



Date: 16.11.2017

To  
The Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

To  
The Secretary  
The Calcutta Stock Exchange Limited  
7, Lyons Range,  
Kolkata – 700001

BSE Scrip Code: 539518

CSE Scrip Code: 18358

**Sub: Submission of Annual Report 2016-17**

Dear Sir,

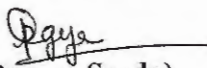
Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the enclosed, copy of Annual Report of the Company for the Financial Year 2016-17 which has been approved and adopted by the members in the 18<sup>th</sup> Annual General Meeting held on Thursday, 16<sup>th</sup> November, 2017 at 10:30 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 Uday Jewellery Industries Limited**

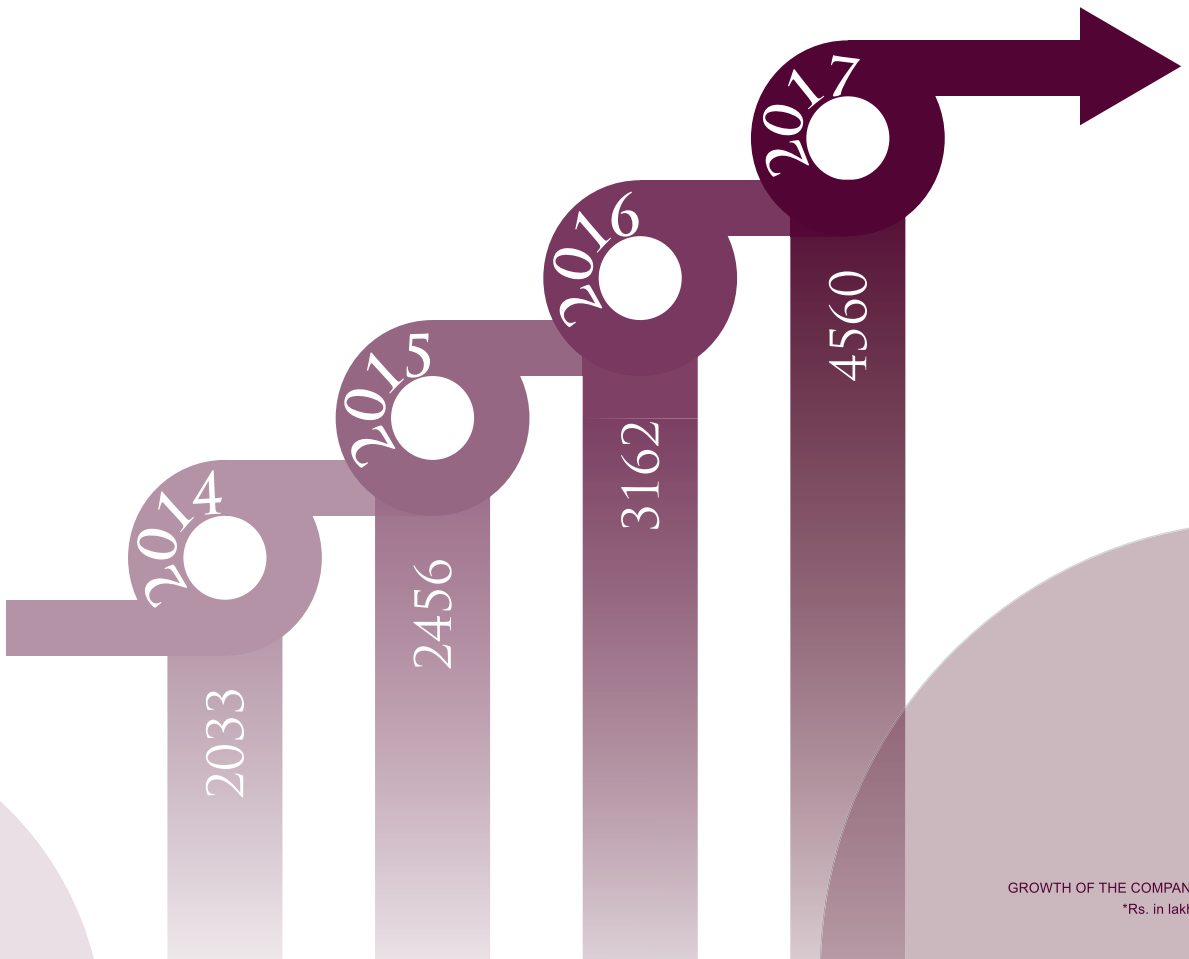
  
(Pragya Sarda)  
Company Secretary



Encl: As stated above.

**Uday Jewellery Industries Limited**  
manufacturers • exporters • distributors

# 18<sup>th</sup> ANNUAL REPORT 2016-17





*Traditional Jewellery*



*Lifestyle Jewellery*

## 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 MCS 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 endeavor 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 [info@udayjewellery.com](mailto:info@udayjewellery.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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## **BOARD OF DIRECTORS**

Mr. Ritesh Kumar Sanghi	-	Managing Director
Mr. Sanjay Kumar Sanghi	-	Non Executive Director
Mrs. Pritha Sanghi	-	Non Executive Director
Mr. Siddharth Goel	-	Independent Director
Mr. Ram Prasad Vempati	-	Independent Director
Mr. Vikram Goel	-	Independent Director
Mr. Rakesh Agarwal	-	Chief Financial Officer
Ms. Pragya Sarda	-	Company Secretary & Compliance Officer

## **AUDITORS**

M/s Venugopal & Chenoy  
Chartered Accountants, Tilak Road,  
Hyderabad – 500001

## **BANKERS**

Kotak Mahindra Bank Limited  
State Bank of India

## **REGISTERED OFFICE**

Plot No. 5-9-60, Flat No. 301, Moghuls Court Building,  
Deccan Tower Complex, Basheerbagh  
Hyderabad – 500029  
Ph:- 040-32918411

## **REGISTRAR & SHARE TRANSFER AGENTS**

Bigshare Services Private Limited  
306, Right Wing, 03<sup>rd</sup> Floor, Amrutha Ville  
Opp Yashoda Hospital, Somajiguda  
Raj Bhavan Road, Hyderabad- 500082  
Telangana  
Phone: 040- 40144967 / 582  
Fax: 040-23370295  
Email: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**NOTICE**

Notice is hereby given that the **Eighteenth Annual General Meeting** of the Members of the Company will be held at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001 on **Thursday, 16<sup>th</sup> day of November, 2017** at 10:30 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement for the year ended on 31<sup>st</sup> March, 2017 together with the Reports of Directors and Auditors thereon.
2. To appoint director in place of Ms. Pritha Sanghi, Director (DIN:02681491), who retires by rotation and being eligible, offers herself for re-appointment
3. To ratify the appointment of Statutory auditors :-

**“RESOLVED THAT** pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed there under, as amended from time to time, and the resolution passed by the Members in their 15<sup>th</sup> Annual General Meeting, the appointment of M/s Venugopal & Chenoy, Chartered Accountants (Firm Reg. No. 004671S, M. No. 21961), Hyderabad as the Statutory Auditors of the Company to hold office until the conclusion of Annual General meeting of the Company to be held in the calendar year 2019, be and is hereby ratified, at such remuneration as may mutually agreed upon between the Board of Directors of the Company and the Auditors.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized, to intimate about such appointment to the Statutory Auditors, file necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana and to do all such activities as may be required to implement the aforesaid resolution.”

