institutional Investors		0.00	0.00	0.00	0.00	0.00	0.00
(g)	Foreign Venture Capital Investors		0.00	0.00	0.00	0.00	0.00	0.00
(h)	Any Other (specify)		0.00	0.00	0.00	0.00	0.00	0.00
(h-i)								
(h-ii)								
	Sub-Total (B)(1)	0	0	0	0.00	0.00	0.00	0.00
B 2	Non-institutions							
(a)	Bodies Corporate	56	687555	676355	16.54	16.54	0.00	0.00
(b)	Individuals							
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	788	290705	232282	7.04	7.04	0.00	0.00
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	7	109741	89741	2.66	2.66	0.00	0.00
(c)	Any Other (specify)							
(c-i)	Non Resident Indian	5	1238	1238	0.03	0.03	0.00	0.00

(c-ii)	Hindu Undivided Family	25	56003	56003	1.36	1.36	0.00	0.00
	Sub-Total (B)(2)	881	1145242	1055619	27.72	27.72	0.00	0.00
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	881	1145242	1055619	27.72	27.72	0.00	0.00
	TOTAL (A)+(B)	889	4131600	4041977	100	100	0.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued							
	Promoter and Promoter Group		0.00	0.00	0.00	0.00	0.00	0.00
	Public		0.00	0.00	0.00	0.00	0.00	0.00
	Sub Total		0.00	0.00	0.00	0.00	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	889	4131600	4041977	100	100	0.00	0.00

Distribution of Shareholding as on 31st March 2013

Shareholding	Number of shareholders	Share amount	Percentage of total
Up to 500	707	78439	1.90
501 to 1000	69	56407	1.37
1001 to 2000	30	48549	1.18
2001 to 3000	22	55519	1.34
3001 to 4000	4	13321	0.32
4001 to 5000	6	27238	0.66
5001 to 10000	13	87313	2.11
10001 and above	33	3764814	91.12
Total	884	4131600.00	100.00

12.11 Dematerialization of Shares:

Over 4041977 i.e., 97.83% of the Company's paid - up equity Share Capital has been dematerialized up to March 31, 2013. Trading in equity shares of the Company is permitted only in dematerialized form as per notification issued by Securities and Exchange Board of India (SEBI).

12.12 Outstanding ADRs/ GDRs/ Warrants or any convertible Instruments conversion date

: Not Applicable

And likely impact on equity

- 12.13. Plant** : A-89, Sector-2 Noida 201301
- 12.14. Address for Investor Correspondence** ➤ **Skyline Financial Services Pvt. Ltd.**
246, 1st Floor, Sant Nagar, East of Kailash
New Delhi- 110065
- 12.15 E-Mail for investors** : info@orosil.com
- 12.16 Registered Office** : Flat No. 620, Hemkunt Chambers, 89 Nehru Place-
New Delhi-110 019

DECLARATION BY THE CHAIR MAN UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with sub-clause 1(d) of Listing Agreement with stock exchange, I hereby confirm that all directors & senior management personnel of the company have affirmed compliance with the code of conduct as applicable to them for the financial year ended March 31, 2013.

For and on behalf of the Board
OROSIL SMITHS INDIA LIMITED

Sd/-
(B.K. Narula)

CHAIRMAN & MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Orosil Smiths India Limited

1. We have examined the compliance of conditions of Corporate Governance by Orosil Smiths India Ltd for the year ended 31st March 2013, as stipulated in clause 49 of the Listing Agreement of the company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the Compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company. In our opinion and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as explained in the mentioned Listing Agreement.
3. We state that generally no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the company.
4. 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 Khanna Gulati & Associates,

Chartered Accountants

Sd/-

Rohit khanna
(Partner)

Date : 28th May, 2013
Place: New Delhi

AUDITORS' REPORT

To the Members of
Orosil Smiths India Ltd.

We have audited the accompanying Financial Statement of **Orosil Smiths India Ltd** (Formerly Known as Silver Smith India Ltd.)("the Company"), which comprise the Balance Sheet as on 31st March 2013, Statement of Profit & Loss Account and the Cash Flow Statement for the year ended, and a summary of significance accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statement that give a true and fair view of the financial position performance of the company in accordance with the Accounting Standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statement that gives true and fair view and is free from material misstatement, whether due to fraud or error.

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

An audit involves performance procedure to obtain audit evidence about the amount and disclose in the financial Statement. The procedure selected depend upon on the auditor's judgment, including the assessment of the material misstatement of the financial statement, whether due to fraud or error, In marketing those risk assessment, the auditor consider internal control relevant to the Company's preparation and fair presentation of the financial statement in order to design audit procedure that are appropriate of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
 - b) In the case of the statement of Profit and Loss for the year ended on that date. And
 - c) In the case of cash flow statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
 2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d. In our opinion the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
 - e. On the basis of the written representation received from the directors, as on 31st March 2013, we report that none of the directors 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.

- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the 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:

for Khanna Gulati & Associates
Chartered Accountants
ICAI Regn.012190N

Place: New Delhi
Date: 28th May 2013

(Rohit Khanna)
Partner
M. No. 84878

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 1 of the Auditors' Report to the Members of Orosil Smiths India Ltd (Formerly Known as Silver Smith India Ltd). on the Accounts for the Year ended 31st March 2013.

- i)
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The Fixed Assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c) In our opinion and according to the information and explanations given to us, a substantial part of Fixed Assets has not been disposed of by the Company during the year.
- ii)
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii)
 - a) As informed, the Company has taken Unsecured loan from Seventh Parties covered in the register maintained under Section 301 of the Companies Act, 1956. The Maximum amount involved during the year was Rs.232 Lakh- and year ended balance of loan taken from such party was Rs.222.25 Lakh.
 - b) As informed, the Company has not taken any loan from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 and as such clause 4(iii) (a) to 4 (ii) (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
 - c) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from company listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima Facie, prejudicial to the interest of the company.
 - d) The Company is regular in repaying the principal amounts as stipulated and has been regular in payment of interest.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system of the Company.
- v)
 - a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained in section 301 of the Act have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs.5 Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the public. Accordingly, paragraph 4 (vi) of order is not applicable.
- vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.

- viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities 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 and other material statutory dues applicable to it *except delays of few days in the above said statutory dues*. Further, since the Central Government has till date not prescribed the amount the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regulatory or otherwise of the Company in depositing the same.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, customs duty and excise duty were in arrears as at 31st March 2012 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess, which have not been deposited on account of any dispute.
- x) In our opinion, the accumulated losses of the Company are not more than 50% of its net worth and it has incurred cash losses of Rs. 76.37 Lacs during the financial year ended on that date and incurred cash losses of 48.45 in the immediately preceding financial year.
- xi) According to the records of the Company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other Securities.
- xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xv) In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- xvi) According to the information and explanations given to us, the Company has not taken any term loan. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xvii) According to the information and explanations given to us, the Company and on overall examination of the Balance Sheet of the company, we report that the no funds raised on a short-term basis which have been used for long-term investment.
- xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.

- xx) During the period covered by our Audit Report, the Company has not raised any money by public issues. Therefore, the provisions of clause (xx) of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- xxi) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

for Khanna Gulati & Associates
Chartered Accountants

Firm Registration No 012190N

(Rohit Khanna)
Partner
M. No.084878

OROSIL SMITHS INDIA LTD
BALANCE SHEET AS AT 31ST MARCH 2013

		Notes No.	As at 31-3-2013 Amount (Rs.)	As at 31-3-2012 Amount (Rs.)
EQUITY AND LIABILITY				
Shareholders' Funds				
(a)	Share Capital	1	41,316,000	41,316,000
(b)	Reserves and Surplus	2	(17,799,453)	(6,377,558)
			23,516,547	34,938,442
Non-current liabilities				
(a)	Long-Term Borrowings	3	27,410,000	18,925,000
(b)	Other Long-Term Liabilities	4	-	-
(c)	Long-Term Provisions	5	541,424	343,366
			27,951,424	19,268,366
Current liabilities				
(a)	Trade Payables	6	543,787	860,064
(b)	Other Current Liabilities	7	4,126,597	628,452
(c)	Short-Term Provisions	8	93,325	150,693
			4,763,709	1,639,209
Total			56,231,680	55,846,017
ASSETS				
Non-current assets				
(a)	Fixed Assets	9		
	(i) Tangible assets		24,575,867	26,070,255
	(ii) Intangible assets		1,385,238	2,308,731
	(iii) Capital work-in-progress		-	135,599
			25,961,105	28,514,585
(b)	Non-current investments	10	7,733,340	7,835,840
(c)	Deferred tax assets (net)	11	-	-
(d)	Long-term loans and advances	12	3,488,176	2,055,577
(e)	Other non-current assets	13	-	107,965
			11,221,516	9,999,382
Current assets				
(a)	Inventories	14	17,672,504	15,033,009
(b)	Trade Receivables	15	504,966	257,014

(c)	Cash and Cash Equivalents	16	449,744	1,333,260
(d)	Short-Term Loans and Advances	17	226,789	516,787
(e)	Other current assets	18	195,047	191,980
			19,049,059	17,332,050
	Total		56,231,680	55,846,017
	Significant Accounting Policies			
	Notes on Financial Statements			
		1 to 36		

For & on behalf of the Board of Directors

As per our Report of
even date
**For Khanna Gulati
& Associates**
*Chartered
Accountants
ICAI Regn.
012190N*

(B. K. Narula) **(Puneet Jain)** **(Rita Narula)**
Managing Director Director Director

Rohit Khanna
*Partner
M. No. 084878*

Place : New Delhi

Dated : 28th May 2013

OROSIL SMITHS INDIA LIMITED

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

	Notes No.	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
INCOME			
Income from Operations	19	27,701,955	24,743,588
Other Income	20	2,083,448	2,750,637
Total Revenue		29,785,403	27,494,225
EXPENDITURE			
Cost of Materials Consumed	21	5,754,150	2,762,491
Purchase of Traded Goods		18,590,550	18,844,429
Changes in Inventories of Finished Goods and Stock-In-trade	22	(2,264,581)	(4,821,343)
Employee Benefits Expense	23	4,263,211	4,939,495
Financial Expenses	24	2,280,535	1,506,656
Depreciation	9	3,770,947	4,769,932
Administrative and Other Expenses	25	8,799,022	9,107,800
Total Expenses		41,193,834	37,109,460
Profit/(Loss) Before Taxation			
Tax Expenses			
Less : Current tax		-	-
Less : Deferred tax		-	(323,600)
Profit/(Loss) After Taxation			
Less : Prior Period adjustments		13,464	(336,877)
Profit/(Loss) For The Year			
Earning / (Loss) per Share			
Basic		(2.76)	(2.32)
Diluted		(2.76)	(2.32)
Significant Accounting Policies			
Notes on Financial Statements	1 to 36		

For & on behalf of the Board of Directors

As per our Report of even date
**For Khanna Gulati &
Associates**

Chartered Accountants

ICAI Regn. 012190N

(B. K. Narula)

Managing Director

(Puneet Jain)

Director

(Rita Narula)

Director

Rohit Khanna

Partner

M. No. 084878

Place : New Delhi

Dated :

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. Significant Accounting Policies:

(1) **Basis of preparation of financial statements: -**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the mandatory accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, to the extent applicable and in accordance with the provisions of the Companies Act, 1956, as adopted consistently by the Company.

(2) **Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(3) **Revenue Recognition: -**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue from Sale of Goods is recognized when the significant risk and reward of ownership of goods are transferred to the customer and is stated net of sales tax and sales return.

Interest

Revenue is recognized on accrual basis.

Dividend

Revenue is recognized when the payment is received.

