



Narbada
Gems & Jewellery Limited

Date: 29.09.2018

To
The Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400001

Sub.: Annual Report 2017-18
Ref: BSE Scrip Code - 519455

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed, copy of Annual Report of the Company for the Financial Year 2017-18 which has been approved and adopted by the members in the 26th Annual General Meeting held on Saturday, 29th September, 2018 at 10:00 A.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001.

This is for your information and records in compliance with the Listing Regulations.

Thanking You

Yours faithfully,
For **NARBADA GEMS AND JEWELLERY LIMITED**


(Ashish Kumar Gupta)
Company Secretary



Encl: As stated above.

Registered Office:

3-6-291/4/B, 2nd Floor, Hyderguda, Hyderabad-500 029, Telangana, India,
Ph: +91-40-48506411; Email : comsec@narbadajewellery.com; Website: www.narbadajewellery.com

Manufacturer, Exporter, Wholesalers, Retailers.



Narbada

Rosecut & Flat Diamond Jewellery

26th

**ANNUAL
REPORT**

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NARBADA GEMS AND JEWELLERY LIMITED



BOARD OF DIRECTORS

Shri Sanjay Kumar Sanghi	- Managing Director
Shri Ritesh Kumar Sanghi	- Director
Smt. Bhavna Sanghi	- Director
Shri Siddharth Goel	- Director
Shri Ram Prasad Vempati	- Director
Shri Vinod Agarwal	- Director

Shri Bajranglal Agarwal	- Chief Financial Officer
Mr. Ashish Kumar Gupta	- Company Secretary

AUDITORS

M/s D.V. Aditya & Co.
Chartered Accountants,
2-2-3/1/2, Shivam Road,
Hyderabad- 500 044

BANKERS

KOTAK MAHINDRA BANK LTD
Himayatnagar Branch,
Hyderabad- 500029

STATE BANK OF INDIA
Commercial Branch,
Koti, Hyderabad

REGISTERED OFFICE

3-6-291/4/B, 2nd Floor,
Hyderguda, Hyderabad- 500029

REGISTRAR & SHARE TRANSFER AGENTS

CIL Securities Limited
208, Raghava Ratna Towers,
Chirag Ali Lane, Abids
Hyderabad- 500001
Phone: 040- 23202465 Fax: 010-23203028
Email: rta@cilsecurities.com
Email- rta@cilsecurities.com

Narbada Gems & Jewellery Limited

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear shareholders,

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

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

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

Registered Folio or DP Id - Client ID *

Full Name *

Email ID *

Contact no. :

Declaration: (Select whichever is applicable) *

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

In case there is any change in your e-mail ID or any other details, please e-mail us the details at comsec@narbadajewellery.com or contact us. In case of shares held in electronic form, you are requested to inform your DP as well.

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Narbada Gems & Jewellery Limited

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held Saturday, 29th September, 2018 at 10:00 A.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the year ended on 31st March, 2018 together with the Reports of Directors and Auditors thereon.
2. To re-appoint Shri Ritesh Kumar Sanghi, Director (DIN: 00628033), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Ratification of the Pre-Preferential allotment and Post-allotment shareholding of Mr. Umesh Kumar Agarwal (PAN: ACBPK9975D), pursuant to issue of Warrants under Preferential Issue and conversion thereof:

To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT in accordance with the In-principle approval letter DCS/PREF/SD/PRE/2466/2017-18 from BSE Ltd. under Regulation 28(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in furtherance to the Special Resolution passed in the 25th Annual General Meeting of the Company held on 16th November, 2017 and as per the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended ("the ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the LODR Regulations"), the Pre-Preferential allotment and Post-allotment shareholding and Post-allotment shareholding percentage of Mr. Umesh Kumar Agarwal (PAN: ACBPK9975D) as given hereunder, in accordance with Disclosure requirements of Regulation 73 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, pursuant to issue of Warrants under Preferential Issue and conversion thereof, be and is hereby ratified."

Name and Type of the allottee	PAN	Pre-Preferential Allotment Shareholding	Allotted Shares under Preferential issue	Post Issue Shareholding	Post Issue Shareholding % (On issued capital of Rs. 8,01,20,100/-)	Share holding % based on diluted capital of Rs.12,05,73,100/- after full conversion of warrants)
Mr. Umesh Kumar Agarwal (Non-Promoter)	ACBPK9975D	3982	2,10,000	2,13,982	2.67	1.77

"RESOLVED FURTHER THAT:

1. The above mentioned Equity shares are issued in accordance with the provisions of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and same are issued on Pari-Passu basis.
2. The above mentioned Pre-Preferential allotment holding is Locked-In in accordance with Regulation 78(6) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the allotted Equity shares shall be Locked-In for 1 (One) year from the date of trading approval received from the BSE Ltd.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution, to file the necessary e-form(s) with the Registrar of Companies, Hyderabad, for the state of Andhra Pradesh and Telangana, to make application for Listing at concerned Stock Exchange(s) and to authorize all such persons in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to take all other steps which may be ancillary in this connection."

"RESOLVED FURTHER THAT the Board be and is hereby further authorized to generally do all such acts, deeds, matters and things as may be required in connection with the aforesaid resolution, including making necessary filings with the Stock Exchange(s) and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any regulatory authority, if required, to give effect to the aforesaid resolution."

Date: 14.08.2018

Place: 3-6-291/4/B, 2nd Floor,
Hyderguda, Hyderabad- 500029

By order of the Board

Sd/-

Sanjay Kumar Sanghi

Managing Director

DIN: 00629693

Address:8-2-686/DR/6 and 7, Road No. 12,
Banjara Hills, Hyderabad - 500034

NOTES:

1. Any Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.

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3. All correspondence and share transfer documents must be addressed to the Share Transfer Agents.
4. Member who hold shares in dematerialized form are requested to bring their clients Id and DPID number for easy identification of their attendance at the meeting.
5. Members holding the shares in physical and electronic form are required to inform immediately the changes, if any, in their address of Share Transfer Agents.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.
8. Members are requested to notify change of address, if any, to the Company's Share Transfer Agents immediately.
9. Members / Proxies are requested to bring their attendance slips along with their copies of Annual Report to the Meeting.
10. The Equity Shares of the Company are in Compulsory Trading in dematerialized form (Scripless trading in electronic form) through Depository Participants. The ISIN Code is INE540C01021.
11. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN and Bank details to the Registrar and Share Transfer Agents of the Company.
13. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, between 11.00 A.M. and 01.00 P.M. up to the date of the declaration of result.
14. A Member can opt only one mode for voting i.e. either Physical or e-voting. In case a member opts e-voting, he cannot exercise his vote through postal ballot form and vice-versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then the voting done through physical Ballot shall prevail and voting done by e- voting will be treated as invalid. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.
15. Shri Ajay S. Shrivastava, Practicing Company Secretary has been appointed as "Scrutinizer" for the Business mentioned to be conducted by e-voting and Poll.
16. The Results of the e-voting and Poll will be declared by the Directors by 1st October, 2018, by 05:00 P.M. at the Registered Office of the Company at Hyderabad and shall be hosted on the website of the Company; www.narbadajewellery.com and on website of the Stock Exchange; www.bseindia.com.
17. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 3 is annexed herewith.
18. The details pertaining to Director(s) liable to retire by rotation and director(s) proposed to be appointed/ re-appointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:

Shri Ritesh Kumar Sanghi, aged about 46 years has rich and varied experience in the field of production processes in which the Company is engaged, as well as in strategy formulation and management. He has an experience of more than 25 years in the jewellery industry. His shareholding in the Company is 11,97,399 Equity shares representing 15.35% of total share capital of the Company

as on 30th June, 2018.

His directorships in other public companies as on 31.03.2018 are:

1. Uday Jewellery Industries Limited
2. Trisa Retail Limited

19. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL). The e- voting particulars are as under:

EVS(N(Electronic Voting Sequence Number)	Remote e-Voting start on	Remote e-Voting end on
180823073	26th September, 2018 at 09:00 A.M. (IST)	28th September, 2018 at 05:00 P.M. (IST)

- I. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

- (i) The remote e-voting period commences on **Wednesday, 26th September, 2018 at 09:00 A.M and ends on Friday, 28th September, 2018 at 05:00 P.M.** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **21st September, 2018** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">⊗ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.⊗ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number (DBD)	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio. <ul style="list-style-type: none">⊗ Please Enter the DOB or Bank Account Number in order to Login.⊗ If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. 'NARBADA GEMS AND JEWELLERY LIMITED' on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
- ⊗ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - ⊗ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ⊗ After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ⊗ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ⊗ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
20. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at comsec@narbadajewellery.com with a copy marked to helpdesk.evoting@cdslindia.com or before 28th September, 2018, upto 5:00 P.M. without which the vote shall not be treated as valid.
21. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2018. A person who is not a member as on cut off date should treat this notice for information purpose only.
22. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business, on 24th August, 2018.
23. The shareholders shall have one vote per equity share held by them as on the cut-off date of 21st September, 2018. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

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24. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2018 and not casting their vote electronically, may only cast their vote at the Annual General Meeting by Poll.
25. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
26. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 21st September, 2018 are requested to send the written / email communication to the Company at comsec@narbadajewellery.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
27. Mr. Ajay S. Shrivastava, Practicing Company Secretary (Certificate of Practice Number 3479) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
28. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.narbadajewellery.com and on the website of CDSL. The same will be communicated to the listed stock exchange viz. the BSE Limited.

EXPLANATORY STATEMENT

(Section 102(1) of the Companies Act, 2013)

Item No. 3:

In furtherance to the approval of members in 25th Annual General Meeting of the Company held on 16th November, 2017, for issue of 99,92,000 Equity warrants to Promoter/ promoter Group and Non-Promoter Allottees, the Company received In-Principle approval from BSE Ltd. on 27th December, 2017 for issue of 90,91,600 Equity warrants.

Pursuant to the above said approval of BSE Ltd , the Company issued 90,91,600 Equity warrants to the Promoter/ Promoter Group and Non-Promoter Allottees on 11th January, 2018 and further, upon conversion of warrants in first tranche, the Company issued 50,46,300 Equity shares on 14th March, 2018.

Further, the Company made the application for Listing of 50,46,300 Equity shares allotted upon the above mentioned conversion of warrants with a delay of 2 days beyond the prescribed time limits of Twenty (20) days from the date of allotment in accordance with Regulation 108(2) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The delay was due to the requirements of Regulation 78(6) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Lock-In of 3982 Equity shares being Pre-Preferential allotment shareholding of Mr. Umesh Kumar Agarwal, who is one of the Non-Promoter Allottees of the said issue. The Company regret about non-disclosure of the Pre-Preferential allotment holding of 3982 shares of Mr. Umesh Kumar Agarwal to the shareholders in the last Annual General Meeting, because the Company was not informed of the same earlier. Upon disclosure by the Allottee, the Company initiated actions for the compliance of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 in respect of the Pre-Preferential allotment holding of 3982 Equity shares and allotment of 2,10,000 Equity shares upon conversion of warrants to Mr. Umesh Kumar Agarwal, which the Company could not do earlier.

Furthermore, the Company received the Listing and Trading approval from BSE Ltd. for 48,36,300 Equity shares and 2,10,000 Equity shares allotted to Mr. Umesh Kumar Agarwal are not listed because of pending disclosure requirements as per Regulation 73 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and approval thereof by shareholders of the Company, as proposed herein.