**SPECIAL BUSINESS:****4. Reappointment of Mr. Ritesh Kumar Sanghi as the Managing Director of the Company**

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

**“RESOLVED THAT** pursuant to provisions of Sections 196 and other applicable provisions, if any, read with Schedule V of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the members be and is hereby granted for re-appointment of Mr. Ritesh Kumar Sanghi as the Managing Director of the Company with effect from 29<sup>th</sup> August, 2017 for a further period of five years, without any remuneration.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file requisite e-forms with the Registrar of Companies, Andhra Pradesh and Telangana and do such acts, deeds and things necessary to give effect to the above resolution.”

**5. Increase in Authorized Share Capital of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) read with the Companies (Share Capital and Debentures) Rules, 2014, the consent of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 15,50,00,000/- (Rupees Fifteen Crores and Fifty Lakhs only) divided into 1,55,00,000 (One Crore Fifty Five Lakhs) Equity Shares of Rs. 10/- each to Rs. 26,00,00,000/- (Rupees Twenty Six Crores only) divided into 2,60,00,000 (Two Crores Sixty Lakhs) Equity Shares of Rs. 10/- each by creation of further 1,05,00,000 (One Crore Five Lakhs) Equity Shares of Rs. 10/- each ranking pari passu with the existing equity shares of the Company.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file requisite e-forms with the Registrar of Companies, Andhra Pradesh and Telangana and to sign such other document and do all other related activities required to implement the foregoing resolution.”

## 6. **Alteration of Capital Clause of the Memorandum of Association of the Company**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 13, 61 and 64 and other applicable provisions, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) read with the Companies (Share Capital and Debentures) Rules, 2014, the consent of the members be and is hereby accorded to alter the Clause V of the Memorandum of Association of the Company by substituting it with the following Clause:

V. The Authorized Share Capital of the Company is Rs. 26,00,00,000/- (Rupees Twenty Six Crores only) divided into 2,60,00,000 (Two Crores Sixty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify on any such rights, privileges or conditions in such manner as may for the time being, be provided by the regulations of the Company.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana, report such changes with authorities/agencies and to do all such incidental acts, deeds and things as may be required in this regard.”

## 7. **Adoption of new set of Memorandum of Association as per Table A, Schedule I of the Companies Act, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 13(1) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the Memorandum of Association of the Company be altered in the manner that “The Act” or “the said Act” means the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being in force) applicable for Companies limited by shares and effecting the Company and wherever specific reference of Sections of the Companies Act, 1956 has been mentioned in the Memorandum, the same shall be deemed to be referring to the corresponding provisions of the Companies Act, 2013 or the Act for the time being in force and the rules made there under and in case of inconsistency or variation of any of the contents of the Memorandum of Association of the Company with the Companies Act, 2013, its rules or the Act for the time being in force, the provisions of the Companies Act, 2013, its rules or the Act for the time being in force, shall prevail and the said contents of the Memorandum of Association of the Company shall be deemed to have been amended to that extent to confirm with the provisions of Section 4 (6) of the Act”.

**“RESOLVED FURTHER THAT** the altered Memorandum of Association incorporating the changes prescribed in Table A of Schedule I of the Companies Act, 2013 as circulated, be and is hereby approved and adopted.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file the requisite E-Forms with the Registrar of Companies, Andhra Pradesh and Telangana and take all decisions and steps necessary or expedient, from time to time, for the purpose of giving effect to this Resolution.”

## 8. **Adoption of new set of Articles of Association as per Table F, Schedule I of the Companies Act, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being

in force), the Articles of Association of the Company be altered in the manner that “The Act” or “the said Act” means the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being in force) applicable for Companies limited by shares and effecting the Company and wherever specific reference of Sections of the Companies Act, 1956 has been mentioned in the Articles, the same shall be deemed to be referring to the corresponding provisions of the Companies Act, 2013 or the Act for the time being in force and the rules made there under and in case of inconsistency or variation of any of the Articles with the Companies Act, 2013, its rules or the Act for the time being in force, the provisions of the Companies Act, 2013, its rules or the Act for the time being in force, shall prevail and the said Article(s) shall be deemed to have been amended to that extent, in accordance with Section 5 (6) of the Act”.

**“RESOLVED FURTHER THAT** the altered Articles of Association incorporating the changes prescribed in Table F of Schedule I of the Companies Act, 2013 as circulated, be and is hereby approved and adopted.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to file the requisite E-Forms with the Registrar of Companies, Andhra Pradesh and Telangana and to do such related activities as required to execute the above resolution.”

**9. Preferential Allotment of Equity Warrants of the Company to Promoters/ Promoter Group/ Resident Individuals convertible into equity shares in one or more tranches.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“the Companies Act”) read with the Rules made there under and such other applicable provisions, as amended and in accordance with the provisions of the Securities and Exchange Board of India (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”) and any other guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the permissions, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such permissions, sanctions and approval and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other modifications, conditions and variations that may be decided by the Board in its absolute discretion, the consent of the members be and is hereby accorded to the Board to issue and allot upto **93,22,000 warrants (“Equity Warrants”)** on a preferential basis; to persons belonging to the Promoter/Promoter Group (as defined in the ICDR Regulations) each convertible into one Equity Share of face value of Rs. 10/- each, **in one or more tranches**, within a period of 18 (Eighteen) months from the date of allotment of Equity Warrants, at a price (including the warrant subscription price and the warrant exercise price) of Rs. 18.98/- each (Rupees Eighteen and Ninety Eighty paise only) aggregating upto Rs.17,69,31,560 (Rupees Seventeen Crores Sixty Nine Lakhs Thirty One Thousand Five Hundred and Sixty only), on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the ICDR Regulations or other applicable laws.”

**“RESOLVED FURTHER THAT**, in accordance with the provisions of Chapter VII of the ICDR Regulations, the “Relevant Date” for the purpose of calculating the price for the issue of Equity Shares pursuant to the exercise of the Equity Warrants is 17<sup>th</sup> October, 2017, which is 30 days prior to the date of this Annual General Meeting i.e. 16<sup>th</sup> November, 2017 and the price so calculated is Rs. 18.98/- (Rupees Eighteen and Ninety Eighty paise only) per equity share.