(4) **Fixed Assets: -**

Tangible Assests

Fixed Assets are stated at the original cost inclusive of inward freight, incidental expenses related to acquisition and related pre-operational expenses.

INTangible Assests

Intangible Assests are stated at cost of acquisitions net of accumulated amortization/ depletion . All costs, including financing cost till commencement of commercial production attributable to the intangible assets are capitalized.

- 5) **Depreciation: -** Depreciation has been provided on Written Down Value method at the rates prescribed in Schedule XIV to the Companies Act, 1956. All assets costing Rs.5000 or below are depreciated in full by way of a one time depreciation charge. ***However no depreciation has been provided on Master Pieces of Gold and Silver, Library Books and Props. The Company's has not provided depreciation on the Web Portal – Jewelry YTT, as it was not in operation during the year.*** The Company will provide the depreciation on the Web Portal – Jewelry YTT, as and when it becomes operational.

Leasehold Improvements are amortized over the period of Lease.

- (6) **Inventories: - Method of Valuation**
(a) Raw Material - at cost
(b) Finished Goods - at lower of cost or estimated realizable value.
- (7) **Provision for Income Tax: -**
Provision for taxation has been ascertained as per the applicable provisions of the Income Tax Act, 1961.
- (8) **Deferred Taxation: -**
Deferred tax is recognized, subject to the consideration of prudence 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 years.
- (9) **Borrowing Costs**
Borrowing costs that are attributable to the acquisition of assets are capitalized as part of the cost of such Assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.
- (10) **Investments**

Investments are classified into Current and Long Term investments. Current investments are stated at lower of cost and fair value. Long term Investments are stated at cost.
- (11) **Retirement Benefits**
Employees' benefits of short term nature are recognized as expenses as and when it accrues. Long term employee benefits (e.g. long-service leave) and post employment benefits (e.g. Gratuity) are recognized as expenses based on actuarial valuation at the end which takes into account actuarial gains and losses.
- (12) **Impairment of Assets: -**
The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of the recoverable amount.
- (13) **Earnings per share:-**

Basic earnings per share are calculated by dividing the net profits/loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed using the weighted average number of equity and dilutive equivalent shares outstanding during the year end , except where the results would be antidilutive.
- (14) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefit of ownership of the leased assets are classified as operating leases. Operating lease charges are recognized as an expense in the profit and Loss Account on a Straight-line basis over the Lease term.
- (15) **Provisions, Contigent Liabilities and Contigent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

B. Notes forming part of the Financial Statements

a) Share Capital

Particulars	As at 31-3-2013	As at 31-3-2012
AUTHORISED :		
55,00,000 (previous year 55,00,000) Equity Shares of Rs 10/- each	55,000,000	55,000,000
Issued and Subscribed :		
50,40,000 (previous year 50,40,000) Equity Shares of Rs.10/- each	50,400,000	50,400,000
Paid up :		
41,31,600 (previous year 41,31,600) Equity Shares of Rs. 10/- each fully paid up	41,316,000	41,316,000
	41,316,000	41,316,000

b) Reconciliation of opening and closing balances of share capital

Particulars	Equity Shares	
	Numbers	Value
Shares outstanding at the beginning of the year	4,131,600	41,316,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	4,131,600	41,316,000

c) List of the Shareholders having more than 5% of the aggregate share of the Company

Name of Share Holders	As at 31-3-2013		As at 31-3-2012	
	Nos. of Shares	% of Holding	Nos. of Shares	% of Holding
B. K. Narula	704,000	17.04	704,000	17.04
B.K. Narula (HUF)	434,404	10.51	303,774	7.35
Rita Narula	585,800	14.18	535,800	12.97
Sidhi Narula	290,504	7.03	215,210	5.21
Ridhi Narula	270,150	6.54	201,600	4.88
Sukarma Finance Ltd.	540,000	13.07	595,900	14.42
B. K. Overseas Ltd.	130,000	3.15	361,650	8.75

d) The Company had only one class of Shares referred to as Equity Share having par value of Rs.10/- per share. Each Equity Shareholder is entitled to one vote per share.

Notes: 2

Reserve & Surplus

Particulars	As at 31-3-2013	As at 31-3-2012
Capital Reserve	4,317,600	4,317,600
Surplus		
Opening Balance	(10,695,158)	(1,093,200)
Add: Loss for the year	(11,421,895)	(9,601,958)
Closing Balance	(22,117,053)	(10,695,158)
Total	(17,799,453)	(6,377,558)

Notes: 3

Long Term Borrowings
(Unsecured)

Particulars	As at 31-3-2013	As at 31-3-2012
Loans and Advances from Related Parties	22,225,000	14,925,000
Other Loans and Advances	5,185,000	4,000,000
Total	27,410,000	18,925,000

Notes: 4

Long Term Provisions

Particulars	As at 31-3-2013	As at 31-3-2012
Provision for employee benefits (includes Gratuity/Leave encashment)	5,41,424	343,366
Total	541,424	343,366

Notes: 5**Trade Payables**

Particulars	As at 31-3-2013	As at 31-3-2012
Trade Payables*	543,787	860,064
Total	543,787	860,064

* Refer Note No. 36 for amounts payable to Micro Small and Medium Enterprises

Notes: 6**Other Current Liabilities**

Particulars	As at 31-3-2013	As at 31-3-2012
Advances from customers	227,366	79,806
Duties & Taxes	324,675	45,816
Interest accrued and due on borrowings	1,968,113	45,123
Expenses Payables	1,401,905	454,707
Security Deposits	3000	3000
Book Overdraft with Banks	201,494	—
Total	4,126,597	628,452

Notes: 7**Short Term Provisions**

Particulars	As at 31-3-2013	As at 31-3-2012
Provision for Employee benefits (includes Gratuity/Leave encashment/Bonus)	93,325	150,693
Total	93,325	150,693

**B. Notes forming part of the
Financial Statements**

Note: 8

SCHEDULE OF FIXED ASSETS AS ON 31-03-2013 (As Per Companies Act 1956)