The Pre-Preferential allotment and Post-allotment shareholding and Post-allotment shareholding percentage of Mr. Umesh Kumar Agarwal, is as under:

Name and Type of the allottee	PAN	Pre-Preferential Allotment Shareholding	Allotted Shares under Preferential issue	Post Issue Shareholding	Post Issue Shareholding % (On issued capital of Rs. 8,01,20,100/-)	Share holding % based on diluted capital of Rs.12,05,73,100/- after full conversion of warrants)
Mr. Umesh Kumar Agarwal (Non-Promoter)	ACBPK 9975D	3982	2,10,000	2,13,982	2.67	1.77

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The Shareholding Pattern of the Company before issue of warrants and after the full conversion of warrants issued under the Preferential Issue, as revised in accordance with the In-Principle approval received from BSE Ltd., is as under:

S. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of share holding	No. of Shares held post conversion of all warrants	% of share holding
A	Promoters Holding:				
1.	Indian:				
	Individual	14,33,931	48.35	72,35,531	60.01
	Bodies Corporate	550	0.02	550	0.00
	Sub Total				
2.	Foreign Promoters	-	-	-	-
	Sub Total (A)	14,34,481	48.37	72,36,081	60.01
B	Non Promoters' Holding:				
1.	Institutional Investors	-	-		-
2.	Non Institution:				
	Bodies Corporate	58,015	1.96	58,015	0.48
	Directors and relatives	-	-	-	-
	Indian Public	14,61,778	49.29	47,51,778	39.41
	Others (Including NRIs)	11,436	0.38	11,436	0.09
	Sub Total (B)	15,31,229	51.63	48,21,229	39.99
	GRAND TOTAL	29,65,710	100.00	1,20,57,310	100.00

The above disclosure is required to be approved/ ratified by shareholders of the Company in the ensuing Annual General Meeting. Hence, the Board recommends the resolution for the approval of shareholders as Special resolution.

None of the Directors and KMPs, are in any way interested or concerned in the said resolution.

Date:14.08.2018

Place: 3-6-291/4/B, 2nd Floor,
Hyderguda, Hyderabad- 500029

By order of the Board

Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693

Address: 8-2-686/DR/6 and 7, Road No. 12,
Banjara Hills, Hyderabad - 500034

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the **Twenty Sixth Annual Report** together with the Audited Financial Statements of the Company for the financial year ended **31st March, 2018**

1. FINANCIAL SUMMARY

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017
Revenue from operations	2626.49	1157.49
Other Income	0.02	--
Total Income	2626.51	1157.49
Expenses	2468.25	1123.08
Profit before tax	158.26	34.41
Tax Expense	45.01	10.85
Profit after Tax	113.25	23.56
Earnings per share	2.28	0.79

2. State of Company's Affairs:

The Company is on growth path with reinforced belief into its manufacturing capabilities. The Company achieved a total turnover of Rs. 2626.49 lakhs for the year ended 31st March, 2018 as compared to Rs. 1157.49 lakhs in the previous year with the increase of 126.91%. The profit after tax during the year ended 31st March, 2018 is Rs. 113.25 lakhs whereas the profit after tax for the previous year ended 31st March, 2017 stood at Rs. 23.56 lakhs.

3. UTILIZATION OF PROCEEDS OUT OF PREFERENTIAL ISSUE:

During the year, the Company had issued 90,91,600 warrants under Preferential Issue to Promoter/ Promoter Group and Non-Promoters, convertible into Equity Shares. During the year, 50,46,300 warrants has also been converted into Equity shares in first tranche. From the proceeds of Preferential issue to the tune of Rs. 757.20 Lakhs, the Company could augment the working Capital for expansion of its business operations and has also set up new factory for manufacturing of Gold, Coloured precious stone studded & Diamond Jewellery with emphasis on Diamond Jewellery for enhancement of its manufacturing capabilities.

4. FUTURE OUTLOOK:

The Company at present is dealing in colored precious stone studded jewellery. The collection includes varied range of Gemstone Necklace Set, Earrings and Pendants. After the end of the financial year, the Company has also started manufacturing the products on its own by setting up of its in-house manufacturing unit with the total manufacturing capacity of 15 kgs. per month out of the proceeds of further issue of capital by way of issue of warrants convertible into Equity shares. This would enable the Company to lower its overall processing and jobwork charges and the cost of production as a whole. In view of the latest industry trends for branded jewellery with modern designs, the Company has introduced fresh range of products with creative and light weight jewellery along with uncut and flat diamond jewellery. The Company has also started export of its speciality jewellery and completed the first export after the end of the reporting period.

5. DIVIDEND:

In order to conserve resources for further expansion of the Company's business, your Directors have opined to not recommend any dividend for the year 2017-18.

6. RESERVES:

Amount to be carried forward to the reserves is Rs. 113.25 Lakhs being profit for the year.

7. SHARE CAPITAL:

As on the financial year ended 31st March, 2018, the paid up share capital of the Company is Rs. 8,01,20,100/- divided into 80,12,010 Equity shares of Rs. 10/- each. During the year under review, the Company has allotted 50,46,300 new Equity shares upon conversion of warrants issued under Preferential Issue @Rs.12.50 Per share.

8. LISTING AGREEMENT:

The shares of your Company are listed at BSE Ltd. The Company has duly complied with all the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time except for the 2,10,000 shares issued under Preferential issue and the same are pending for listing due to disclosure requirements.

9. CORPORATE GOVERNANCE

The Corporate Governance Principles implemented by the Company seeks to protect, recognize and facilitate shareholders rights and ensure timely and accurate disclosures to them. Your Company has been constantly reviewing and benchmarking itself with well-established standards of Corporate Governance besides strictly complying with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

It is to be noted that pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V does not apply to your Company as its paid-up share capital does not exceed Rs. 10 Crores and net worth does not exceed Rs. 25 Crores, as on the last day of previous financial year ended 31st March, 2018. However, the Board of Directors and the management of the Company believe that the compliance of law should be in true letter and spirit and that the Company's legacy of fair, transparent and ethical governance practices shall be maintained.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015, the Board of Directors of your Company is duly constituted with an optimum combination of executive and non-executive directors. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mr. Ritesh Kumar Sanghi retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. His profile is given elsewhere in the report. Your Directors recommend his re-appointment.

During the period under review, Ms. Shreya Mangal had resigned as the Company Secretary and Compliance Officer of the Company. Further, Mr. Ashish Kumar Gupta, has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. 11th January, 2018.

11. NUMBER OF MEETINGS OF THE BOARD:

- i) i) The Board Meeting is duly called and convened by giving proper notice to all the directors of the Company. The Board is also authorized to pass any resolution of urgent nature by circulation subject to the compliance of provisions of Companies Act, 2013.
- ii) The Agenda for the meeting is prepared in consultation with the Managing Director keeping in view all the matters including operational matters to be discussed by the Board.
- iii) Notice of the Board Meeting and the notes to agenda are sent to all the Directors of the Company in advance
- iv) Any sensitive matter may be discussed at the meeting without prior intimation to directors in

exceptional circumstances.

- v) Nine (9) Board meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are: 25.05.2017, 31.07.2017, 14.08.2017, 28.08.2017, 16.10.2017, 14.12.2017, 11.01.2018, 13.02.2018 and 14.03.2018. The attendance of each director at the Board Meetings is as follows:

S. No.	Name of Director	Board Meeting	
		Held	Attended
1	Shri Sanjay Kumar Sanghi	9	9
2	Shri Ritesh Kumar Sanghi	9	7
3	Smt. Bhavana Sanghi	9	9
4	Shri Siddharth Goel	9	9
5	Shri Ram Prasad Vempati	9	9
6	ShriVinod Agarwal	9	7

The necessary quorum was present for all the meetings.

12. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms and conditions for appointment of independent directors are available on the website of the Company at www.narbadajewellery.com.

The Independent Directors of the Company have convened a meeting on 11th January, 2018, exclusively without the presence of non-independent Directors and other members of management, for the evaluation of the Board.

13. BOARD EVALUATION:

The Board of Directors of the Company, upon recommendation of Nomination and Remuneration Committee, have laid down the criteria for performance evaluation of Board, its Committees and the individual Board Members, including Independent Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The evaluation of the Board and its committees were based on the criteria covering various assessment parameters like structure and composition, frequency & duration of meetings, its processes and procedures, effectiveness of the Board/ committees, its financial reporting process under various regulations and/ or terms of reference of the committees etc. The criteria for evaluation of performance of the individual Directors included various parameters viz. attendance & participation during the meetings, their active contribution and discussions on important matters, understanding of the Company among others. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate.

The Board Evaluation Policy specifying the manner and process of evaluation of the performance of the Board is updated on the website of the Company at www.narbadajewellery.com.

Narbada Gems & Jewellery Limited

14. MANAGERIAL REMUNERATION

No remuneration is paid to the Managing Director or the Whole-time Directors of the Company. The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 and Companies (Particulars of Employees) Rules 1975, in respect of employees of the Company and Directors is furnished hereunder:

- i) Median remuneration of the Company for all its employees is Rs. 38,566/- for the Financial Year 2017-18.
- ii) **Details of percentage increase in the remuneration of each Director and CFO and Company Secretary in the Financial Year 2017-18 are as follows:**

Name	Designation	Remuneration (in Rs.)		Increase %
		2017-18	2016-17	
Sanjay Kumar Sanghi	Managing Director	-	-	-
Ritesh Kumar Sanghi	Director	-	-	-
Bajranglal Agarwal	Chief Financial Officer	5,97,157	5,74,880	3.88
Ashish Kumar Gupta	Company Secretary*	1,06,656*	-	-
Shreya Mangal	Company Secretary	8,000*	1,48,800*	-

*For part of the Financial Year

- iii) **Percentage increase in the median remuneration of all employees in the financial year 2017-18:**

Particulars	2017-18 (Amt in Rs.)	2016-17 (Amt in Rs.)	Increase (decrease)%
Median remuneration of all employees per annum	38,566	1,66,720	(76.87)

Number of permanent employee on the rolls of the Company as on 31st March, 2018 are 52.

13. Familiarization Programme for Independent Directors:

The Company briefs its new Independent Directors on their roles, rights as Independent Director and nature of the industry in which the Company operates, etc. Familiarization Programme for the Independent Directors provides them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their responsibilities and contribute significantly towards the growth of the Company.

The Company's Policy for familiarization of Independent Directors is updated at the website of the Company at www.narbadajewellery.com

15. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company briefs its Independent Directors on their roles, rights as Independent Director and nature of the industry in which the Company operates, etc. Familiarization Programme for the Independent Directors provides them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their responsibilities and contribute significantly towards the growth of the Company.

The Company's Policy for familiarization of Independent Directors is updated at the website of the Company at www.nabadajewellery.com

16. COMMITTEES OF THE BOARD:

The Board has constituted three committees at present:

- ◆ Audit committee;
- ◆ Nomination and Remuneration committee;
- ◆ Stakeholders Relationship committee,

The Committees of the Board meet at regular intervals and have the requisite subject expertise to handle and resolve matters expeditiously. The Board oversees the functioning of the Committees. Detailed terms of reference, composition, meetings and other information of each of the Committees of the Board is detailed herein below:

16A. AUDIT COMMITTEE:

The constitution of Audit Committee of the Board is in compliance with the provisions of Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The details of the members of the Audit Committee and their attendance in the Committee meetings are as under:

S. No.	Name of the Director	Category	Number of meetings during the FY 2017-18	
			Held	Attended
1.	Shri Ramprasad Vempati - Chairman	Independent Non- Executive	4	4
2.	Shri Siddharth Goel	Independent Non- Executive	4	4
3.	Shri Vinod Agarwal	Independent Non- Executive	4	4

Four (4) Audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are as follows: 25.05.2017, 28.08.2017, 14.12.2017 and 13.02.2018. The necessary quorum was present for all the meetings.

The terms of reference of the Audit Committee are broadly given under:

- ◆ The recommendations for appointment, remuneration and terms of appointment of auditors of the Company;
- ◆ Review and monitor the auditor's independence and performance, and effectiveness of audit process
- ◆ Examination of the financial statement and the auditors' report thereon;
- ◆ Approval or any subsequent modification of transaction of the company with related parties;
- ◆ Scrutiny of inter-corporate loans and investments;

Narbada Gems & Jewellery Limited

- ❖ Valuation of undertakings or assets of the Company, wherever it is necessary;
- ❖ Evaluation of internal financial controls and risk management systems;
- ❖ Monitoring the end use of funds raised through public offers and related matters;
- ❖ Review the functioning of the whistle blower mechanism;
- ❖ Approval of transactions with related parties.