**“RESOLVED FURTHER THAT** the said Equity Warrants shall be issued and allotted by the Company to the proposed allottee within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Equity Warrants shall be subject to following terms:

- a. The Equity Shares to be so allotted on exercise of the Equity Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company. The Equity Warrants may be exercised by the Equity Warrants holder(s) at any time before the expiry of 18 months from the date of allotment of the Equity Warrants.
- b. An Equity Warrant subscription price equivalent to 25% of the issue price of the Equity Shares will be payable at the time of subscription to the Equity Warrants, as prescribed under Regulation 77 of the ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. An Equity Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Equity Warrant holder(s) at the time of exercising the Equity Warrant, in tranches, at the time of exercising the proportionate Equity Warrants.
- c. The issue of the Equity Warrants as well as Equity Shares arising from the exercise of the Equity Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- d. In the event the Equity Warrant holder(s) does not exercise the Equity Warrants within 18 months from the date of allotment of the Equity Warrants, the Equity Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- e. The Equity Warrants issued and allotted will be transferable within the Promoter Group subject to the approval of the Board and such other approvals as may be necessary.
- f. In the event of the Company making a bonus issue by way of capitalization of its reserves, or a rights offer by way of issue of new Equity Shares, prior to allotment of Equity Shares resulting from the exercise of the Equity Warrants, the issue price of the Equity Shares to be allotted against such Equity Warrants shall be subject to appropriate adjustment, subject to the SEBI ICDR Regulations and other applicable law.
- g. The Equity Shares to be issued and allotted by the Company on exercise of the Equity Warrants in the manner aforesaid shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company.
- h. The Equity warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter VII of the ICDR Regulations relating to preferential issues.”

**“RESOLVED FURTHER THAT** the Board or a Committee thereof be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to above resolutions, to file the necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana/SEBI/BSE 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 authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.”

**10. Preferential Issue of Equity Warrants of the Company to Business Associates/ non-promoter/ public group**

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

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended (“the Companies Act”) read with the Rules made there under and such other applicable provisions, as amended and in accordance with the provisions of the Securities and Exchange Board of India (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”) and any other guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the permissions, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such permissions, sanctions and approval and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other modifications, conditions and variations that may be decided by the Board in its absolute discretion, the consent of the members be and is hereby accorded to the Board to issue and allot upto **17,35,000 warrants (“Equity Warrants”)** on a preferential basis; to persons belonging to the Non-Promoter Individuals/Public Category; each convertible into one Equity Share of face value of Rs. 10/- each, **in a single tranche**, within a period of 18 (Eighteen) months from the date of allotment of Equity Warrants, at a price (including the warrant subscription price and the warrant exercise price) of Rs.18.98/- each (Rupees Eighteen and Ninety Eighty paise only) aggregating to Rs. 3,29,30,300/- (Rupees Three Crores Twenty Nine Lakhs Thirty Thousand and Three Hundred only), on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the ICDR Regulations or other applicable laws.”

**“RESOLVED FURTHER THAT** in accordance with the provisions of Chapter VII of the ICDR Regulations, the “Relevant Date” for the purpose of calculating the price for the issue of Equity Shares pursuant to the exercise of the Equity Warrants is 17<sup>th</sup> October, 2017, which is 30 days prior to the date of this Annual General Meeting i.e. 16<sup>th</sup> November, 2017 and the price so calculated is Rs. 18.98/- (Rupees Eighteen and Ninety Eighty paise only) per equity share.

**“RESOLVED FURTHER THAT** the said Equity Warrants shall be issued and allotted by the Company to the proposed allottee within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Equity Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

**“RESOLVED FURTHER THAT** without prejudice to the generality of the above, the issue of Equity Warrants shall be subject to following terms:

- a. The Equity Shares to be so allotted on exercise of the Equity Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of

the Company. The Equity Warrants may be exercised by the Equity Warrants holder(s) at any time before the expiry of 18 months from the date of allotment of the Equity Warrants.

- b. An Equity Warrant subscription price equivalent to 25% of the issue price of the Equity Shares will be payable at the time of subscription to the Equity Warrants, as prescribed under Regulation 77 of the ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. An Equity Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Equity Warrant holder(s) at the time of exercising the Equity Warrant.
- c. The issue of the Equity Warrants as well as Equity Shares arising from the exercise of the Equity Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- d. In the event the Equity Warrant holder(s) does not exercise the Equity Warrants within 18 months from the date of allotment of the Equity Warrants, the Equity Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- e. The Equity Warrants issued and allotted will be transferable within the Promoter Group subject to the approval of the Board and such other approvals as may be necessary.
- f. In the event of the Company making a bonus issue by way of capitalization of its reserves, or a rights offer by way of issue of new Equity Shares, prior to allotment of Equity Shares resulting from the exercise of the Equity Warrants, the issue price of the Equity Shares to be allotted against such Equity Warrants shall be subject to appropriate adjustment, subject to the SEBI ICDR Regulations and other applicable law.
- g. The Equity Shares to be issued and allotted by the Company on exercise of the Equity Warrants in the manner aforesaid shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company.
- h. The Equity warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter VII of the ICDR Regulations relating to preferential issues."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the holder(s) of the Warrants."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to above resolutions, to file the necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana /SEBI/BSE 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 authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

Date: 16.10.2017  
Place: Plot No 5-9-60, Flat No 301,  
Moghuls Court, Basheerbagh,  
Hyderabad – 500001

**For and on behalf of the Board**

**Sd/-**

**Ritesh Kumar Sanghi**

**Managing Director**

**DIN: 00628033**

**Address: 8-2-686/DR/7, Road No. 12,  
Banjara Hills, Hyderabad – 500034, Telangana.**

**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 **10<sup>th</sup> November, 2017 to 16<sup>th</sup> November, 2017** (both days inclusive) for the purpose of Annual General Meeting.
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 **INE551B01012**.
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 details to the company or 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 1.00 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. The Results of the e-voting will be declared by the Directors by **18<sup>th</sup> November, 2017 by 4.30 PM.** at the Corporate Office of the Company at Hyderabad and hosted on the website of the Company and on bseindia.com.
16. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of special businesses is annexed herewith.
17. The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed/ reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchanges are as follows:

**Mrs. Pritha Sanghi**, aged about 47 years has a varied experience in the field of jewellery designing and expert knowledge in gemology. Her shareholding in the Company is NIL as on 31<sup>st</sup> March, 2017.

Her directorships held in other public companies as on 31.03.2017 are:

- a) 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-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. 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.

<b>EVSN (Evoting Sequence Number)</b>	<b>Evoting Starts on</b>	<b>Evoting Ends on</b>
171018005	13th November, 2017 at 09.00 a.m.	15th November, 2017 at 05.00 p.m.

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

- (i) The remote e-voting period commences on **13<sup>th</sup> November, 2017 at 09:00 A.M.** and ends on **15<sup>th</sup> November, 2017 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 **09<sup>th</sup> November, 2017** 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](http://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](http://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:

#### **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)

- ◆ 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 Enter the Bank Account Number as

Account recorded in your demat account with

Number the depository or in the company

(DBD) records for your folio.