Particulars	COST			DEPRECIATION				WDV		
	Total As on 01/04/2012	Addition	Sales / Disposal	Total As on 31/3/2013	As On 1/4/2012	For the year	Adjustment	Total As on 31/3/2012	As on 31/3/2013	As on 31/3/2012
<u>Intangible Assets</u>										
Web Portal Softwares	3,701,140	-	-	3,701,140	1,494,784	882,542	-	2,377,326	1,323,814	2,206,356
	1,521,030	-	-	1,521,030	1,418,655	40,951	-	1,459,606	61,424	102,375
<u>Tangible Assets</u>										
Land	4,152,041	-	-	4,152,041	-	-	-	-	4,152,041	4,152,041
Building Lease Hold	22,607,499	-	-	22,607,499	10,478,723	1,212,878	-	11,691,601	10,915,897	12,128,775
Improvements	1,141,237	-	-	1,141,237	867,693	27,354	-	895,047	246,190	273,544
Plant & Machinery	12,652,057	208,225	-	12,860,282	8,169,065	584,098	-	8,753,163	4,107,119	4,482,992
Furniture & Fittings	7,881,682	784,860	-	8,666,542	6,738,852	354,679	-	7,093,531	1,573,011	1,142,830
Vehicles	4,510,333	3,150	-	4,513,483	3,735,084	203,862	-	3,938,492	574,537	775,249
Office Equipments	6,526,842	334,595	-	6,861,437	4,839,553	304,939	-	5,144,492	1,716,945	1,687,289
Computers Library Books & Props	1,963,415	22,236	-	1,985,651	1,583,737	159,644	-	1,743,381	242,270	379,678
	1,047,856	-	-	1,047,856	-	-	-	-	1,047,856	1,047,856
Total	67,705,132	1,353,066	-	69,058,198	39,326,146	3,770,947	-	43,097,093	25,961,105	28,378,986
Previous Year	66,661,839	1,043,293	-	67,705,132	34,893,091	4,769,932	336,877	39,326,146	28,378,986	-

B. Notes forming part of the Financial Statements

Note No. 9

Non Current Investments

Particulars	As at 31.3.2013			As at 31.3.2012	
	Face Value	Nos.	Value (Rs)	Nos.	Value (Rs)
<u>Other Investments</u> <i>(unquoted)</i>					
Solar Renewable Urja Pvt. Ltd.	1/-	5,000,000	5,000,000	5,000,000	5,000,000
Electrolux Kelvinator Ltd.	10/-	2,850	154,850	2,850	154,850
B. K.Overseas Limited	100	10,890	1,108,490	11,890	1,210,990
Citizen Co-Operative Bank Ltd.	25/-	800	20,000	800	20,000
Corporate Research & Intelligence Services Ltd.	10/-	20,000	200,000	20,000	200,000
Goswami Credit & Investment (P) Ltd	10/-	50,000	500,000	50,000	500,000
Sukarma Finance Limited	10/-	75,000	750,000	75,000	750,000
Total			7,733,340		7,835,840

Notes: 10**Long Term Loans and Advances** *(Unsecured and Consider Good)*

Particulars	As at 31-3-2013	As at 31-3-2012
Capital Advances	-	95,612
Security Deposits	407,987	446,108
Advance Income Tax / TDS (Net of Provisions)	515,010	577,793
Other Loans and Advances*	2,565,179	936,064
Total	3,488,176	2,055,577

* Loans and Advances given to Associates - B K N Educational Society

Notes: 11**Other Non Current Assets**

Particulars	As at 31-3-2013	As at 31-3-2012
Trade Receivables <i>(Unsecured and Considered good)</i>	-	-
Others		107,965
Total	-	107,965

Notes: 12**Inventories** *(As taken, valued and Certified by the management)*

Particulars	As at 31-3-2013	As at 31-3-2012
Raw Materials	711,524	47,805
Finished Goods	16,695,175	14,430,594
Packing Materials	11,350	73,620
Consumables	225,780	438,190
Printing & Stationary	28,675	42,800
Total	17,672,504	15,033,009

Notes: 13**Trade Receivables**

Particulars	As at 31-3-2013	As at 31-3-2012
<i>(Unsecured and considered good)</i>		
Over Six Months	168,026	177,967
Others	336,940	79,047
Total	504,966	257,014

Notes: 14**Cash and Cash Equivalents**

Particulars	As at 31-3-2013	As at 31-3-2012
Cash on hand <i>(as certified by the Management)</i>	228,053	571,013
Bank Balances with Scheduled Banks		
In Current Accounts	22,790	579,740
In Term Deposits*	198,901	182,507
*Pledged with Sales Tax Authority for Rs.1,82,507 (previous year Rs. 1,73,376)		
	449,744	1,333,260

Notes: 15

Particulars	As at 31-3-2013	As at 31-3-2012
Short Term Loans and Advances <i>(Unsecured and Considered good)</i>		
Advances recoverable in cash or in kind or for value to be received	74,844	360,133
Prepaid Expenses	103,458	119,823
Others Receivables	48,496	36,831
Total	226,798	516,787

Notes: 16

Other Current Assets

Particulars	As at 31-3-2013	As at 31-3-2012
Short Term Loans and Advances <i>(Unsecured and Considered goods)</i>		
TDS Recoverable	195,047	191,980
Total	195,047	191,980

Notes: 17**Income from Operation**

Particulars	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Sales of Products	27,346,261	24,671,863
Service Income	355,694	71,725
Total	27,701,955	24,743,588

Notes: 18**Other Income**

Particulars	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Interest Income	187,642	136,431
Profit on sale of share	7,500	442,500
Profit on sale of Commodities	-	-
Rental Income	1,866,000	1,866,000
Old Liabilities written off	2,360	287,854
Miscellaneous Income	19,964	
Total	2,083,448	2,750,637