16B. NOMINATION AND REMUNERATION COMMITTEE:

The constitution of Nomination and Remuneration Committees in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Nominations and Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors of the Company, as may be recommended to it. The Company has formulated a policy on Nomination and Remuneration of directors in accordance with Section 178 (3) of the Companies Act, 2013 and same is available on website of the Company www.nabadajewellery.com.

The Nomination and Remuneration Committee of the Company as at 31.03.2018 comprises of three directors, all of them being non-executive independent directors:

S. No.	Name of the Director	Category	Number of meetings during the FY 2017-18	
			Held	Attended
1.	Shri Vinod Agarwal- Chairman	Independent Non- Executive	2	2
2.	Shri Siddharth Goel	Independent Non- Executive	2	2
3.	Shri Ramprasad Vempati	Independent Non- Executive	2	2

During the year under review, one meeting of the Committee was held on 11.01.2018, for formulation and evaluation of performance of Independent Directors and for assessment and recommendation for the appointment of Company Secretary and Compliance Officer of the Company. Requisite quorum was present for the meeting.

16C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports and other related complaints

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

S. No.	Name of the Director	Category	Number of meetings during the FY 2017-18	
			Held	Attended
1.	Shri Vinod Agarwal- Chairman	Independent Non- Executive	16	16
2.	Shri Siddharth Goel	Independent Non- Executive	16	16
3.	Shri Ramprasad Vempati	Independent Non- Executive	16	16

The meetings of the stakeholders' relationship committee were held on 10.04.2017, 08.05.2017, 20.05.2017, 10.06.2017, 20.07.2017, 31.07.2017, 10.08.2017, 31.08.2017, 20.09.2017, 28.09.2017, 12.10.2017, 20.11.2017, 30.12.2017, 11.01.2018, 10.03.2018 and 30.03.2018 during the year, mainly for approval of share transfers, transmission and issue of duplicate share certificates.

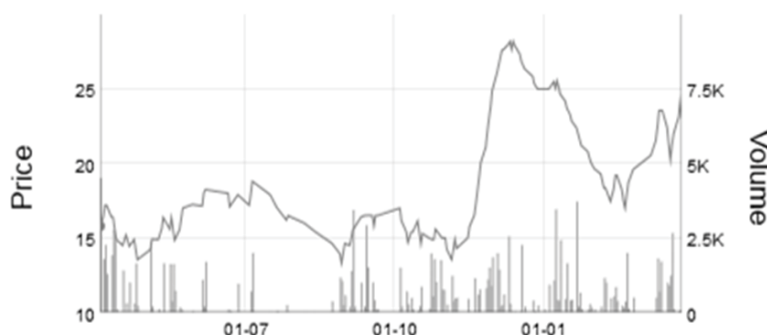
17. CONSITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your management is concerned about the safety of women workforce and has constituted an Internal Complaints Committee under Sexual Harrassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013. During the financial year 2017-18 there was no such instances reported.

18. CODE OF CONDUCT:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct. The Code is applicable to the members of the Board, the executive officers, the members of the management one level below the executive directors, including all functional heads of the Company. The Code is available on the website of the Company - www.narbadajewellery.com. All members of the Board, the executive officers and senior financial officers have affirmed compliance to the Code as on March 31, 2018

19. MARKET PERFORMANCE OF THE COMPANY DURING THE FINANCIAL YEAR 2017-18:



20. VIGIL MECHANISM:

In accordance with Section 179(9) & (10) of the Companies Act, 2013, the Company has adopted vigil mechanism for directors and employees, to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. The Vigil Mechanism/ Whistle Blower policy is available on the Company's website www.nabadajewellery.com

18. AUDITORS:

A. Statutory Auditors:

The Company had appointed M/s D.V. Aditya & Co., Chartered Accountants, (Firm Reg. No. 000044S, M. No. 022646), Hyderabad, as Statutory Auditors of the Company at the 25th Annual General Meeting of the Company, to hold office till the conclusion of the 30th Annual General Meeting to be held in the calendar year 2022.

B. Secretarial Auditor:

In terms of Section 204 of the Companies Act, 2013 and rules made there under, Shri Ajay S. Shrivastava, Practicing Company Secretary, Hyderabad (ICSI Membership No. 3489 ; CP No.: 3479) has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as "Annexure I" to this report.

C. Internal Auditors:

The Company has appointed M/s Krishna and Suresh, Chartered Accountant, Hyderabad (Firm Registration No- 001461S) as its Internal Auditor. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

22. RISK MANAGEMENT:

Risk Management framework of your Company encompasses practices relating to the identification, analysis, evaluation, treatment, mitigation and monitoring of the external and operational controls risks to achieve our key business objectives. The Board seeks to minimize the adverse impact of the risks, thus enabling the Company to leverage market opportunities effectively and enhance its long-term competitive advantage.

23. EXTRACTS OF ANNUAL RETURN:

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 is attached as a part of this Annual Report as "Annexure II".

24. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

25. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes between the date of balance sheet and the date of this report that would affect the financial position of the company.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis report for the year ended 31st March, 2018 are attached, which forms part of the Annual Report.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy

The disclosure of particulars with respect to conservation of energy pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable as our business is not specified in the Schedule . However, the Company makes its best efforts to conserve energy in a more efficient and effective manner.

B. Technology Absorption

The Company has not carried out any specific research and development activities. Accordingly, the information related to technology absorption, adaptation and innovation is reported to be NIL.

C. Foreign Exchange Earnings and Outgo

During the financial year 2017-18, there were NIL Foreign Exchange Earnings & Outgo.

28. CORPORATE SOCIAL RESPONSIBILITY:

As the Company's net worth does not exceed Rs. 500 Crores or Company's turnover does not exceed Rs. 1000 Crores or the Company's net profit does not exceed Rs. 5 Crores for any financial year, the provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility (CSR) are not applicable.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors would like to inform the members that the Audited Financial Statements for the year ended 31st March, 2018 are in full conformity with the requirement of the Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. **M/s D.V. Aditya & Co.**, Chartered Accountants, Statutory Auditors of the Company, have audited the Financial Statements of the Company and issued their report thereon.

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, your Directors further confirm that:

- i) i) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and Loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis.

Narbada Gems & Jewellery Limited

- v) The directors in case of listed company have laid down internal financial controls to be followed by the company and such controls are adequate and are operating effectively.
- vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

30. PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration equal or more than the limits specified in Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

31. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

There are no subsidiaries/ Associate Companies and/ or joint ventures to the Company as on the date of this report.

32. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

33. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not given any loan or guarantee or security or made any investment during the financial year in terms of Section 186 of the Companies Act, 2013.

34. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 is disclosed in Form AOC-2 as "Annexure III" to this report.

35. ACKNOWLEDGMENT:

Your Directors thank all the employees, customers, vendors, investors and other stakeholders of the Company for their continuous support. The Directors also wish to place on record its appreciation of Banks, Central and Local Governments and regulatory authorities for their guidance and support.

Date: 14.08.2018

Place: -6-291/4/B, 2nd Floor,
Hyderguda,
Hyderabad- 500029

For and on behalf of Board of Directors

Sd/-
(Sanjay Kumar Sanghi)
Managing Director
DIN: 00629693

Sd/-
(Ritesh Kumar Sanghi)
Director
DIN: 00628033



ANNEXURE INDEX

Annexure	Content
I	Secretarial Audit Report
II	Extract of Annual Return in Form MGT-9
III	Particulars of contracts with Related parties

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

NARBADA GEMS AND JEWELLERY LIMITED

3-6-291/4/B, 2nd Floor,

Hyderguda, Hyderabad- 500029

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NARBADA GEMS AND JEWELLERY LIMITED (CIN: L01222TG1992PLC014173)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on 31st March, 2018, has complied with the statutory provisions listed hereunder, except specifically stated and also that the Company has proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not applicable to the Company during the Audit period.**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - To the extent applicable for Preferential issue of warrants and consequent first conversion into shares except few disclosure requirements as per Regulation 73.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable to the Company during the Audit Period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Company during the Audit Period**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable to the Company during the Audit Period** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable to the Company during the Audit Period.**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015
- (j) Labour Laws as under:
 - Industrial Dispute Act, 1947;
 - The Payment of Wages Act, 1936;
 - The Minimum Wages Act, 1948;
- (k) Other environmental laws are not applicable as the Company is a non- polluting business Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

During the Audit period under review and as per the clarification, representations provided by the Management in writing and oral in the Secretarial Audit checklist prepared by me, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement, SEBI notifications etc. mentioned above subject to the below mentioned:

- i. *The Company issued and allotted 5046300 Equity shares upon conversion of warrants on 14.03.2018 and made the Application for listing with a delay of TWO days then the period prescribed under Regulation 108(2) of ICDR, 2009 as amended and consequently paid a penalty of Rs. 40,000 to BSE limited and Penal interest to the allottees upto the date of listing as per Regulation 108(3) of ICDR, 2009.*
- ii. *The listing and trading approval was granted by BSE Limited for 48,36,300 shares and listing was deferred for 2,10,000 shares due to pending completion of disclosure requirements under Regulation 73 to be ratified at ensuing Annual General Meeting.*

There are no fresh transactions attracting the provisions of FEMA during the reporting period.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that

- ◆ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- ◆ Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- ◆ Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. Further, this report is to be read with the letter of even date as attached in Annexure 1 and forms part of this report.

Place: Hyderabad

Date: 14.08.2018

Sd/-

Name of Company Secretary in practice: **AJAY SUMAN SHRIVASTAVA**

FCS No.: 3489

C.P. No.: 3479

'ANNEXURE -1'

To,
The Members
NARBADA GEMS AND JEWELLERY LIMITED
3-6-291/4/B, 2nd Floor,
Hyderguda, Hyderabad- 500029

This report is to be read with our Certificate of even date which is annexed as 'Annexure -1' and forms an integral part of this report.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company and does not in any way authenticate the said compliances.

Place: Hyderabad

Date: 14.08.2018

Sd/-

Name of Company Secretary in practice: **AJAY SUMAN SHRIVASTAVA**

FCS No.: 3489

C.P. No.: 3479

ANNEXURE-II

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	CIN	L01222TG1992PLC014173
2.	Registration Date	05.05.1992
3.	Name of the Company	Narbada Gems And Jewellery Limited
4.	Category/Sub-category of the Company	Company Limited by shares
5.	Address of the Registered office & contact details Hyderguda, Hyderabad- 500029 Ph: 040-48506411	3-6-291/4/B, 2nd Floor,
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Limited, 208, Raghav Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Manufacturing and trading of Jewellery	321	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Shareholding**

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	1431154	-	1431154	48.26	4150231	-	4150231	51.80	3.54
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-

Narbada Gems & Jewellery Limited

d)	Bodies Corporate	550	-	550	0.02	550	-	550	0.01	(0.01)
e)	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	1431704	-	1431704	48.28	4150781	-	4150781	51.81	3.53
(2)	Foreign	-	-	-	-	-	-	-	-	-
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-ndividuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1431704	-	1431704	48.28	4150781	-	4150781	51.81	3.53
B.	PUBLIC SHARE HOLDING									
(1)	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c)	Central Governments	-	-	-	-	-	-	-	-	-
d)	State Governments	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
(2)	Non -Institutions									
a)	Bodies Corporate									
i)	Indian	31441	30305	61746	2.08	29487	30305	59792	0.75	(1.33)
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders									

Narbada Gems & Jewellery Limited

	holding nominal share capital upto Rs.2 Lakhs	458027	990692	1448719	48.85	492151	939750	1431901	17.87	(30.98)
ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	-	-	-	-	2356129	-	2356129	29.41	29.41
c)	Others Specify									
1.	NRI	1171	8745	9916	0.33	2471	8745	11216	0.14	(0.19)
2.	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
3.	Foreign Nationals	-	-	-	-	-	-	-	-	-
4.	Clearing Members	13625	-	13625	0.46	2191	-	2191	0.03	(0.43)
5.	Trusts	-	-	-	-	-	-	-	-	-
6.	Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
	Sub-total (B)(2)	504264	1029742	1534006	51.72	2882429	978800	3861229	48.19	
	Total Public Shareholding (B) = (B)(1)+(B)(2)	504264	1029742	1534006	51.72	2882429	978800	3861229	48.19	
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C)	1935968	1029742	2965710	100.00	7033210	978800	8012010	100.00	-