- ◆ 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. '**Uday Jewellery Industries 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](mailto: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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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.
19. 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 [info@udayjewellery.com](mailto:info@udayjewellery.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before **15<sup>th</sup> November, 2017**, upto 5:00 pm without which the vote shall not be treated as valid.
  20. 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 **09<sup>th</sup> November, 2017**. A person who is not a member as on cut off date should treat this notice for information purpose only.
  21. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 20<sup>th</sup> October, 2017.
  22. The shareholders shall have one vote per equity share held by them as on the cut-off date of **09<sup>th</sup> November, 2017**. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
  23. 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 **09<sup>th</sup> November, 2017** and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
  24. 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.
  25. 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. **09<sup>th</sup> November, 2017**, are requested to send the written / email communication to the Company at [info@udayjewellery.com](mailto:info@udayjewellery.com) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
  26. CS Ajay Suman Shrivastava, Practicing Company Secretary (Certificate of Practice Number 3479) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting by poll 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.

27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ujjewellery.com](http://www.ujjewellery.com) and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. the Calcutta Stock Exchange Limited and BSE Limited.

### **EXPLANATORY STATEMENT**

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

#### **Item No. 4:**

Mr. Ritesh Kumar Sanghi was appointed as Managing Director of the Company for a term of five years with effect from 29<sup>th</sup> August, 2012. It is now proposed to re-appoint him as the Managing Director of the Company, on completion of the said term. Mr. Ritesh Kumar Sanghi, aged about 45 years, is a commerce graduate and is involved in the business of gems and jewellery since more than 20 years. He has extensive knowledge in the field of jewellery and the production process and techniques involved in the manufacturing of gold jewellery. His wisdom and understanding for the business would be favorable for the Company.

In accordance with Section 196 read with Schedule V of the Companies Act, 2013, the appointment and re-appointment of Managing Director shall be approved by the members in a General Meeting. Therefore your approval is sought in this regard for the said re-appointment.

The Board recommends the resolution as set out in item no. 4 of the notice for approval by the members.

The Directors Mr. Sanjay Kumar Sanghi and Mrs. Pritha Sanghi, being relatives of the appointee, are interested or concerned in the said resolution.

#### **Item No. 5 and 6:**

At present, the Authorized Share Capital of the Company is Rs. 15,50,00,000/- (Rupees Fifteen Crores Fifty Lakhs only) divided into 1,55,00,000 (One Crore Fifty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each. With increased business activities and networks and in order to expand the existing business operations, it is required to infuse further Capital into business of the Company. Therefore it is proposed to increase the Authorized Share Capital of the Company to Rs. 26,00,00,000/- (Rupees Twenty Six Crores only) divided into 2,60,00,000 (Two Crores Sixty Lakhs) Equity Shares of Rs. 10/- each by creation of further 1,05,00,000 ( One Crore Five Lakhs) Equity Shares of Rs. 10/- each ranking pari passu with the existing equity shares of the Company."

In accordance with Section 13 read with Section 61 of the Companies Act, 2013, approval of members is required for any change in the Share Capital Clause of the Memorandum of Association of the Company.

The resolution in Item No. 06 is consequential to resolution in Item No. 5 in respect of alteration of Authorized Share Capital of the Company.

None of the Directors are in any way concerned or interested in the above resolution.

The Board recommends the aforesaid resolution as set out in item no. 5 and 6 of the notice for the approval by the members.

#### **Item No.7:**

The Company was incorporated under the Companies Act, 1956 and the Memorandum of Association (MOA) of the Company is in accordance with the format mentioned in the aforesaid Act. It is now proposed to alter the Share Capital Clause of the existing Memorandum of Association of the Company. With the enforcement of the Companies Act, 2013, it is required to adopt the new set of MOA as per the format provided in Table A, Schedule I of the Companies Act, 2013. The said alteration requires

approval of members by way of special resolution, in accordance with Section 13 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out in item no. 7 of the notice for approval by the members.

None of the Directors are in any way concerned or interested in the above resolution.

**Item No.8:**

The existing Articles of Association (AoA) of the Company is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956. Upon enforcement of the Companies Act, 2013, various provisions of the Companies Act, 1956 have become ineffective and in view of the same the AoA of the Company needs to be realigned as per the provisions of the Companies Act, 2013.

In accordance with the Companies Act, 2013, it is required for the Company to adopt the new set of Articles of Association (AoA) as per the form provided in Table F, Schedule I of the Companies Act, 2013.

The said alteration requires approval of members by way of special resolution, in accordance with Section 14 of the Companies Act, 2013.

The Board of Directors recommends the resolution as set out in item no. 8 of the notice for approval by the members.

None of the Directors are in any way concerned or interested in the above resolution.

**Item No. 9 and 10:**

a) **The objects of the issue:**

The Company is in the business of manufacturing and trading in gold and studded jewellery. In view of the robust demand and an escalating inclination towards branded products and in order to enhance its market presence, the Company seeks to intensify its existing business operations. The proceeds from the preferential allotment will be utilized for its working capital requirement and for further expansion of its current business setup in terms of production capacity, varied product range, sales and marketing and widening the existing clientele base.

b) **The proposal of the promoters/directors/key management personnel to subscribe to the offer:**

Mr. Ritesh Kumar Sanghi, Mr. Sanjay Kumar Sanghi, Mrs. Pritha Sanghi, Mr. Hanumanthrai Sanghi, Mrs Sarala Sanghi, Mrs Bhavana Sanghi, Mr. Tejas Sanghi and Mr. Uday Sanghi belonging to the Promoter and Promoter Group will be subscribing to Equity Warrants in the preferential issue. Apart from them, none of the promoters, directors or key management personnel of the Company intends to apply /subscribe to the proposed issue.

c) **Total number of securities proposed to be issued:**

The Company, subject to necessary approvals, is proposing to issue and allot, on a preferential basis upto 1,10,57,000 Equity Warrants which may be exercised to receive Equity Shares at a price (including the Equity Warrant Subscription Price and Equity Warrant Exercise Price) of Rs.18.98/- (Rupees Eighteen and Ninety Eighty paise only) determined in accordance with the ICDR Regulations i.e. each equity share of Rs.10/- each at a premium of Rs.8.98/- per share.

d) **Pricing:**

The minimum price as per the pricing formula prescribed under the ICDR Regulations for the preferential issue of Equity Warrants is **Rs.18.98/- (Rupees Eighteen and Ninety Eighty paise only)**, being higher of (a) the average of the high and low of the closing prices at BSE Limited for 26 weeks prior to the relevant date viz. Rs.18.81 (Rupees Eighteen and Eighty One paise only), and (b) the average of the high and low of the closing prices at BSE Limited for 2 weeks prior to the relevant date viz. Rs.18.98/- (Rupees Eighteen and Ninety Eighty paise only).

e) **Relevant Date:**

The "Relevant Date" as per the ICDR Regulations for determining the minimum price for the preferential issue of Equity Warrants is 17<sup>th</sup> October, 2017 being 30 days prior to the date of this Annual General Meeting i.e. 16<sup>th</sup> November, 2017.