Notes: 19**Cost of Materials Consumed**

Particulars	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Opening Stock :		
Raw Materials	47,805	56,928
Packing Materials	73,620	52,300
Consumables	438,190	212,820
Printing & Stationary	42,800	38,600
Total (A)	602,415	360,648

Add : Purchase		
Raw Materials	5,410,601	2,319,190
Packing Materials	190,266	79,018
Consumables	426,608	516,025
Printing & Stationary	101,589	90,025
Total (B)	6,129,064	3,004,258
Less : Closing Stock		
Raw Materials	711,524	47,805
Packing Materials	11,350	73,620
Consumables	225,780	438,190
Printing & Stationary	28,675	42,800
Total (C)	977,329	602,415
Cost of Materials Consumed (A-B-C)	5,754,150	2,762,491

Notes: 20

Particulars	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<i>Inventories at the end of the year:</i>		
Finished Goods	16,695,175	14,430,594
Total (A)	16,695,175	14,430,594
<i>Inventories at the beginning of the year:</i>		
Finished Goods	14,430,594	9,609,251
Total (B)	14,430,594	9,609,251
Net (increase) / decrease (A-B)	(2,264,581)	(4,821,343)

Notes: 21

Employee Benefits Expense

	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Particulars		
Salaries and Wages	3,735,382	4,424,081
Contribution to provident and other funds	220,614	227,603
Gratuity Expenses	153,674	36,131
Leave encashment	26,193	124,891
Staff Welfare	127,348	126,789
Total	4,263,211	4,939,495

Notes: 22**Financial Expenses**

	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Particulars		
Bank Charges	14,916	6,819
Interest on borrowings	2,265,619	1,499,837
	2,280,535	1,506,656

Notes: 23**Administrative and Other Expenses**

	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Particulars		
Audit Fee	58,000	58,000
Bad Debts	-	2,230,971
Communication Expenses	466,519	365,143
Directors' Remuneration	1,140,000	1,140,000
Electricity & Water Charges	430,946	300,592
Freight & Forwarding Expenses	7,380	26,075
Insurance Expenses	125,797	127,668
Job Work Expenses	7,324	19,775
Lease Rent	94,716	94,716
Legal & Professional Charges	280,659	420,734
Loss on Sale of Commodities	61,396	1,420,806

Miscellaneous Expenses	737,423	384,707
Office Maintenance Expenses	634,040	387,224
Rent	970,068	271,605
Sales Promotion & Marketing Expense	3,182,461	1,124,823
Security Expenses	144,000	134,300
Traveling and Conveyance Expenses	458,293	602,461
	8,799,022	9,107,800

Notes: 24

Auditor's Remuneration (excluding service tax)

	As at 31-3-2013	As at 31-3-2012
Particulars		
Audit Fees	43,000	43,000
Tax Audit	15,000	15,000
	58,000	58,000

Notes: 25

Contingent Liability

Contingent liabilities not provided for in the books of accounts

	As at 31-3-2013	As at 31-3-2012
Particulars		
Outstanding guarantees given to banks	115,000	115,000

Notes: 26

Earning / (Loss) Per Share

	As at 31-3-2013	As at 31-3-2012
Particulars		
Profit/ (Loss) after Taxation as per Profit & Loss Account	(11,421,895)	(9,601,958)
Weighted Average No. of Equity Share outstanding	4,131,600	4,131,600
Basic and Diluted Earning / (Loss) Per Share	(2.76)	(2.32)

Notes: 27

Related party Disclosure

Related party disclosure as required under accounting standard on “Related Party Disclosures “ issued by the Institute of Chartered Accountants of India are given below

a) Relationship:**i) Associates**

B. K. Overseas Ltd.
Sukarma Finance Ltd
BKN Educational Society
Corporate Research & Intelligence Services Ltd.
Solar Renewable Urja Pvt. Ltd.

ii) Key Management Personnel

Mr. B. K. Narula
Mrs. Rita Narula

iii) Relatives of Key Management Personnel

Ms. Ridhi Suri
Ms. Sidhi Narula

iv) Entities over which Key Management Personnel are able to exercise significant influence

Yes Travels & Hospitality Ltd
B. K. Narula (HUF)

b) The following transactions were carried out with related party in the ordinary course of business

Particulars	As at 31-3-2013	As at 31-3-2012
i) Associates		
Rent Received	1,866,000	1,866,000
Interest Paid	1,504,930	1,337,013
Loans Received	4,025,000	2,975,000
Loans Repaid	250,000	50,000
Sale	9,090	-

ii) Key Management Personnel & their Relatives		
Remuneration to Directors	1,140,000	1,140,000
Directors sitting fee	20,000	-
Perquisites	-	154,000
Purchase	564,858-	1,120,000
Sale	-	1,972,900
Loans received	5,447,955	-
Loans repaid	1,722,955	-
Rental Payment	134,955	132,360
Sale of Investment	110,000	-
iii) Entities Over which Key Management Personnel are able to exercise significant influence.		
Loans Received	1,300,000	3,250,000
Loans Repaid	1,500,000	1,250,000
Sale of Investment	-	750,000
Interest Received	-	104,446
Interest Paid	143,824	162,827
Purchase	2,840,000	-
<u>Balances at the end of the year</u>		
i) Balance with Associates		
Investment made	7,058,490	7,160,990
Unsecured Loans	16,700,000	12,925,000
Loans and Advances	2,354,434	936,064
ii) Key Management Personnel	-	12,360
Rental Payment	3,725,000	-
Unsecured Loans	396,117	-
Creditors	42,303	-
Interest on loan payable	86,340	-
Director Remuneration payable		
iii) Entities Over which Key Management Personnel are able to exercise significant influence.		
Interest on loan payable	60,904	
Unsecured Loans	1,800,000	2,000,000

Notes: 28**Segment Reporting**

Based on the guiding Principles given in Accounting Standards on “Segment Reporting” issued by the “Institute of Chartered Accountants of India”, the Company is having only one segment as primary segment based on nature of product / services rendered

Notes: 29**Disclosure pursuant to Accounting Standard 15 on “Employee Benefits****Defined contribution plans**

The Company’s employee provident fund scheme is a defined contribution plans. A sum of Rs.124,891 has been recognized as an expense in relation to the scheme and shown under Personnel Expenses in the Profit and Loss account.