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ii) Shareholding of Promoters:

SI No.	Share holder's Name	Share holding at the beginning of the year			Shareholding at the end of the year			% of Change in share holding during the year
		No. of Shares	% of change in share holding during the year	% of total Shares of the company	No. of Shares	% of Shares of the Company	% of Shares Pledged /encumbered to total Shares	
1	Ritesh Kumar Sanghi	706299	23.82	-	1197399	14.95	-	(8.87)
2	Sanjay Kumar Sanghi	707234	23.85	-	1198334	14.96	-	(8.89)
3	Tejas Sanghi	17436	0.59	-	337763	4.22	-	3.63
4	Uday Sanghi	185	0.00	-	285635	3.57	-	3.57
5	Hanumanthrai Sanghi	0	0.00	-	169450	2.11	-	2.11
6	Sarala Sanghi	0	0.00	-	223650	2.79	-	2.79
7	Pritha Sanghi	0	0.00	-	370320	4.62	-	4.62
8	Bhavna Sanghi	0	0.00	-	367680	4.59	-	4.59
9	Sanghi Jewellers Pvt. Ltd.	550	0.02	-	550	0.01	-	(0.01)
	TOTAL	1431704	48.28	-	4150781	51.81	-	

iii) Change in Promoters' Shareholding:

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total shares of the company
1	RITESH KUMAR SANGHI	706299	23.82		
	b) Changes during the year				
	Allotment	491100			
	c) At the End of the Year			1197399	14.95
2	SANJAY KUMAR SANGHI				
	a) At the Beginning of the Year	707234	23.85		
	b) Changes during the year				
	Allotment	491100			
	c) At the End of the Year			1198334	14.96
3	TEJAS SANGHI				
	a) At the Beginning of the Year	17436	0.59		
	b) Changes during the year				
	i. Acquisition)	1277			

	ii. Allotment	319050			
	c) At the End of the Year			337763	4.22
4	UDAY SANGHI				
	a) At the Beginning of the Year	185	0.01		
	b) Changes during the year				
	i. Acquisition)	1500			
	ii. Allotment	283950			
	c) At the End of the Year			285635	3.57
5	HANUMANTHRAI SANGHI				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	169450			
	c) At the End of the Year			169450	2.11
6	SARALA SANGHI				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	223650			
	c) At the End of the Year			223650	2.79
7	PRITHA SANGHI				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	370320			
	c) At the End of the Year			370320	4.62
8	BHAVNA SANGHI				
	a) At the Beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	367680			
	c) At the End of the Year			367680	4.59
9	SANGHI JEWELLERS PVT. LTD.				
	a) At the Beginning of the Year	550	0.02		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			550	0.02
	T O T A L	1431704	48.28	4150781	51.81

Narbada Gems & Jewellery Limited

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total shares of the company
1	UMESH KUMAR AGARWAL				
	a) At the beginning of the Year	3982	0.13		
	b) Changes during the year				
	Allotment	210000			
	c) At the End of the Year			213982	2.67
2	RAJENDER KUMAR AGARWAL				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	200000			
	c) At the End of the Year			200000	2.50
3	ARCHANA				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	200000			
	c) At the End of the Year			200000	2.50
4	YUKTHI GUPTA				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	200000			
	c) At the End of the Year			200000	2.50
5	AARTI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	180000			
	c) At the End of the Year			180000	2.25

6	VINAY KUMAR AGARWAL				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	150000			
	c) At the End of the Year			150000	1.87
7	RITESH KUMAR AGARWAL HUF				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000			
	c) At the End of the Year			100000	1.25
8	JASHODA DEVI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000			
	c) At the End of the Year			100000	1.25
9	NARAYANDAS KAKANI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000			
	c) At the End of the Year			100000	1.25
10	POONAM KAKANI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000			
	c) At the End of the Year			100000	1.25
11	VEDANTH KAKANI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000	0.31		
	c) At the End of the Year			100000	1.25
12	NAVYA SAMEER KAKANI				
	a) At the beginning of the Year	0	0		
	b) Changes during the year				
	Allotment	100000	0.31		
	c) At the End of the Year			100000	1.25

Narbada Gems & Jewellery Limited

13 PURSHOTTAM DAS AGARWAL				
a) At the beginning of the Year	0	0		
b) Changes during the year				
Allotment	100000	0.31		
c) At the End of the Year			100000	1.25
14 VIJAY LAXMI AGARWAL				
a) At the beginning of the Year	0	0		
b) Changes during the year				
Allotment	100000	0.31		
c) At the End of the Year			100000	1.25

v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Director's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Ritesh Kumar Sanghi	706299	23.82	0	1198334	14.96	0	(8.86)
2	Sanjay Kumar Sanghi	707234	23.85	0	1197399	14.95	0	(8.90)
3	Bhavana Sanghi	0	0	0	367680	4.59	0	4.59
	TOTAL	1413533	47.67	0			0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	148.88	-	-	148.88
* Reduction	-	-	-	-
Net Change	148.88	-	-	148.88
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i +ii+iii)	148.88	-	-	148.88

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Rs. in lakhs

SN.	Particulars of Remuneration	Name of MD/WTD/ CS					Total Amount
		Sanjay Kumar Sanghi- MD	Ritesh Kumar Sanghi	Shreya Mangal-CS(upto 15.04.2017	Ashish Kumar Gupta-CS (w.e.f- 11.01.2018)	Bajranglal Agarwal CFO	
1	Gross salary	-	-			-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	0.08	1.07	5.97	7.12
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	
2	Stock Option	-	-	-	-	-	
3	Sweat Equity	-	-	-	-	-	
4	Commission-as % of profit - others, specify	-	-	-	-	-	
5	Others, please specify	-	-	-	-	-	
Total		-	-	0.08	1.07	5.97	7.12
Ceiling as per the Act		-	-	-		-	

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2018.

Date: 14.08.2018

Place: 3-6-291/4/B, 2nd Floor,
Hyderguda,
Hyderabad- 500029

For and on behalf of Board of Directors

Sd/-
(Sanjay Kumar Sanghi)
Managing Director
DIN: 00629693

Sd/-
(Ritesh Kumar Sanghi)
Director
DIN: 00628033

ANNEXURE - III**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	--
b)	Nature of contracts/arrangements/transaction	--
c)	Duration of the contracts/arrangements/transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	--
e)	Justification for entering into such contracts or arrangements or transactions	--
f)	Date of approval by the Board	--
g)	Amount paid as advances, if any	--
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	--

Narbada Gems & Jewellery Limited**2. Details of contracts or arrangements or transactions not at Arm's length basis:**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sanghi Jewellers Private Limited- Company having common directors
b)	Nature of contracts/arrangements/transaction	i. Purchase of Gold Ornaments; ii. Availing Jobwork Services; and iii. Payment of Rent.
	Duration of the contracts/ arrangements/transaction	Approval of members at 24th Annual General Meeting held on 28th September, 2016 for contracts for purchase of various manufactured products and availing job work services between 01.10.2016 to 31.12.2019 upto the limit of Rs. 50 Crores only.
	Salient terms of the contracts or arrangements or transaction including the value, if any	During the year 2017-18 the total value of transactions with the related party are as follows:
		i. Purchases: Rs. 6,43,31,006/- only; ii. Job work services availed: Rs. 1,02,49,932/- only; iii. Rent paid: Rs. 4,37,200/- only.
	Date of approval by the Board	Not applicable, since the contracts were entered into in the ordinary course of business and on arm's length basis.
	Amount paid as advances, if any	--

For and on behalf of Board of Directors

Sd/-
(Sanjay Kumar Sanghi)
Managing Director
DIN: 00629693

Sd/-
(Ritesh Kumar Sanghi)
Director
DIN: 00628033

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE:

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 7 per cent of the country's GDP and 15.71 per cent to India's total merchandise exports. It also employs over 4.64 million workers. It is extremely export oriented and labour intensive and is One of the fastest growing sectors.

Based on its potential for growth and value addition, the Government of India has declared the Gems and Jewellery sector as a focus area for export promotion. The Government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote 'Brand India' in the international market.

India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds and well supported by government policies. Moreover, India exports 75 per cent of the world's polished diamonds, as per statistics from the Gems and Jewellery Export promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). The Indian government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route.

Gold demand in India rose to 737.5 tonnes between 2017. India's gems and jewellery exports stood at US\$ 32.71 billion in F.Y. 2017-18. During the same period, exports of cut and polished diamonds stood at US\$ 23.73 billion, thereby contributing about 72.55% of the total gems and jewellery exports in value terms. Exports of gold coins and medallions stood at US\$ 1,917.09 million and silver jewellery export stood at US\$ 3,385.65 million during F.Y. 2017-18.as it contributes a major chunk to the total foreign reserves of the country. UAE, US, Russia, Singapore, Hong Kong, Latin America and China are the biggest importers of Indian jewellery. The Goods and Services Tax (GST) and monsoon will steer India's gold demand going forward.

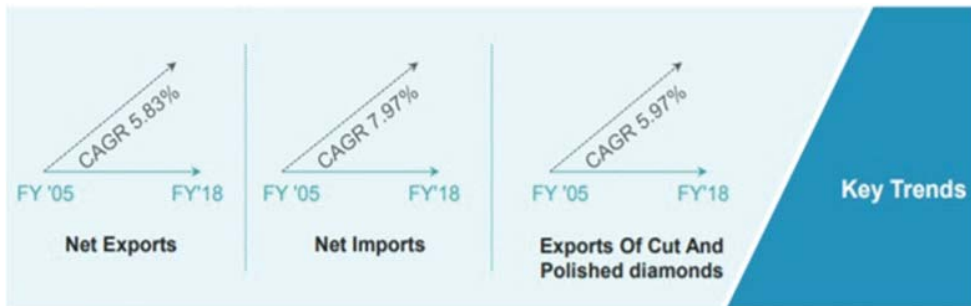
INVESTMENTS/ DEVELOPMENTS:

The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and we, with our consumer centric approach, are leaving no stone unturned to make us able to fulfill their changing demands better than the local unorganised players.

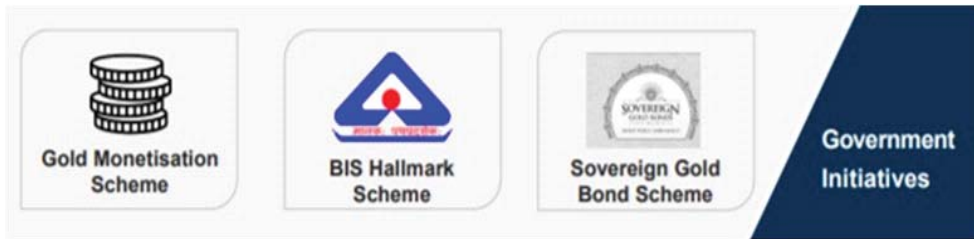


*Source: www.ibef.org

Narbada Gems & Jewellery Limited



*Source: www.ibef.org



*Source: www.ibef.org

Moreover, increase in per capita income has led to an increase in sales of jewellery, as jewellery is a status symbol in India.

The cumulative Foreign Direct Investment (FDI) inflows in diamond and gold ornaments in the period April 2000 - December 2017 were US\$ 1,111.52 million, according to Department of Industrial Policy and Promotion (DIPP).