f) **Proposed time within which the allotment shall be completed:**

In accordance with the ICDR Regulations, the preferential issue of Equity Warrants shall be completed, within a period of 15 days from the date of passing of the special resolution contained under this item of business provided that where the allotment on preferential basis is pending on account of pendency of any approval of such allotment from any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

g) **The shareholding pattern of the Company before and after the preferential issue of Equity Warrants:**

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	<b>Promoters Holding:</b>				
1.	Indian:				
	Individual	75,42,681	64.52	1,68,64,681	74.14
	Bodies Corporate	-	-		
	<b>Sub Total</b>				
2.	Foreign Promoters	-	-	-	-
	<b>Sub Total (A)</b>	<b>75,42,681</b>	<b>64.52</b>	<b>1,68,64,681</b>	<b>74.14</b>
B	<b>Non Promoters' Holding:</b>				
1.	Institutional Investors	-	-		-
2.	Non Institution:				
	Bodies Corporate	2,85,961	2.45	2,85,961	1.26
	Directors and relatives	-	-	-	-
	Indian Public	38,56,578	32.99	55,91,578	24.58
	Others (Including NRIs)	5,380	0.04	5,380	0.02
	<b>Sub Total (B)</b>	<b>41,47,919</b>	<b>35.48</b>	<b>58,82,919</b>	<b>25.86</b>
	<b>GRAND TOTAL</b>	<b>1,16,90,600</b>	<b>100.00</b>	<b>2,27,47,600</b>	<b>100.00</b>

**Note:** The above post-issue shareholding pattern assumes that the Preferential Issue of Equity Warrants issued pursuant to this resolution are fully converted into equity shares, failing which, the percentage will change accordingly.

h) **The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:**

The identity of the natural persons who are the ultimate beneficial owners of Equity Warrants proposed to be allotted and the percentage of the post preferential issue capital that may be held by them is given in the following table:

➤ **Persons whose Equity Warrants are convertible into Equity shares in one or more tranches**

<b>Name of the Proposed Allottee</b>	<b>Category Promoter/ Promoter Group/ Non-Promoter</b>	<b>Address</b>	<b>Permanent Account Number (PAN)</b>	<b>No. of securities to be allotted</b>	<b>% share holding in the Company post issue after Full conversion</b>
Sanjay Kumar Sanghi	Promoter	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AMQPS5787G	11,80,000	19.78
Ritesh Kumar Sanghi	Promoter	8-2-686/D/6/7, RoadNo. 12, Banjara Hills, Hyderabad, 500034, Telangana	AFVPS5465B	15,28,500	20.42
Sanjay Kumar Sanghi(HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AAUHS1249D	3,90,800	1.72
Ritesh Kumar Sanghi(HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AADHR6702D	1,82,300	0.80
Hanumanthrai Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AEAPS7073P	2,747,00	1.21
Sarala Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AFVPS5457B	4,95,200	2.18
Hanumanthrai Sanghi (HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AABHH1798D	1,52,600	0.67

Pritha Sanghi	PromoterGroup	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AJYPS6286K	20,45,300	8.99
Bhavna Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AJYPS6513M	20,44,500	8.99
Tejas Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	DUIPS4099N	5,43,800	4.92
Uday Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	EYNPS5899Q	4,84,300	4.47
<b>Total</b>				<b>93,22,000</b>	<b>74.14</b>

➤ **Persons whose Equity Warrants are convertible into Equity shares in single tranche**

<b>Name of the Proposed Allottee</b>	<b>Category Promoter/ Promoter Group/ Non-Promoter</b>	<b>Address</b>	<b>Permanent Account Number (PAN)</b>	<b>No. of securities to be allotted</b>	<b>% share holding in the Company post issue after Full conversion</b>
Rajender Kumar Agarwal	Non-Promoter	Plot No. 30, Road No. 5, Trimuthy Colony, Mahendra Hills, Secunderabad- 500026	ABLPA2496E	2,00,000	0.88
Vinay Kumar Agarwal	Non-Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	AEMPK0188B	1,50,000	0.66
Devender Kumar	Non-Promoter	8-2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	AFXPK6307E	1,50,000	0.66

Ankit Agarwal	Non-Promoter	8-2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	ALCPA7026M	1,50,000	0.66
Ritesh Kumar Agarwal (HUF)	Non-Promoter	Plot No. 30, Road No. 5, Trimuthy Colony, Mahendra Hills, East maredpally Secunderabad-500026	AAOHR8884B	1,00,000	0.44
Jashoda Devi	Non-Promoter	Plot No. 1195, Road no. 59, Jubilee Hills, Hyderabad- 500033	ACEPJ2201Q	1,00,000	0.44
Narayandas Kakani	Non-Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	AFWPK8931R	1,00,000	0.44
Purshottam Das Agarwal	Non-Promoter	1G, Shagrilla, Lumbini Jewel Mall, Road No. 2, Banjara Hills, Hyderabad- 500034	ACNPA5404H	1,00,000	0.44
Vijay Laxmi Agarwal	Non-Promoter	1G, Shagrilla, Lumbini Jewel Mall, Road No. 2, Banjara Hills, Hyderabad- 500034	AFIPA6465J	1,00,000	0.44
Rakhee Agarwal	Non-Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	ACHPR8771J	75,000	0.33
Utkarsh Agarwal	Non-Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	BDAPA8481P	75,000	0.33
Poonam Kakani	Non-Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	AAAPF2423N	75,000	0.33
Vedanth Kakani	Non-Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	EGWPK0577E	75,000	0.33

Navneet Lal Kakani	Non-Promoter	158-C, Ground Floor, Laxminarayan, Modi Khana, Solapur North, Solapur- 413001	AEDPK3670B	50,000	0.22
Mukundlal Baheti	Non-Promoter	Plot No. 22, Huda Layout, Nandagiri Hills, Jubilee Hills Checkpost, Hyderabad- 500034	ABHPB6449A	25,000	0.11
Shradha Baheti	Non-Promoter	Plot No. 22, Huda Layout, Nandagiri Hills, Jubilee Hills, Checkpost, Hyderabad- 500034	ABHPB6467E	25,000	0.11
Harshvardhan Baheti	Non-Promoter	Plot No. 22, Huda Layout, Nandagiri Hills, Jubilee Hills, Checkpost, Hyderabad- 500034	BWRPB8437L	25,000	0.11
Yashvardhan Baheti	Non-Promoter	Plot No. 22, Huda Layout, Nandagiri Hills, Jubilee Hills Checkpost, Hyderabad- 500034	CNWPB9478G	25,000	0.11
Ajay Kanodia	Non-Promoter	Flat 206, Rock Level Apartment, 8-2-684/2, Gulmohar Avenue, Road No. 12, Banajara Hills, Hyderabad- 500034	AEOPK0539A	20,000	0.09
Apoorva Agarwal	Non-Promoter	6-3-249/A/4, Road No. 1, Naveen Nagar Colony, Banjara Hills, Hyderabad- 500034	AUDPA3670P	20,000	0.09
Archana Jaju	Non-Promoter	875, Road No. 45, Jubilee Hills, Hyderabad- 500033	AANPJ7022N	20,000	0.09