Defined benefit plans**Gratuity**

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act or as per the Company’s Scheme whichever is more beneficial.

a) Changes in Defined Benefit Obligation

Particulars	As at 31-3-2013	As at 31-3-2012
a) Present value of obligation as at the beginning of the period i. e. 1 April 2012	291,627	166,736
b) Acquisition adjustment		
c) Interest cost	240,59	14,173
d) Past service cost		
e) Current service cost	151,085	114,023
f) Settlement cost/(Credit)		
g) Benefits paid		
h) Actuarial (gain)/loss on obligation	(21,470)	(3,305)
i) Present value of obligation as at the end of period i. e. March 2012	445,301	291,627

b. Changes in the fair value of plan assets

Not Applicable

c. Amount recognized in the balance sheet

Particulars	As at 31-3-2013	As at 31-3-2012
a) Present value of obligation as at the end of the period	445,301	291,627
b) Fair value of plan assets as at the end of the period		
c) Funded status		
d) Excess of actual over estimated		
e) Unrecognized actuarial (gains)/losses		
f) Net asset/(liability) recognized in balance sheet	445,301	291,627

d. Expenses recognized in the profit and loss account

	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
a) Current service cost	151,085	114,023
b) Past service cost		
c) Interest cost		14,173
d) Expected return on plan assets	24059	
e) Curtailment cost / (Credit)		
f) Settlement cost / (credit)		
g) Net actuarial (gain)/ loss recognized in the period	(21,470)	(3305)
h) Expenses recognized in the statement of profit and loss	153,674	124,891

e. The major categories of plan assets as a percentage of the fair value of total plan assets are as follows

Not applicable.

f. Return on plan assets

Not Applicable

g. The principal assumption used in determining the gratuity benefit obligation is as given below

	Year ended 31-3-2013 Amount (Rs.)	Year ended 31-3-2012 Amount (Rs.)
Discount rate	% 8.25	% 8.5

Expected rate of return on assets (p.a.)	NA	NA
Salary escalation rate (p.a.)	7.5	7.5

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The salary escalation rate is based on estimates of salary increases, which take into account inflation, promotion and other relevant factors.

Demographic assumptions

a) Retirement Age	60	
b) Mortality Table	LIC (1994-96) duly modified	
c) Withdrawal Rates	Age	Withdrawal Rate (%)
	Younger	5
	Older	1

30) Earnings in Foreign Exchange

	Year ended 31-3-2012 Amount (Rs.)	Year ended 31-3-2011 Amount (Rs.)
FOB Value of Export	-	939,568

31) Value of Import on CIF Basis

	Year ended 31-3-2012 Amount (Rs.)	Year ended 31-3-2011 Amount (Rs.)
Capital Goods	-	34,867

33) The Company does not have any exposure in respect to foreign Currency denominated assets and liabilities (not hedged by derivative instruments) as at 31st March 2013.

34) The Company has taken office premises on an operating lease , with an option of renewal at the end of the lease term. Lease payments charged during the year to the statement of Profit & Loss aggregate to Rs. 97,0068 The future lease payments under non cancellable operating lease is NIL.

35) These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Company Act 1956. Previous year figures have been regrouped / reclassified wherever considered necessary.

36) Balance of Debtors and Creditors are subject to confirmations.

37) Based on the information presently available with the management, there are no dues outstanding to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006.

For & on behalf of the Board of Directors

As per our
Report of even
date
**For Khanna
Gulati &
Associates**
*Chartered
Accountants
ICAI Regn.
012190N*

(B. K. Narula)
Managing Director

(Puneet Jain)
Director

(Rita Narula)
Director

Rohit Khanna
*Partner
M. No. 084878*

Place : New Delhi

Dated :28th May 2013

CASH FLOW STATEMENT FOR THE YEAR 2012-2013

Particulars	For the year 2012-2013	For the year 2011-2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(Loss) before tax and extraordinary items	(11,408,431)	(9,615,235)
Adjustments for :		
Depreciation	3,770,947	4,769,932
Prior Period Items	(13,464)	-
Interest earned	(187,624)	(136,431)
Profit on Sale of Shares	(7,500)	(442,500)
Interest paid	2,265,619	1,499,837
Operating profit before Working Capital changes	(5,580,453)	(3,924,397)
Adjustments for :		
Trade & other receivables	(1,285,664)	2,044,093
Inventories	(2,639,495)	(5,063,110)
Trade & other Payables	3,322,558	665,968
Cash flow from operating activities	(6,183,054)	(6,277,445)
Less : Income Tax Paid	-	
Net Cash flow from operating activities	(6,183,054)	(6,277,445)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to of Fixed Assets	(1,217,467)	(1,178,892)
Sale / (purchase) of Investments	110,000	750,000
Interest Received	187,624	136,431
Net Cash from /(Used) in Investing Activities	(919,843)	(292,461)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	8,485,000	8,925,000
Interest Paid	(2,265,619)	(1,499,837)
Net Cash from/(Used) in Financing Activities	6,219,381	7,425,163
Net Increase / (decrease) in Cash and Cash Equivalents	(883,517)	855,257
Opening Cash and Cash Equivalents	1,333,260	478,002
Closing Cash and Cash Equivalents	449,744	1,333,260
Net increase / (decrease) as per Books	(883,517)	855,257

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

For & on behalf of the Board of Directors

As per our Report of even
date
For
KhannaGulati&Associates
Chartered Accountants
ICAI Regn. 012190N

BALANCE SHEET ABSTRACT AND COMPANY' S GENERAL BUSINESS PROFILE

I. Registration Details

Registration
No.