GOVERNMENT INITIATIVES

- ❖ The Government of India would notify a new limit for reporting about transactions in gold and other precious metals and stones to authorities, to avoid the parking of black money in bullion.
- ❖ The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fitness as well as the unit's identification and the jeweller's identification mark. The move is aimed at ensuring a quality check on gold jewellery.
- ❖ The Government of India has planned to set up a Common Facility Center (CFC) at Thrissur, Kerala.
- ❖ An international diamond exchange will be set up in Surat by October, 2020 at a cost of Rs 2,400 crore (US\$ 372 million).
- ❖ The Gems and Jewellery Export Promotion Council (GJEPC) signed a Memorandum of Understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India's largest jewellery park in at Ghansoli in Navi-Mumbai on a 25 acres land with about more than 5000 jewellery units of various sizes ranging from 500-10,000 square feet. The overall investment of Rs 13,500 crore (US\$ 2.09 billion).

OPPORTUNITIES AND THREATS:

A. OPPORTUNITIES:

➤ **Entering New Markets :**

The sector is exploring new locations to diversify business and to minimize the risk. Russia, Middle East and China are a few of the emerging destinations that are witnessing an increase in jewellery demand. We can tap these countries to diversify and increase our business. India's vast, low cost and extremely skilled workforce provides it with a competitive edge over other countries. By moving up the value chain and processing larger stones, India can further increase its value share in total exports.

➤ **Value Addition:**

There exists a huge opportunity for us to do value addition to the low cost gold and diamonds items and can export such jewellery. India has an advantage of manufacturing affordable gold and diamond jewellery for the world market.

➤ **Jewellery Retail:**

The Indian retail sector provides an excellent opportunity for the Indian players to manufacture and sell their jewellery through the retail channels that are fast catching up in the Indian markets

➤ **Outsourcing Hub:**

India can become an outsourcing hub for designing and manufacturing jewellery. There is an increased trend of outsourcing designing and manufacturing of jewellery from India by global retail players.

➤ **Government incentives:**

When the industry was going through a challenging period, governmental regulations related to the reintroduction of bonded warehouse facility for diamond exporters and revision in duty drawback rate facility for Gold jewellery exporters has helped strengthen the industry further. The government has put in significant efforts for accepting recommendations to make India an International Trading hub for rough diamonds. Government recently allowed more banks to import gold thereby increasing availability of raw gold for the manufacturers.

B. THREATS:

Share Capital

➤ **Unorganized Sector:**

The gems and jewellery sector in India is unorganized and fragmented. Around 90% of the players operate in the unorganized sector mostly in family-run operations. The nature of the sector prevents it from achieving economies of scale.

Mitigation: Your Company is engaged in dealing and trading of gems and jewellery in domestic as well as in overseas market, whereas the unorganised players are in the domestic market only. Overseas importers place the orders based on credentials and the Company has a huge potential for growth in overseas market.

➤ **Predominance of the US market:**

The Indian gems and jewellery sector is pre-dominantly dependent on the US markets, which is its top export destination. The growth of gems and jewellery sector is heavily dependent on the growth of demand in the US market.

Narbada Gems & Jewellery Limited

Mitigation: Your Company is not dependent on the US market only and is aiming to enter into European markets and Middle-East countries.

➤ **Exchange Rate/Currency Risk:**

The gems and jewellery sector is affected by the rupee/dollar exchange rate because it is export oriented. Any volatility in the exchange rates affects the margins of the players.

Mitigation: Your Company would do forward cover for imports and exports and insulates itself from fluctuation in exchange rate.

➤ **High Level of Inventories:**

As the gems and jewellery sector is highly dependent on imports for its raw materials, the players have to maintain a high level of inventory. However, maintaining this inventory becomes difficult for the players during the slack season, as it carries inventory price risk.

Mitigation: Your Company does not envisage to hold large inventory and make purchases based on orders only. For domestic sales, it expects to have an inventory turnover of 3 to 4 times and thereby reduce the risk of inventory holding substantially.

➤ **Artificial Jewellery:**

The sector also faces a challenge in the form of integration of synthetic or man-made diamonds. With the advent of technology, it is difficult to differentiate between natural and artificial jewellery. This may hit the sales of low cost jewellery in the long run.

Mitigation: There are different classes of people who buy real gold jewellery and artificial jewellery. Artificial items are more use by youngsters and office goers for day to day use whereas the real gold jewellery is used for occasions and as a tool for savings of earnings. Therefore, this threat is also small and negligible.

PERFORMANCE OF THE COMPANY:

Your Company, at present, is dealing in colored precious stone studded jewellery and is on growing path. The Company achieved a total turnover of Rs. 2626.49 lakhs for the year ended 31st March, 2018 as compared to Rs. 1157.49 lakhs in the previous year with the increase of 126.91%. The profit after tax during the year ended 31st March, 2018 is Rs. 113.25 lakhs whereas the profit after tax for the previous year ended 31st March, 2017 stood at Rs. 23.56 lakhs.

OUTLOOK:

India has a flourishing manufacturing base for gems and jewellery. Globally, India is well known as an important diamonds and jewellery manufacturing hub and is an important source of supply across the world. Within the country, there is regional variation in customer preference that has resulted in the development of specific jewellery clusters, specializing in a particular kind of gold and diamond jewellery design preferred by customers in the region. In keeping with the variable choice of buyers, your Company has prospective to introduce and present uncut and flat diamond jewellery in diverse ranges and designs to its customer and clients.

India's young population comprises more than 60% of the country's total population, which is one of the primary reasons to which increase in demand for designer jewellery can be attributed. Increase in personal disposable income and rising standard of living in urban areas, has shifted the mindset of consumers from saving to consumption and led to increased spending on lifestyle. Moreover, large regional and national retailers have taken a greater share of the retail market. They seem to

have the momentum behind them. By 2020 their share could rise to 35%-40% and as India's jewellery export market grows, organized manufacturers should grow too.

Online sales are also expected to account for around 4-5 per cent of the fine jewellery segment by 2021-22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.

The product collection of your Company includes varied range of Gemstone Necklace Set, Earrings and Pendants. The Company has also started manufacturing the products on its own by setting up of its in-house manufacturing unit with the total manufacturing capacity of 15 kgs. per month. This would enable the Company to lower its overall processing and jobwork charges and the cost of production as a whole. In view of the latest industry trends for branded jewellery with modern and western designs, the Company has introduced fresh range of products with creative and light weight jewellery along with uncut and flat diamond jewellery. The Company has also started export of its speciality jewellery and completed the first export in the month of June, 2018.

RISK AND CONCERNS:

Like any other business, the gems and jewellery business also has its own set of challenges and risks, emanating from internal and external sources. The Company has in place a comprehensive risk management policy that helps anticipate and identify risks while finding ways to mitigate them.

Economy risk: Jewellery purchases are discretionary and may be affected by adverse economic trends.

Competition risk: The Company's market share may be affected by an increase in the number of organized manufacturers in the Industry.

Price volatility risk: Volatility in the market price of gold and diamonds has a bearing on the value of our inventory and could affect our income, profitability and scale of operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate system of internal controls in place. It has documented policies and procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses and compliances with regulations.

FINANCIAL SYNOPSIS OF THE COMPANY:

❖ **Share Capital:**

As on the financial year ended 31st March, 2018, the paid up share capital of the Company is Rs. 8,01,20,100/- divided into 80,12,010 Equity shares of Rs. 10/- each.

During the year, the Company had issued 90,91,600 warrants under Preferential Issue to Promoter/ Promoter Group and Non-Promoters which is convertible into Equity Shares in one or more tranches within a period of Eighteen months. Further, 50,46,300 warrants has also been converted into Equity shares in first tranche. Out of these, 2,10,000 shares are pending for listing at BSE Limited due to some disclosure requirements.

Narbada Gems & Jewellery Limited

❖ **Secured Loans:**

The Company has outstanding working capital loan(CC) of Rs. 148.88 Lakhs as at March 31, 2018.

❖ **Fixed Assets:**

Fixed Assets (Net Block) is Rs. 9.67 Lakhs during as at March 31, 2018.

HUMAN RESOURCES:

The Company recognizes that its employees are integral part of its success. Sound human resource practices have been followed which is aligned with Company's philosophy. It believes that they are the vital asset responsible for continued success of the Company. Your Company wishes to put on record its deep appreciation for the co-operation and efforts of its employees for the betterment of the organization.

CAUTIONARY STATEMENT:

Statements made in this Management Discussion and Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments in India and other factors such as litigation and labour negotiations.

INDEPENDENT AUDITOR'S REPORT

To
The Members,
Narbada Gems and Jewellery Limited,
Hyderabad.

Report on the Financial Statements

We have audited the accompanying financial statements of **Narbada Gems and Jewellery Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the cash flow statement for the year then ended on that date, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2018; and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order,2016, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations for the company that will impact the financial position of the Company;
 - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

**For D.V. ADITYA & CO,
CHARTERED ACCOUNTANTS,
FRN: 000044S**

**Sd/-
(D.V. ADITYA)
Proprietor
Membership No.022646**

**Hyderabad
Date: 30.05.2018**

Annexure A to the Independent Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

- (i) In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, on the basis of available information.
 - b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such physical verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of Inventories:
 - a. The Inventory has been physically verified by the management during the year.
 - b. In our opinion and according to the information and explanation given to us, 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. According to the information and explanation given to us, 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) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act, during the year ended March 31, 2018.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of the grant of loans, making investments, providing guarantees and securities, as applicable
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain Cost Records under Central Government under sub-section (1) of section 148 of the Act.
- (vii) In respect of statutory dues:
 - a. According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess, Goods and Service Tax and other material statutory dues which were in arrears as at March 31, 2018, for a period of more than six months from the date they became payable

Narbada Gems & Jewellery Limited

- b. According to the information given to us and records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Value added Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess or Goods and Services Tax outstanding on account of any disputes.
- (viii) According to the information and explanations given to us and on the basis of examination of the records, the company has not defaulted in the repayment of loans along with interest to Banks.
- (ix) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of public issue (including debt instruments). Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year, that causes the financial statements to be materially misstated.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company made a preferential allotment of 90,91,600 Share Warrants at Rs.12.50 each during the year (out of which 50,46,300 have been converted into equity shares of Rs.10/- each) and the requirement of Section 42 of Companies Act, 2013, as applicable has been complied with and the amount so raised was used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For D.V. ADITYA & CO,
CHARTERED ACCOUNTANTS,
FRN: 000044S**

**Sd/-
(D.V. ADITYA)
Proprietor
Membership No.022646**

**Hyderabad
Date: 30.05.2018**

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Narbada Gems and Jewellery Limited** ("the Company") as of 31 March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The company needs to document its procedures and controls vis-à-vis Internal Controls over Financial Reporting.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For D.V. ADITYA & CO,
CHARTERED ACCOUNTANTS,
FRN: 000044S**

**Sd/-
(D.V. ADITYA)
Proprietor
Membership No.022646**

**Hyderabad
Date: 30.05.2018**

IND AS BALANCE SHEET AS AT 31.03.2018

(Rs. in lakhs)

Particulars	Note No.	31.3.2018 Rs.	31.3.2017 Rs.	1.04.2016 Rs.
IA Assets				
1 Non-Current assets				
(a) Property, Plant & Equipment	1	9.67	6.44	8.06
(b) Financial assets				
(i) Others (Non current financial assets)	2	5.47	2.62	2.62
(c) Deferred tax Asset (net)	3	0.14	0.07	-
(d) Other non-current assets	4	6.30	-	-
Total Non - Current Assets		21.58	9.12	10.68
2 Current assets				
(a) Inventories	5	605.68	59.69	128.61
(b) Financial assets				
(i) Trade receivables	6	939.91	334.26	363.53
(ii) Cash & Cash Equivalents	7	5.21	1.35	6.58
(iii) Others(Curent financial assets)		-	-	-
(c) Current tax assets (net)		-	-	-
(d) Other Current assets	8	13.91	0.40	0.95
Total Current Assets		1 564.71	395.70	499.67
Total Assets		1 586.29	404.82	510.35
B Equity & Liabilities				
1 Equity				
(a) Equity share capital	9	803.88	299.25	541.90
(b) Other Equity	10	433.83	68.01	(198.20)
Total Equity		1 237.71	367.26	343.70
2 Liabilities				
Non-Current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	-
(b) Deferred tax liabilities (net)	11	-	-	0.07
Total Non-Current Liabilities		-	-	0.07
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	12	148.88	-	-
(ii) Trade payables	13	173.09	27.19	153.87
(b) Other current liabilities	14	16.51	7.89	6.37
(c) Current tax liabilities (net)	15	10.09	2.48	6.34
Total Current Liabilities		348.57	37.56	166.58
Total Equity and Liabilities		1 586.29	404.82	510.35