Archana	Non-Promoter	2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	ABLPA4762H	20,000	0.09
Pranav Gupta	Non-Promoter	8-2-610/54/B/2, Road No. 11, Banjara Hills, Hyderabad- 500034	BJXPG8484R	20,000	0.09
Ajay Gupta	Non-Promoter	Plot No. 1195, Road No. 59, Jubilee Hills, Hyderabad- 500033	ACWPG4934H	10,000	0.04
Madhur Gupta	Non-Promoter	Plot No. 1195, Road No. 59, Jubilee Hills, Hyderabad- 500033	BCUPG7187H	10,000	0.04
Rajni Gupta	Non-Promoter	Plot No. 1195, Road No. 59, Jubilee Hills, Hyderabad- 500033	AEGPG2735N	10,000	0.04
Sunil Gulati	Non-Promoter	293/82/a/1156, Road No. 57, Jubilee Hills, Hyderabad- 500033	ACAPG1349Q	5,000	0.02
<b>Total</b>				<b>17,35,000</b>	<b>7.63</b>

i) **Change in control:**

As a result of the proposed Preferential Issue of Equity Warrants, and upon conversion of the Equity Warrants, there will be no change in the control of the Company.

j) **Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

This is the first preferential issue of securities by the Company in the current financial year and no other persons have been allotted any securities on a preferential basis during the current year.

k) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

The proposed allotment of equity warrants is to be made on preferential basis for cash and therefore the said justification is not applicable to the Company.

l) **Lock-in-period:**Pre-preferential allotment holding of Equity Shares, non disposal of Equity Shares and lock-in period of the Equity Shares:

- i. The Equity Shares to be allotted on a preferential basis to the Promoter Group Company, pursuant to exercise of options against each Warrant, shall be subject to 'lock-in' for a period of three years from the date of trading approval for such Equity Shares in accordance with Regulation 78(1) of the ICDR Regulations.

- ii. The Equity Shares allotted on a preferential basis to the Non-Promoter Group shall be subject to 'lock-in' for a period of one year from the date of trading approval as per Regulation 78(2) of the ICDR Regulations.
- iii. The entire pre-preferential allotment shareholding, if any, of the proposed allottees under Promoter and Non-Promoter Group shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 78(6) of the ICDR Regulations.
- m) **Auditor's certificate:**  
A copy of the certificate from Venugopal & Chenoy, Chartered Accountants, the statutory auditors of the Company, certifying that the above preferential issue of Equity Warrants is made in accordance with the applicable provisions of the ICDR Regulations shall be placed before the members at the Annual General Meeting.
- n) **Undertaking:**  
In terms of the ICDR Regulations, the Company hereby undertakes that:
- i. It shall re-compute the price of the Equity Warrants in terms of the provision of the ICDR Regulations where it is required to do so.
- ii. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the underlying Equity Warrants shall continue to be locked-in till the time such amount is paid by the proposed allottees.
- o) **Other salient features of the preferential issue of equity warrants are as under:**  
The proposed issue and allotment of Equity Warrants, on a preferential basis, shall be governed by the applicable provisions of the ICDR Regulations and the Companies Act read with the applicable provisions of the rules made there under. Without generality to the above, the salient features of the preferential issue of Equity Warrants are:
- ◆ The amount equivalent to 25% of the total amount payable for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of the warrants.
  - ◆ The Equity Warrants shall be exercised within a period of 18 (eighteen) months from the date of their allotment, in one or more tranches.
  - ◆ At the time of exercise, the Equity Warrant holder(s) shall pay the balance 75% of the consideration payable in respect of the Equity Warrants so being exercised.
  - ◆ Post conversion of the Warrants (assuming full conversion), the increased Equity Share capital would be Rs. 22,74,76,000 /- (Rupees Twenty Two Crores Seventy Four Lakhs and Seventy Six Thousand only) and the increase in Securities Premium Account would be of Rs. 9,92,91,860 /- (Rupees Nine Crores Ninety Two Lakhs Ninety One Thousand Eight Hundred and Sixty only).
- Apart from Mr. Ritesh Kumar Sanghi, the Managing Director, Mr. Sanjay Kumar Sanghi, Director and Mrs. Pritha Sanghi, Director, belonging to the promoter and promoter group; none of the Directors or Key Managerial Personnel are any way concerned or interested in the proposed resolution in item no.9 and no. 10.

The Board of Directors recommends the resolution set out at item no. 09 and 10 of this notice for approval of the shareholders as Special Resolution.

**Date:** 16.10.2017

**Place:** Plot No 5-9-60, Flat No 301,  
Moghuls Court, Basheerbagh,  
Hyderabad – 500001

**For and on behalf of the Board**

**Sd/-**

**Ritesh Kumar Sanghi**

**Managing Director**

**DIN: 00628033**

**Address:** 8-2-686/DR/7, Road No. 12,  
Banjara Hills, Hyderabad – 500034  
Telangana

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**DIRECTORS' REPORT**

**To  
The Members,**

Your Directors have pleasure in presenting the **Eighteenth Annual Report** together with the audited Financial Statement of the Company for the financial year ended **31<sup>st</sup> March, 2017**

**1. FINANCIAL SUMMARY****(Amt in lakhs)**

<b>Particulars</b>	<b>31.03.2017</b>	<b>31.03.2016</b>
Revenue from operations	4516.54	3162.08
Other Income	60.61	97.90
Profit before tax	157.32	215.57
Provision for Taxation	42.05	40.28
Profit after Tax	115.27	175.29
Losses Brought Forward	-484.94	-660.22
Balance carried to Balance Sheet	-402.03	-484.94

**2. STATE OF COMPANY'S AFFAIRS:**

The revenue from operations during the year under review stood at Rs. 4516.54 lakhs as compared to Rs. 3162.08 lakhs in the previous financial year ending 31<sup>st</sup> March, 2016. The net profit after tax for the financial year ending 31<sup>st</sup> March, 2017 is Rs. 115.27 lakhs. The Company is in the constant drive for growth and development. With its light weight precious color stone studded gold jewellery, the Company has been able to meet the recent trends in the market. It intends to introduce assorted brands of jewellery, each specializing in different categories for the interest of all groups of consumers. In near future, the Company is also planning to enter the international market through export of its exclusive gold jewellery.

**3. FUTURE OUTLOOK**

With growth oriented plans, the Company is optimistic about various intended business transformations that would boost its performance on the whole and increase its stakeholders' value. In view of the same and the Company's endeavors to achieve maximum customer satisfaction, there are plans to launch creative products under various brands. Products of white gold jewellery studded with precious stones, 'Aira'- concept jewellery using variety of colored gemstones, 21ct gold jewellery for the purpose of export are few amongst the various themes on which the Company seeks to create its niche in the national as well as international markets.