5	9	3	4	1
---	---	---	---	---

State
Code

5	5
---	---

Balance Sheet

3	1	0	3	2	0	1	3
---	---	---	---	---	---	---	---

II. Capital Raised during the year (Amount in Rs.)

Public
Issue

N	I	L
---	---	---

Right
Issue

N	I	L
---	---	---

Bonus
issue

N	I	L
---	---	---

Private
Placement

N	I	L
---	---	---

III. Position of Mobilisation and deployment of Funds (Amount in Rs.)

Total
Liabilities

5	6	2	3	1	6	8	0
---	---	---	---	---	---	---	---

Total
Assets

5	6	2	3	1	6	8	0	
---	---	---	---	---	---	---	---	--

Sources of Funds

Paid up Capital

4	1	3	1	6	0	0	0
---	---	---	---	---	---	---	---

Reserves &
Surplus

-	1	7	7	99	4	5	3
---	---	---	---	----	---	---	---

Secured Loans

N	I	L
---	---	---

Unsecured
Loans

2	7	4	1	0	0	0	0
---	---	---	---	---	---	---	---

Application of
Funds

Net Fixed Assets

2	5	9	6	1	1	0	5
---	---	---	---	---	---	---	---

Investments

7	7	3	3	3	4	0
---	---	---	---	---	---	---

Net Current Assets

1	4	2	8	5	3	5	0
---	---	---	---	---	---	---	---

Misc.
Expenditure

N	I	L
---	---	---

Accumulated

Losses

N	I	L
---	---	---

IV. Performance of Company (Amount in Rs.)

	Turnover & Other Income								Total Expenditure								
	2	9	7	8	5	4	0	3		4	1	1	9	3	8	3	4
+ -	Profit /Loss before Tax							+ -	Profit/ Loss after Tax								
-	1	1	4	0	8	4	3	1	-	1	1	4	0	8	4	3	1
	(Please tick mark Appropriate box + for Profit, - for Loss)																
	Earning per Share in Rs.								Dividend Rate %								
-	2	.	7	6		N							I	L			

V. Generic Name of Three Principal Products / Services of Company (as per monetary terms)

Item Code No.

7	1	0	6	1	0
---	---	---	---	---	---

 (ITC Code)
 Product

S	I	L	V	E	R
---	---	---	---	---	---

 Description

Item Code No.

7	1	1	4	1	1
---	---	---	---	---	---

 (ITC Code)
 Product

S	I	L	V	E	R		A	R	T	I	C	L	E	S
---	---	---	---	---	---	--	---	---	---	---	---	---	---	---

 Description

Item Code No.

7	1	1	3	1	1
---	---	---	---	---	---

 (ITC Code)
 Product

S	I	L	V	E	R		J	E	W	E	L	L	E	R	Y
---	---	---	---	---	---	--	---	---	---	---	---	---	---	---	---

 Description

For KhannaGulati& Associates
Chartered Accountants

For & on behalf of the Board of Directors
 Silver Smith India Ltd.

(RohitKhanna)
Partner
 Place : New Delhi
 Dated : 27/05/2013

(B. K. Narula)
Managing Director

(Rita Narula)
Director

Puneet Jain
Director

OROSIL SMITHS INDIA LIMITED.

Registered office: Flat No.620, Hemkunt Chambers, 89 Nehru Place, New Delhi-110019

PROXY FORM

Folio No. / Client ID No. & DP ID No. -----or ce

I/We-----

of ----- being a member / members of the above mentioned company, hereby appoint -----
-----or failing him ----- as my /our proxy to
attend and vote for me/us and on my/our behalf at the 19th ANNUAL GENERAL MEETING of the Company to be held at 10.00a.m on Friday
September 27th 2013 and at any adjournment thereof . This form is to be used in favor of the resolution(s)/ against the resolution(s) -----
----- . Unless otherwise instructed the proxy will act as he may think fit.

Signed this -----day of -----2013.

Signature-----

Affix Rs. 1/-
Revenue
Stamp here

Note: proxy forms must reach the company’s Registered office not less than 48 hours before the Meeting.

-----TEAR HERE-----

OROSIL SMITHS INDIA LIMITED

Registered office: Flat No.620, Hemkunt Chambers, 89 Nehru Place, New Delhi-110019

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Name of attending member (In block letters)	Folio No. / Client ID No.
Name of the Proxy (In Block Letters) (To be filled if the Proxy attends instead of the Member)	ID No.
No. Of Shares held	ID No.

I hereby record my presence at the 19th ANNUAL GENERAL MEETING of the Company to be held at YWCA of Delhi, Ashoka Road, New Delhi-110001 on Friday 27th September, 2013.

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

Note:

- (1) Shareholder/proxy holder wishing to attend the Meeting must bring the Attendance slip to the meeting and hand over at the entrance duly signed.
- (2) Shareholder/proxy holder should bring his /her copy of the Annual Report for reference at the meeting.

**NISHI TALWAR & ASSOCIATES
COMPANY SECRETARIES**

COMPLIANCE CERTIFICATE

To,

CIN: L74899DL199PLC059341

**The Members,
OROSIL SMITHS INDIA LIMITED
A-89, Sector-2
Noida-201301**

**Authorized Capital: Rs. 5,50,00,000/
Paid up Capital: Rs.4,13,16,000/-**

We have examined the registers, records, books and papers of M/s **Orosil Smiths India Limited** (Formerly known as Silver smith India Ltd.), (hereinafter referred as 'the Company') as required to be maintained under the Companies Act 1956, (hereinafter referred as 'Act') and rules made there under and also as per the provisions contained in the Memorandum and Articles of association of the Company for the Financial year ended on **31st March, 2013** (hereinafter referred as Financial Year). In our opinion and best to our information and according to the examination carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all register as stated in Annexure 'A' to this certificate, as per the provision of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within/beyond the time prescribed under the Act and the rules made there under.
3. The Company being a public limited company, has the minimum paid-up capital, provisions of restriction clauses under 3 (1) (iii) of the Act, as applicable to private Company, do not apply.
4. As per information & explanations provided to us, the Board of Directors duly met **4(four)** times on the dates mentioned below in the table till 31st March 2013. In respect of those meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