Our Report attached,
For D.V.ADITYA & CO.,
Chartered Accountants,
FRN:000044S

Sd/-
(D.V.ADITYA)
Proprietor
Membership No.022646

Hyderabad
Date: 30.05.2018

For Narbada Gems and Jewellery Ltd.,

Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693

Sd/-
Bajranglal Agarwal
Chief Financial Officer

Sd/-
Ramprasad Vempati
Director
DIN: 01903161

Sd/-
Ashish Kumar Gupta
Company Secretary
M.No :A46274

Narbada Gems & Jewellery Limited

Statement of Profit and Loss for the year ended 31st March , 2018

(Rs. in lakhs)

Particulars	Note No.	31st March, 2018	31st March, 2017
Revenue from operations	16	2626.49	1157.49
Other income	17	0.02	-
Total Revenue (I)		2626.51	1157.49
Expenses:			
Cost of materials consumed	18	2837.95	974.13
Changes in inventories	19	(546.00)	68.92
Employee benefits expense	20	32.38	13.81
Finance costs	21	9.25	-
Depreciation	1	1.66	1.67
Other expenses	22	133.01	64.56
Total Expenses (II)		2468.25	1123.08
Profit before tax and exceptional items (I-II)		158.26	34.41
Exceptional Items		-	-
Profit before tax		158.26	34.41
Tax expense:			
Current tax		45.09	10.98
Deferred tax		(0.08)	(0.13)
Profit after tax		113.25	23.56
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss (net of tax)		-	-
B (i) Items that will be reclassified to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income after tax		113.25	23.56
Earnings per equity share:	23		
Basic		2.28	0.79
Diluted		2.28	0.79
Accounting Policies	24		

Our Report attached,
For D.V.ADITYA & CO.,
Chartered Accountants,
FRN:000044S

Sd/-
(D.V.ADITYA)
Proprietor
Membership No.022646

Hyderabad
Date: 30.05.2018

For Narbada Gems and Jewellery Ltd.,

Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693

Sd/-
Ramprasad Vempati
Director
DIN: 01903161

Sd/-
Bajranglal Agarwal
Chief Financial Officer

Sd/-
Ashish Kumar Gupta
Company Secretary
M.No :A46274

Cash Flow Statement for the year ended 31.03.2018

(Rs. in lakhs)

	31st March, 2018	31st March, 2017
A. Cash flows from Operating Activities		
Net Profit before tax	158.26	34.41
Adjustments for:		
Depreciation	1.66	1.67
Finance Cost	9.25	0.00
Operating profit before working capital changes	169.17	36.08
Working capital changes:		
(Increase) / Decrease in Inventories	-545.99	68.92
(Increase) / Decrease in Trade Receivables	-605.65	29.27
(Increase) / Decrease in Other Financial assets	-2.85	0.00
(Increase) / Decrease in Non current Assets	-6.30	0.00
(Increase) / Decrease in Other current assets	-13.51	0.55
Increase / (Decrease) in Current Liabilities & Provisions	145.90	-126.68
Increase / (Decrease) in Other current liabilities	8.62	1.52
Cash Generated from Operations	-850.62	9.66
Direct Taxes	-37.48	-14.85
Net Cash Flow from Operating Activities	-888.09	-5.19
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-4.88	-0.04
Net Cash used in investing Activities	-4.88	-0.04
C. Cash flows from Financing Activities		
Finance Cost	-9.25	0.00

Narbada Gems & Jewellery Limited

Increase / (Decrease) in Borrowings	148.88	0.00
Issue of share warrants	757.20	
Net Cash used in Financing Activities	896.83	0.00
Net increase/(decrease) in Cash and Cash Equivalents	3.86	-5.23
Cash and Cash equivalents at the beginning of the year	1.35	6.58
Cash and Cash equivalents at the end of the year	5.21	1.35

Note:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Ind AS -7 issued by the Institute of Chartered Accountants of India.
2. The Previous years figures have been regrouped wherever necessary in order to conform to this year's presentation.

**Our Report attached,
For D.V.ADITYA & CO.,,
Chartered Accountants,
FRN:000044S**

For Narbada Gems and Jewellery Ltd.,

**Sd/-
(D.V.ADITYA)
Proprietor
Membership No.022646**

**Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693**

**Sd/-
Ramprasad Vempati
Director
DIN: 01903161**

**Place: Hyderabad
Date : 30.05.2018**

**Sd/-
Bajranglal Agarwal
Chief Financial Officer**

**Sd/-
Ashish Kumar Gupta
Company Secretary
M.No :A46274**

NOTE 1: Property, Plant & Equipment

Asset	GROSS BLOCK			DEPRECIATION			NET BI At 01.04.2016
	As at 01.04.2015	Additions during the Year	Sales/ Adjustments during the Year	As at 01.04.2016	For the Year	Sales/ Adjustments during the Year	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer	0.71	-	-	0.71	0.20	-	0.31
Office equipment	0.62	-	-	0.62	0.12	-	0.18
Furniture & Fixtures	0.38	-	-	0.38	0.04	-	0.04
Vehicles	11.57	-	-	11.57	1.31	-	4.68
TOTAL	13.28	0.00	0.00	13.28	1.67	0.00	5.21
(Previous year)	11.57	1.71	0.00	13.28	1.49	0.00	3.54

NOTE 1: Property, Plant & Equipment

Asset	GROSS BLOCK				DEPRECIATION				NET BI
	As at	Additions	Sales/	As at	For the	Sales/	As at	As :	
	01.04.2016	during the	Adjustments	31.03.2017	Year	Adjustments	31.03.2017	31.03.2017	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs
Computer	0.40	-	-	0.40	0.20	-	0.20	0.20	
Office equipment	0.44	0.04	-	0.48	0.12	-	0.12	0.12	
Furniture & Fixtures	0.34	-	-	0.34	0.04	-	0.04	0.04	
Vehicles	6.89	-	-	6.89	1.31	-	1.31	1.31	
TOTAL	8.06	0.04	0.00	8.11	1.67	0.00	1.67	1.67	
(Previous year)	13.28	-	-	13.28	1.67	0.00	1.67	5.21	

NOTE 1: Property, Plant & Equipment

Asset	GROSS BLOCK				DEPRECIATION				NET I
	As at 01.04.2017	Additions during the Year	Sales/ Adjustments during the Year	As at 31.03.2018	As at 01.04.2017	For the Year	Sales/ Adjustments during the Year	As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	I
Computer	0.40	-	-	0.40	0.20	0.12	-	0.31	
Office equipment	0.48	-	-	0.48	0.12	0.13	-	0.26	
Furniture & Fixtures	0.34	2.81	-	3.15	0.04	0.06	-	0.10	
Plant & Machinery	-	2.07	-	2.07	0.00	0.03	-	0.03	
Vehicles	6.89	-	-	6.89	1.31	1.31	-	2.62	
TOTAL	8.11	4.88	0.00	12.99	1.67	1.66	0.00	3.32	
(Previous year)	8.06	0.04	0.00	8.11	0.00	1.67	0.00	1.67	

Narbada Gems & Jewellery Limited

Note:2 Other Financial Assets

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Unsecured Considered good			
Deposits(others)	5.47	2.62	2.62
Total	5.47	2.62	2.62

Note:3 Deferred tax Asset (Net)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Deferred tax liabilities			
Opening Balance	0.07	(0.07)	-
Less: During the year	0.08	0.13	-
Less: IND AS Adjustments	-	-	-
Total	0.14	0.07	-

Note:4 Other non-current assets

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Other Assets	6.30	-	-
Total	6.30	-	-

Note:5 Inventories

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Raw materials -	-	-	
Work-in-progress	444.60	59.69	.00
Finished goods	161.09		128.61
Total	605.68	59.69	128.61

Note:6 Trade Receivables (Financial assets)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Unsecured Considered good			
Trade Recivables	939.91	334.26	363.53
Total	939.91	334.26	363.53

Note:7 Cash & Bank Balances (Financial assets)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Cash & Cash equivalents:			
Cash on hand	1.86	0.91	1.14
Balances with banks in current accounts	3.35	0.43	5.44
Total	5.21	1.35	6.58

Note:8 Other Current assets

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
VAT Receivable	-	0.22	0.89
GST Receivable	13.91	-	-
Other Advances	-	0.18	0.05
Total	13.91	0.40	0.95

Note 9: Share Capital

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Authorized share capital			
Opening: 65,00,000 Equity shares of Rs.10 each	650.00	650.00	650.00
Add: Changes during the year:			
70,00,000 Equity shares of Rs.10 each	700.00	-	-
Closing: 1,35,00,000 Equity shares of Rs.10 each	1,350.00	650.00	650.00
Issued,Subscribed and Paid up capital			
(a) 29,65,710 Equity shares of Rs.10 Each,Fully paid up	296.57	539.22	539.22
Less: Reduction of Capital against accumulated losses	-	-242.65	-
	296.57	296.57	539.22
(b) Shares Forfeited Account	2.68	2.68	2.68
Changes during the year:			
50,46,300 Equity shares of Rs.10 each	504.63	-	-
Total	803.88	299.25	541.90

Note 10: Other Equity:

Particulars	(Rs. in lakhs)		
	Reserves and Surplus Retained Earnings	Other Comprehensive Income	Total
Balance as at 31st March, 2016 as per IGAAP	(249.30)	-	(249.30)
Adjustments:-			
Total comprehensive income	51.10	-	51.10
Balance as at 1st April, 2016 per Ind AS	(198.20)	-	(198.20)

Note 10: Other Equity:

Particulars	(Rs. in lakhs)		
	Reserves and Surplus Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2016	(198.20)	-	(198.20)
Opening balance adjustments	-	-	-
Opening balance after adjustments as at 01.04.2016	(198.20)	-	(198.20)
Adjustments:-			
Reduction of Capital	242.65	-	242.65
Total comprehensive income	23.56	-	23.56
Closing Balance as at 31st March, 2017	68.01	-	68.01

Note 10: Other Equity:

(Rs. in lakhs)

Particulars	Reserves and Surplus		Other Comprehensive income	Money received on issue of share warrants	Total
	Securities Premium Reserve	Retained Earnings			
Balance as at 31st March, 2017	-	68.01	-	-	68.01
Adjustments:-					
Issue of share warrants	-	-	-	757.20	757.20
Conversion of share warrants into Equity shares	126.16	-	-	(630.79)	(504.63)
Total comprehensive income	-	113.25	-	-	113.25
Closing Balance as at 31st March, 2018	126.16	181.26	-	126.42	433.83

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Note:11 Deferred tax liabilities (Net)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Deferred tax liabilities			
Opening Balance	-	-	0.10
Less: During the year	-	-	(0.03)
Less: IND AS Adjustments	-	-	-
Total	0.00	0.00	.07

Note:12 Borrowings (Financial liabilities)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Secured Loans:			
Working capital loan(CC)	148.88	-	-
Total	148.88	0.00	0.00

Note:13 Trade payables (Financial liabilities)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Trade payables	173.09	27.19	153.87
Total	173.09	27.19	153.87

Note:14 Other Current liabilities

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Others	16.51	7.89	6.37
Total	16.51	7.89	6.37

Note:15 Current tax liabilities (net)

(Rs. in lakhs)

Particulars	31.03.2018	31.03.2017	01.04.2016
Provision for income tax	10.09	2.48	6.34
Total	10.09	2.48	6.34

Note 16 : Revenue from operations

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Sale of products		
- Finished Goods	2632.84	1163.92
- Other Operating Revenue	-	-
Less: Excise Duty	(6.35)	(6.43)
Revenue from operations (net)	2626.49	1157.49

Note 17: Other income

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Discount Received	0.02	-
	0.02	-