In line with its expansion plans and to augment the Company's financial resources, it is proposed to infuse funds in the business to an extent of Rs. 20,98,61,860/- by way of preferential issue of share warrants convertible into equal number of equity shares in accordance with Section 62, 42 of the Companies Act, 2013 read with the relevant rules and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as other applicable rules and regulations. The approval of the members is sought at the ensuing Annual General Meeting of the Company for the said proposed issue.

**4. DIVIDEND**

In order to conserve resources for further expanding the Company's business, your Directors have opined to not recommend any dividend for the year 2016-17.

**5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as the Company has not declared and paid any dividend.

**6. RESERVES**

Amount to be carried forward to the Reserves-Rs. (4,02,03,308)/-

**7. CHANGE IN NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of business of the Company.

**8. SHARE CAPITAL**

The Issued, Subscribed and Paid up Equity Share Capital of the Company is Rs. 11,69,06,000/- (Rupees Eleven Crores Sixty Nine Lakhs and Six Thousand only) divided into 1,16,90,600 (One Crore Sixteen Lakhs Ninety Thousand and Six hundred only) equity shares of Rs. 10/- each. Further, during the financial year 2016-17, there were NIL.

- (i) Re-issue of forfeited shares
- (ii) Issue of shares with differential rights
- (iii) Issue of sweat equity shares
- (iv) Issue of ESOP

**9. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mrs. Pritha Sanghi retires by rotation at the ensuing Annual General Meeting and being eligible offer herself for re-appointment. Her profile is given elsewhere in the report. Your Directors recommend her re-appointment.

Pursuant to the provisions of Section 149 of the Companies Act 2013, Mr. Ramprasad Vempati, Mr. Siddharth Goel, and Mr. Vikram Goel were appointed as independent directors at the Annual General Meeting of the Company held on 29<sup>th</sup> September, 2014 and the terms and conditions of appointment of independent directors are as per Schedule IV of the Act. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

During the year under review, on the recommendation of the Nomination and Remuneration Committee, the Board approved the re-appointment of Mr. Ritesh Kumar Sanghi as the Managing Director of the Company for a period of Five years with effect from 29<sup>th</sup> August, 2017, in accordance with the provisions of Section 196 of the Companies Act, 2013 and the rules there under.

**10. DECLARATION BY INDEPENDENT DIRECTOR(S) AND RE- APPOINTMENT, IF ANY**

The declaration by all Independent Director(s) that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 have been obtained as required.

**11. NUMBER OF MEETINGS OF THE BOARD**

Eight meetings of the Board were held during the year under review. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

**12. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in consultation with its Nomination & Remuneration Committee, the Board has formulated the performance evaluation policy that specifies the manner and process of formal evaluation of the performance of the Board, its Committees and individual Directors, including Independent Directors. The said policy is available at the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com). The Independent Directors had met separately on December, 28, 2016 without the presence of Non-Independent Directors to discuss the performance of the Non-Independent Directors and Board as a whole.

In accordance with Regulation 17(10) of SEBI Listing Regulations, the entire Board of Directors of the Company shall evaluate the performance of Independent Directors of the Company. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

### 13. MANAGERIAL REMUNERATION

The Company's policy on Director's appointment and remuneration in accordance with Section 178 (3) of the Companies Act, 2013 is attached as **Annexure I** to this report. The same is also available at the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com). No remuneration is being paid to the Managing Director or any other Director 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. 1,73,756/- for the Financial Year 2016-17.

ii) **Details of percentage increase in the remuneration of each Director and CFO and Company Secretary in the Financial Year 2016-17 are as follows:**

Name	Designation	Remuneration (in Rs.)		Increase %
		2016-17	2015-16	
Ritesh Kumar Sanghi	Managing Director	-	-	-
Sanjay Kumar Sanghi	Director	-	-	-
Rakesh Agarwal	Chief Financial Officer	5,00,000*	-	-
Pragya Sarda	Company Secretary	4,40,021	4,00,090	09.98%

\*For part of the current year only

iii) **Percentage increase in the median remuneration of all employees in the financial year 2016-17:**

Particulars	2016-17 (Amt in Rs.)	2015-16 (Amt in Rs.)	Increase / (decrease)%
Median remuneration of all employees per annum	1,73,756/-	1,12,358/-	54.65%

- iv) Numbers of permanent employees on the rolls of the Company as on 31st March, 2017 are 16.

### 14. 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.

### 15. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

### 16. STATUTORY AUDITORS AND THEIR REPORT:

The Auditors, M/s Venugopal & Chenoy, Chartered Accountants, Hyderabad, (Firm Regn No.-004671S) was appointed in the Annual General Meeting held on 29<sup>th</sup> September, 2014 to hold office until the conclusion of Annual General Meeting of the Company to be held in the calendar year 2019. Their appointment is being ratified at the ensuing Annual General Meeting in accordance with the provisions of Section 139(2) of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014.

The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer of the Auditors that may call for any explanation from the Directors. The declaration for unmodified Auditor's Report in accordance with Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 as amended by SEBI vide notification no. SEBI/LAD-NRO/GN/2016-17/001 dated 25.05.2016 have been submitted with the Stock Exchanges.

#### **17. SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, Mr. Ajay S. Shrivastava, Practicing Company Secretary, Hyderabad (COP No- 3479) had been appointed as Secretarial Auditor of the Company for the financial year 2016-17. The Secretarial Audit report does not contain any qualification, reservations or adverse remark. The report of the Secretarial Auditors in the prescribed Form MR-3 is enclosed as **Annexure II** to this report.

#### **18. VIGIL MECHANISM**

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. It also provides for adequate safeguards against victimization of persons who use this mechanism. The said policy is updated on the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com).

#### **19. INTERNAL AUDIT & CONTROLS**

The Company has a well placed, proper and adequate internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company has appointed M/s Krishna and Suresh, Chartered Accountant, Hyderabad (Firm Regn No- 001461S) as its Internal Auditors who, independently evaluate the adequacy of internal controls, audit the majority of the transactions in value terms and review the operational efficiency, effectiveness of systems and processes.

#### **20. RISK MANAGEMENT**

The Management has put in place adequate and effective system and man power for the purposes of risk management. The Company is exposed to the risk of price fluctuation of raw material as well as finished goods. The Company proactively manages these risks through forward booking and inventory management. It has the best quality products and a vigorous marketing team that helps to mitigate risk relating to price fluctuation of finished goods.

#### **21. EXTRACT 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 prescribed **Form MGT 9** is attached as a part of this Annual Report as **Annexure III**.

#### **22. DETAILS IN RESPECT OF 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.

#### **23. 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 could potentially affect the financial position of the Company.

#### **24. DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from public as per Section 73 of the Companies Act, 2013 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.

**25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company has entered into an agreement with Trisa Retail Limited to provide unsecured loan to an extent of Rs. 3.14 Cr under Section 186 of the Companies Act, 2013. Further, the Company has not given any guarantee or provided any security in connection with any loan to any other body corporate in accordance with Section 186 of the Companies Act, 2013.