Dates of Meetings of Board of Directors:-

S.No.	Dates on which Meeting held	S.No.	Dates on which Meeting held
1.	28.05.2012	4.	10.11.2012
2.	10.08.2012	5.	09.02.2013

**Add: G-22, C/8 Ocean Plaza, Shalimar Garden, Extension II Ghaziabad
MOB: 09873467802, E MAIL: nishitalwarassociates@hotmail.com**

5. The Company has closed its Register of Members from September 14, 2012 to September 19, 2012 for the purpose of Annual General Meeting held on September 19, 2012 and necessary compliance of section 154 of the act has been made.
6. The Annual General Meeting for the Financial Year ended on 31st March, 2012 was held on 19.09.2012 after giving due notice to the members of the Company and the resolution passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting of the Members of the Company was held during the Financial Year 2012-13.
8. As per information & explanations provided to us the Company has advanced loans to its associates i.e. BKN Education Society referred in section 295 of the Act during the Financial Year under review. However, the Company has outstanding Loans & Advances as on 31st March 2013 to related Parties amounts to Rs.25,65,179.00
9. As per information & explanations provided to us the Company not made transactions with its directors or persons or firm or companies referred in section 297 of the Act during the Financial Year under review.
10. The company has made necessary entries in the register maintained under section 301 of the Companies Act, 1956.
11. As per information & explanations provided to us there were instances falling within the purview of Section 314 of the Act, hence the Company has obtained the approvals from the Board of Directors.
12. The Company has not issued any duplicate share certificate during the Financial Year.
13. As per information & explanations provided to us, the Company has:-
 - i. Delivered all the certificates on lodgment thereof for transfer/transmission of securities or for any other endorsement, in accordance with the provisions of the companies act & listing agreement. The Company has not allotted any equity shares during the year under consideration;
 - ii. Not deposited any amount in separate Bank Accounts as no dividend was declared during the financial Year.
 - iii. Not posted any dividend warrants to any members of the Company as no dividend was declared during the Financial Year.
 - iv. has not transferred any amounts to Investor Education and Protection Fund as there were no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
 - v. Duly complies with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was an appointment of Ms Bhavna Sampath Kumar as an additional directors, No appointment of any alternate directors and directors to fill casual vacancy during the financial year.
15. As per information & explanations provided to us, The Company has not appointed any Managing Director/ Whole-time Director/ Manager during the Financial Year.
16. The Company has not appointed any sole selling agents during the Financial Year.

17. As per information & explanations provided to us, the Company has required to obtain approval of the Central Government for the purpose of Name Change during the Financial Year 2012-13.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any equity share during the Financial Year.
20. The Company has not bought back any share during the Financial Year.
21. There was no redemption of preference share/debentures during the Financial Year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. As per information & explanations provided to us the Company has not invited /accepted any deposits falling within the purview of Section 58 A of the Companies Act 1956 during the Financial Year. However the Company has accepted unsecured loan from related parties amounts to Rs. 22,225,000 during the year.
24. As per information & explanations provided to us, the amount borrowed by the Company from Directors, members, banks, Financial Institution and other during the Financial Year ending on March 31, 2013 is within the borrowing limits of the Company as per the provision of Section 293 (1)(d) of the Companies Act, 1956.
25. The Company has not made any loans or any guarantees or provides any securities to other bodies corporate during the Financial Year.
26. The Company has not altered the provision of the Memorandum with respect to change in situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provision of the Memorandum with respect to the objects of the Company during the year under scrutiny and complied with the provision of the Act.
28. The Company has altered the provision of the Memorandum with respect to the name from Silver Smith India Ltd to Orosil Smiths India Ltd. of the Company during the year.
29. The Company has not altered the provision of the Memorandum with respect to share capital of the Company.
30. The Company has not altered its Article of Association during the Financial Year.
31. As per information & explanations provided to us, there was/were no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment imposed on the company during the financial year, for offences under the Act.
32. As per information & explanations provided to us, The Company has not received any money as security from its employees during the Financial Year.

33. As per information & explanations provided to us, The Company has not constituted provident fund for its employees and as such provision of Section 418 of the Act are not applicable

Date: 31.08.2013
Place: New Delhi

For Nishi Talwar & Associates
Company Secretaries
C.P. No. 10529

Annexure-A

REGISTERS AS MAINTAINED BY THE COMPANY

S.No	Registers Maintained by the Company	U/s.
1.	Register of Members	150 (1)
2.	Register of Directors, Managing Director, Manager or Secretary	303 (1)
3.	Minute Books of Board Meetings	193 (1)
4.	Minute Books of General Meetings	193(1) & 196 (1)
5.	Register of Particulars of Contracts in which directors are interested	301
6.	Register of Directors' shareholdings	307
7.	Register of charge	143
8.	Register of returns and register	163
9.	Books Of Accounts	209(1)
10.	Share Transfer Register.	--
11.	Register of Share Application & Allotment	--

Annexure-B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Directors, Central Government or other authorities during the Financial year ending on 31st March, 2013.

S.No	Nature of Form	Date of Filing
1.	Form 23B for FY 2011-2012	03.08.2012
2.	Form 23B for FY 2012-2013	18.10.2012
3.	Form 66 for financial year ending 31.03.2012	25.11.2012
4.	Form 20 B (Filling of Annual Return For the F.Y. 31.03.2012)	04.12.2012
5.	Form 23 AC XBRL & 23 ACA XBRL (Filling of Balance Sheet and Profit & Loss A/c for the year ending on 31.03.2012)	10.01.2013
6.	Form 32	31.05.2012

For Nishi Talwar & Associates
Company Secretaries
Sd/-

Date: 31.08.2013
Place: New Delhi

C.P. No.10529.