Note 18 : Cost of raw material consumed

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Purchases	2837.95	974.13
	2837.95	974.13

Note 19 : Changes in inventories

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Work-in-progress		
Inventory at the beginning of the year	59.69	-
Inventory at the closing of the year	(444.60)	(59.69)
	(384.91)	(59.69)
Finished Goods		
Inventory at the beginning of the year	-	128.61
Inventory at the closing of the year	(161.09)	-
	(161.09)	128.61
Changes in Inventories	(546.00)	68.92

Note 20 : Employee benefits expense

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Salaries, Wages and Bonus	32.26	13.81
Contribution to Provident Fund	0.07	-
Contribution to ESI	0.04	-
	32.38	13.81

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Note 21 : Finance costs

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Bank charges and commission	2.75	-
Bank interest	6.50	-
	9.25	0.00

Note 22 : Other expenses

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
As Auditor		
- Statutory Audit	0.50	0.50
- Tax Audit	0.15	0.15
	0.65	0.65
Bank charges and commission	-	0.08
Power and Fuel	0.35	0.37
Repairs and Maintenance	0.55	0.22
Rates and Taxes	1.60	0.93
Postage, Telegrams & Telephones	1.62	2.24
Printing & Stationery	1.60	1.05
Insurance	0.66	0.17
Advertisement and publicity	1.81	1.82
Jobwork charges	102.50	41.10
Legal and professional fee	13.88	11.83
Rent	5.42	3.67
Membership fee	0.10	0.10
Security services	0.68	0.00
Other Expenses	1.59	0.31
	133.01	64.56

Note 23: Earnings per share (EPS)

(Rs. in lakhs)

Particulars	March 31, 2018	March 31, 2017
Profit after tax	113.25	23.56
Weighted average number of equity shares in calculating basic and diluted EPS (Nos In Lakhs)	49.70	29.66
Basic Earnings per Equity Share	2.28	0.79
Diluted Earnings per Equity Share	2.28	0.79

Notes to the Financial Statements

24. General Information

The Company was originally incorporated on 05th May, 1992 under the Companies Act, 1956 under the name 'Singh Foods Limited'. The name of the Company was changed to 'Narbada Gems and Jewellery Limited' owing to the current business activity of the Company and a fresh certificate of incorporation was received on 11th March, 2008. Currently, the shares of the Company are listed at BSE Limited. The Company is dealing in manufacturing and trading of rose cut and flat diamond jewellery.

25. Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company. All amounts included in the financial statements are reported in Indian rupees except number of equity shares and per share data, unless otherwise stated.

The accounting policies have been applied consistently to all periods presented in these financial statements.

26. Use of estimates and judgement

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

27. Additional information pursuant to Schedule III of the Companies Act, 2013

Value of Raw Materials, Stores and Spares Consumed and Percentage:

(Rs. in lakhs)

Particulars	31st March, 2018		31st March, 2017		1st April, 2016	
	Percentage	Value	Percentage	Value	Percentage	Value
a. Raw Materials						
i. Indigenous	100%	2837.95	100%	974.13	100%	1076.44
ii. Imported	0%	NIL	0%	NIL	0%	NIL
	100.00	2837.95	100.00	974.13	100.00	1076.44

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28. Financial Instruments- Fair Values and Risk Management

28.1 Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. As follows as on March 31, 2018:

(Rs. in lakhs)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets liabilities at I/I fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 7)	5.21	-	-	5.21	5.21
Trade Receivable (Ref Note No.6)	939.91	-	-	939.91	939.91
Other Financial Assets (Ref Note No.2)	5.47	-	-	5.47	5.47
Liabilities:					
Trade Payable (Ref Note No.13)	173.09	-	-	173.09	173.09
Borrowings (Ref Note No 12)	148.88	-	-	148.88	148.88

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2017:

(Rs. in lakhs)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets liabilities at I/I fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 7)	1.35	-	-	1.35	1.35
Trade Receivable (Ref Note No.6)	334.26	-	-	334.26	334.26
Other Financial Assets (Ref Note No.2)	2.62	-	-	2.62	2.62
Liabilities:					
Trade Payable (Ref Note No.13)	27.19	-	-	27.19	27.19

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2016:

(Rs. in lakhs)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets liabilities at I/I fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 7)	6.58	-	-	6.58	6.58
Trade Receivable (Ref Note No.6)	363.53	-	-	363.53	363.53
Liabilities:					
Trade Payable (Ref Note No.13)	153.87	-	-	153.87	153.87

28.2 Fair Value Hierarchy

- ◆ Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- ◆ Level 2 - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- ◆ Level 3 - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables show assets and liabilities which are measured at amortized cost for which fair values are disclosed:

(Rs. in lakhs) as on March 31, 2018:

Particulars	Level 1	Level 2	Level 3	Valuation Technique and key inputs	Significant unobservable inputs
Financial					
Financial assets					
Security deposits	-	-	5.47	5.47	- -
Total financial assets	-	-	5.47	5.47	- -
Financial Liabilities					
Borrowings	-	-	148.88	148.88	- -
Total financial liabilities	-	-	148.88	148.88	- -

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(Amount in lakhs as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Valuation Technique and key inputs	Significant unobservable inputs
Financial assets					
Security deposits	-	-	2.62	2.62	-
Total financial assets	-	-	2.62	2.62	-
Financial Liabilities					
Borrowings	-	-	0.00	0.00	-
Total financial liabilities	-	-	0.00	0.00	-

(Amount in lakhs as at April 01, 2016)

Particulars	Level 1	Level 2	Level 3	Valuation Technique and key inputs	Significant unobservable inputs
Financial assets					
Security deposits	-	-	2.62	2.62	-
Total financial assets	-	-	2.62	2.62	-
Financial Liabilities					
Borrowings	-	-	0.00	0.00	-
Total financial liabilities	-	-	0.00	0.00	-

28.3 Financial risk management

- The company's activities expose it to the following financial risks:
- market risk (see (a));
- credit risk (see (b)); and
- liquidity risk.(see (c)).

The company has not arranged funds that have any interest rate risk.

a) Market risk

(i) Foreign Exchange Risk

The company has no import and export transactions and hence there is no foreign exchange risk.

(ii) Price Risk

The company's is not expose to price risk arises out of the investment in equity shares because the company does not hold any investment in equity shares.

b) Credit Risk

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables:

The company has outstanding trade receivables amounting to INR 939.91(in lakhs), INR 334.26 (in lakhs) and INR 363.53(in lakhs) as of March 31, 2018 , March 31, 2017 and 1st April, 2016, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

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Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IND AS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc are taken into account for the purposes of expected credit loss.

Credit risk exposure:

An analysis of age of trade receivables at each reporting date is summarized as follows:

(As at 31st March, 2018, Amount in Rs lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	391.32	-	391.32
Past due more than 30 days but not more than 60 days	390.38	-	390.38
Past due more than 60 days but not more than 90 days	158.21	-	158.21
Past due more than 90 days but not more than 120 days	-	-	-
Past due more than 120 days	-	-	-
Total	939.91	-	939.91

(As at 31st March, 2017, Amount in Rs Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	505.33	-	505.33
Past due more than 30 days but not more than 60 days	135.36	-	135.36
Past due more than 60 days but not more than 90 days	140.22	-	140.22
Past due more than 90 days but not more than 120 days	8.16	-	8.16
Past due more than 120 days	-	-	-
Total	334.27	-	334.27

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(As at 1st April, 2016, Amount in Rs Lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	-	-	-
Past due less than 30 days	-	-	-
Past due more than 30 days but not more than 60 days	100.82	-	100.82
Past due more than 60 days but not more than 90 days	156.86	-	156.86
Past due more than 90 days but not more than 120 days	61.22	-	61.22
Past due more than 120 days	44.63	-	44.63
Total	363.53	-	363.53

Trade receivables are generally considered credit impaired after 120 days past due, unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables.

Financial assets:

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks.

c) Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities.

Amount in Rs lakhs as of March 31, 2018)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	155.63	17.46	-	-	-	173.09
Short term borrowings (cash credit)*	148.88	-	-	-	-	148.88
Total	304.51	17.46	-	-	-	321.97

(Amount in Rs lakhs as of March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	27.19	-	-	-	-	27.19
Short term borrowings (cash credit)*	-	-	-	-	-	-
Total	27.19	-	-	-	-	27.19

(Amount in Rs lakhs as of 1st April, 2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	149.58		4.29			153.87
Short term borrowings (cash credit)*	-					
Total	149.58		4.29			153.87

29. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"
Related Party Disclosures

A. Key Managerial Personnel (KMP):

Sri Sanjay Kumar Sanghi - Managing Director
 Sri Bajranglal Agarwal - Chief Financial Officer
 Sri Ashish Kumar Gupta - Company Secretary w.e.f. 11.01.2018

B. Non Executive Directors

Sri Ritesh Kumar Sanghi
 Smt. Bhavana Sanghi
 Sri Siddharth Goel- Independent
 Sri Ramprasad Vempati- Independent
 Sri Vinod Agarwal- Independent

C. Enterprises in which Key Management Personnel has significant influence

Sanghi Jewellers Private Limited

D. Relatives of Key Management Personnel

Sri Ritesh Kumar Sanghi - Director
 Smt. Bhavana Sanghi -. Director

E. Related Party Transactions

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. .

(Amount in Rs)

Particulars	31st March, 2018	31st March, 2017	1st April, 2016
Sanghi Jewellers Pvt Ltd			
Purchase	6,43,31,006/-	3,66,39,623/-	3,86,46,930/-
Rent	4,37,200/-	3,67,200/-	3,67,200/-
Job work Charges	1,02,49,932/-	41,10,441/-	65,29,472/-
Amount Payable as on	1,32,808/-	4,22,913/-	1,49,88,661/-

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30. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic EPS and Basic EPS is as follows:

(Amount in Rs in lakhs)

Particulars	For the year For the year ended March 31, 2018	For the year For the year ended March 31, 2017
Earnings used in calculation of basic earnings per share(A)	113.25	23.56
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	49.70	29.66
Basic EPS(A/B)	2.28	0.79

b) Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

(Amount in Rs in lakhs)

Particulars	For the year For the year ended March 31, 2018	For the year For the year ended March 31, 2017
Earnings used in calculation of basic earnings per share(A)	113.25	23.56
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	49.70	29.66
Diluted EPS(A/B)	2.28	0.79

31. Accounting Policies under Ind AS:

1. Significant Accounting Policies

1.1 Statement of Compliance and basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

1.2 Application of Indian Accounting Standards (Ind-AS)

All companies (listed or unlisted) having net worth of Rs 5,000 Million or more are required to adopt Ind AS. All amounts included in the financial statements are reported in of Indian rupees (Rupees in) except number of equity shares and per share data, unless otherwise stated.

1.3 Use of estimates and judgment

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

1.4 Revenue Recognition

i) *Operating Income*

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, it is probable that economic benefits associated with the transaction will flow to the entity, the associated costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing management involvement with the goods. The point of transfer of risks and rewards depends upon the terms of the contract of sale with individual customers.

ii) *Other Income*

The income relating to the core activities of the company which are not included in revenue from sales / services, are accounted for under Other Income.

iii) *Revenue Recognition on Actual Realization*

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since reliability of such items is uncertain, in accordance with the provisions of Ind AS-18 :-

- a) Duty credit / exemption under various promotional schemes of EXIM policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/service tax / sales-tax /VAT and interest thereon etc.
- b) Decrees pending for execution/contested dues and interest thereon, if any:
- c) Interest on overdue recoverable where realisability is uncertain.
- d) Liquidated damages on suppliers/underwriters.

1.5 Property, Plant and Equipment's

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

- i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

1.6 Depreciation

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

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The useful lives of the assets are taken as under:-

(Amount in Rs in lakhs)

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles - Scooter	8
Vehicles - Car	8
Computers - Servers and networks	3
Computers - End User Devices	3

1.7 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.8 Inventory

Inventories are valued at lower of cost or net realizable value.

Basis of determination of cost remain as follows:

Raw Materials, Work-in-Progress, Finished Goods- On "First in First Out" basis.

1.9 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.10 Contingent Liabilities / Assets

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made. Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

1.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.12 Impairment

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The

Narbada Gems & Jewellery Limited

Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- ◆ Significant financial difficulty of the issuer or counterparty;
- ◆ Breach of contract, such as a default or delinquency in interest or principal payments;
- ◆ It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

1.13 Impairment

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted

average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.14 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of:

- ◆ Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- ◆ Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

c) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

1.13 Prior Period Errors

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the company.

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32. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30-05-2018.

33. Transition from IGAAP to IND AS

These financial statements, for the year ended March 31st, 2018, are first financial statements prepared by the Company in accordance with IND AS. For years upto and including the year ended March 31, 2016, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared IND AS compliant financial statements for year ending on March 31st, 2017. In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2016 the company's date of transition to IND AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The basic approach adopted is summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2016 have been measured at fair value.
- iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.
- iv) The estimates as at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).
- v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per IND AS 101:
 - a) Deemed Cost for Property, Plant & Equipment and Intangible Assets: The Company has availed exemption under para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND ASs measured as per previous GAAP.
 - b) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

Impairment of financial assets: The Company has availed exemption under para B8D of appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 109 prospectively.

Our Report attached,

For Narbada Gems and Jewellery Ltd.,

For D.V.ADITYA & CO.,,

Chartered Accountants,

FRN:000044S

Sd/-

(D.V.ADITYA)

Proprietor

Membership No.022646

Sd/-

Sanjay Kumar Sanghi

Managing Director

DIN: 00629693

Sd/-

Ramprasad Vempati

Director

DIN: 01903161

Sd/-

Bajranglal Agarwal

Chief Financial Officer

Sd/-

Ashish Kumar Gupta

Company Secretary

M.No :A46274

Place : Hyderabad

Date: 30.05.2018

ROUTE MAP FOR THE 26TH ANNUAL GENERAL MEETING- 29.09.2018

Venue:- Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001, Telangana







Gems & Jewellery Limited

ATTENDANCE SLIP

**(To be handed over at the entrance of the meeting hall)
(Annual General Meeting - 29th September, 2018)**

I hereby record my presence at the Annual General Meeting of the Company held on, Saturday, 29th September, 2018 at 10:00 A.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001

Full name of the member (In BLOCK LETTERS)

Folio No.DP ID No. Client ID No.....

Full name of Proxy (In BLOCK LETTERS):

Member/ Proxy(s) Signature:

****tear here****

FORM NO. MGT-11

PROXY FORM

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

CIN: L01222TG1992PLC014173

Name of the Company: Narbada Gems and Jewellery Limited

Registered Office: : 3-6-291/4/B, 2nd Floor, Hyderguda, Hyderabad - 500029

Name of the Member(s):
Registered Address:
E-mail ID:
Folio No/ Client ID:
DP ID:

I / We, being the member(s) of and hold/holds..... shares of the above named Company, hereby appoint

1. Name: Address:

E-mail ID: Signature: Or failing

2. Name: Address:

E-mail ID: Signature: Or failing

3. Name: Address:

E-mail ID: Signature: Or failing

Narbada Gems & Jewellery Limited

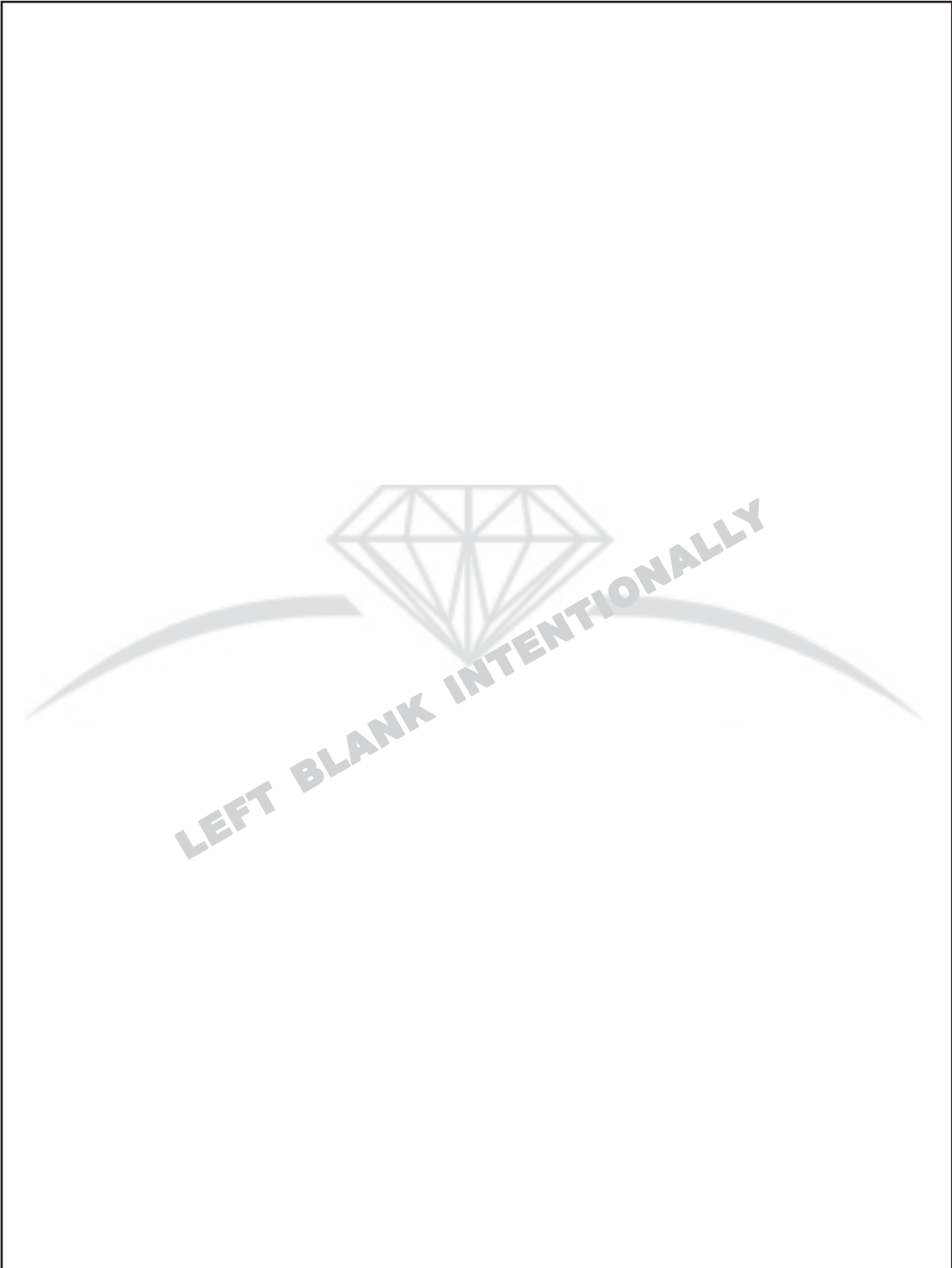
As my / our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the Annual General Meeting of the Company, to be held on Saturday, 29th September, 2018 at 10:00 A.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001, and at any adjournment thereof in respect of such resolution(s) as are indicated below

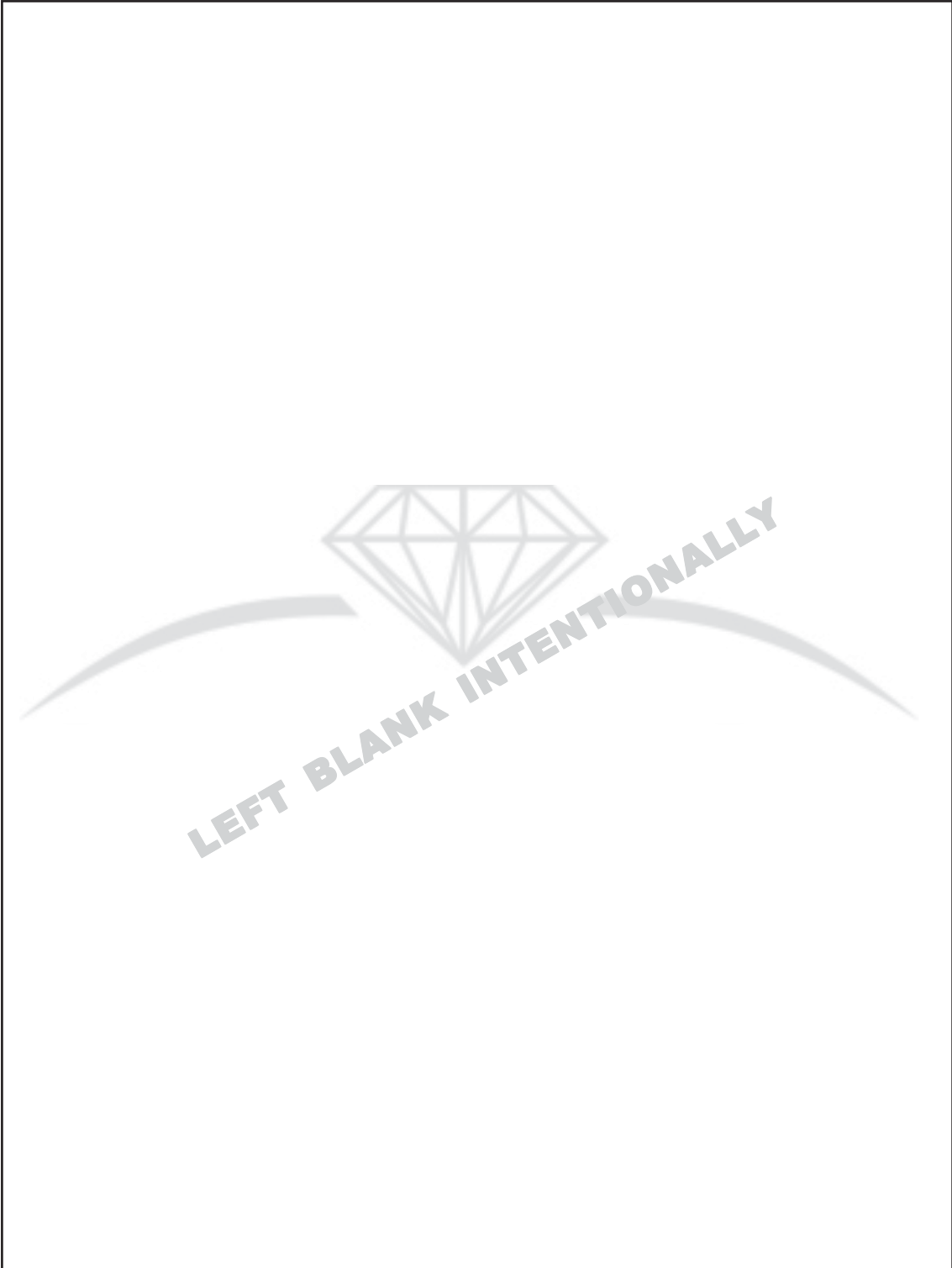
Item No.	Resolution	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Financial Statement for the year ended on 31st March, 2018 together with the Reports of Directors and Auditors thereon.		
2.	To re-appoint Shri Ritesh Kumar Sanghi, Director (DIN:00628033), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business:			
3.	Ratification of the Pre-Preferential allotment and Post-allotment shareholding of Mr. Umesh Kumar Agarwal (PAN: ACBPK9975D), pursuant to issue of Warrants under Preferential Issue and conversion thereof.		

Signed this day of 2018
 Signature of the Shareholder(s) Signature of Proxy (s).....

Affix
 Revenue
 Stamp

Note: The form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.





**PRINTED MATTER
BOOK- POST**

if undelivered, return to:

NARBADA GEMS AND JEWELLERY LIMITED

3-6-291/4/B, 2nd Floor, Hyderguda, Hyderabad - 500 029

Tel: +91-40-4850 6411, E-mail: comsec@narbadajewellery.com