**26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of every contract or arrangements entered into by the Company with related parties during the Financial Year 2016-17 referred to in sub-section (1) of section 188 of the Companies Act, 2013 is disclosed in Form No AOC-2 as **Annexure IV** to this report.

**27. CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance as stipulated under Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this report as **Annexure- V**.

**28. MANAGEMENT DISCUSSION AND ANALYSIS**

The report on Management Discussion and Analysis for the year ended 31<sup>st</sup> March, 2017 is attached, which form part of this annual report.

**29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO****A. CONSERVATION OF ENERGY**

The Company is engaged in manufacturing of gems and jewellery and as such its operations do not account for substantial energy consumption. However, the Company makes its best efforts to conserve energy in a more efficient and effective manner including the use of LED lights and bulbs in its office and manufacturing unit. The machinery used in the unit is light weight with low power consumption supported by stabilizers for dealing with current fluctuations.

**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 year 2016-17, there were NIL Foreign Exchange Earnings & Outgo.

**30. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Since 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 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 are not applicable.

**31. DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors would like to inform the members that the audited Financial Statement for the financial year ended **31<sup>st</sup> March, 2017** 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. These financial statements are audited by the Statutory Auditors M/s Venugopal & Chenoy, Chartered Accountants.

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

- 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.
- 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.

**32. LISTING:**

Your Company's equity shares continue to remain listed on BSE limited and Calcutta Stock Exchange Limited. The Company has duly complied with all the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments therein.

**33. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

During the year under review, there has been no significant and material order passed by any regulators or courts or tribunal.

**34. ACKNOWLEDGMENT:**

The Directors thank the Company's employees, customers, vendors and investors for their continuous support. The Directors also wish to place on record its appreciation of Banks, Stock Exchange & Other authorities for their able guidance and support.

Date : 16.10.2017

Place : Plot No 5-9-60, Flat No 301, Moghuls  
Court, Basheerbagh, Hyderabad – 01

**On behalf of Board of Directors**

**Sd/-**

**(Ritesh Kumar Sanghi)**

**Managing Director**

**DIN: 00628033**

**Address: 8-2-686/DR/7,**

Road No. 12, Banjara Hills,

Hyderabad - 500034

**Sd/-**

**(Sanjay Kumar Sanghi)**

**Director**

**DIN: 00629693**

**Address: 8-2-686/DR/7,**

Road No. 12, Banjara Hills,

Hyderabad - 500034

**ANNEXURE INDEX**

<b><u>ANNEXURE</u></b>	<b><u>CONTENTS</u></b>
I	Nomination and Remuneration Policy
II	Secretarial Audit Report- Form MR-3
III	Extract of Annual Return- Form MGT-9
IV	Particulars of Contract with related parties- Form AOC-2
V	Compliance Certificate for Corporate Governance

**ANNEXURE-I****NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49/ Regulation 19 of the Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**OBJECTIVE**

The objective of the policy is to ensure that

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**DEFINITION**

“**Act**” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

“**Board**” means Board of Directors of the Company

“**Directors**” mean Directors of the Company

“**Key Managerial Personnel**” means

- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii) Chief Financial Officer;
- iii) Company Secretary; and
- iv) such other officer as may be prescribed

“**Senior Management**” mean the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**ROLE OF THE COMMITTEE:**

The role of the NRC will be the following:

- i) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- ii) To formulate criteria for evaluation of Independent Directors and the Board.
- iii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- iv) To carry out evaluation of Director's performance.
- v) To recommend to the Board the appointment and removal of Directors and Senior Management.
- vi) To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

- vii) To devise a policy on Board diversity, composition, size.
- viii) Succession planning for replacing Key Executives and overseeing.
- ix) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable
- x) To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

#### **TERM / TENURE**

##### **a) Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

##### **b) Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary in accordance with the Evaluation policy adopted.

#### **REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing,

removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### **POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL**

#### **1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

#### **2) Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

#### **3) Remuneration to Key Managerial Personnel and Senior Management:**

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **REVIEW AND AMENDMENT**

- a) The NRC or the Board may review the Policy as and when it deems necessary.
- b) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- c) The Committee may Delegate any of its powers to one or more of its members.
- d) This Policy may be amended or substituted by the NRC or by the Board as and when required where there are any statutory changes necessitating the change in the policy.

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**ANNEXURE-II**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2017**

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

To,  
The Members,  
**UDAY JEWELLERY INDUSTRIES LIMITED**  
Plot No. 5-9-60, Flat No. 301, Moghuls Court-  
Building, Deccan Tower Complex, Basheerbagh,  
Hyderabad- 500029, Telangana.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UDAY JEWELLERY INDUSTRIES LIMITED (CIN: L74900TG1999PLC080813)** (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 **UDAY JEWELLERY INDUSTRIES LIMITED** 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 has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism 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 31<sup>st</sup> March, 2017 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; **-Not Applicable to the Company during the Audit Period**
  - (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 client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable to the Company during the Audit Period**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -**Not Applicable to the Company during the Audit Period** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- (vi) Labour laws to the extent applicable to the Company as under:
- Industrial Dispute Act, 1947;
  - The Payment of Wages Act, 1936;
  - The Minimum Wages Act, 1948;
- (vii) The Environmental laws are not applicable to the Company as it operates non polluting activities.

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. The Listing Agreement entered into by the Company with BSE Limited as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit period under review and as per the clarification, representations provided by the Management in writing & 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 Regulations, SEBI notifications etc. mentioned above.

**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. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ◆ 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.

**Place:** Hyderabad

**Date:** 12.10.2017

**Sd/-**

Name of Company Secretary in Practice:

**AJAY SUMAN SHRIVASTAVA**

FCS No.: 3489

C.P. No.: 3479

**'Annexure- 1'**

To,  
The Members,  
**UDAY JEWELLERY INDUSTRIES LIMITED**  
Plot No. 5-9-60, Flat No. 301, Moghuls Court-  
Building, Deccan Tower Complex, Basheerbagh,  
Hyderabad- 500 029, Telangana.

This report is to be read with my letter 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

**Place:** Hyderabad

**Date:**12.10.2017

**Sd/-**

Name of Company Secretary in Practice:

**AJAY SUMAN SHRIVASTAVA**

FCS No.: 3489

C.P. No.: 3479

**ANNEXURE-III****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2017**

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

**I. REGISTRATION & OTHER DETAILS**

REGISTRATION & OTHER DETAILS:		
1.	CIN	L74900TG1999PLC080813
2.	Registration Date	13.05.1999
3.	Name of the Company	Uday Jewellery Industries Limited
4.	Category/Sub-category of the Company	Company Limited by shares
5.	Address of the Registered office & contact details	Plot No. 5-9-60, Flat No. 301, Moghuls Court building, Deccan Tower Complex, Basheer Bagh, Hyderabad - 500029
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited 306, Right Wing, 03rd Floor, Amrutha Ville Opp Yashoda Hospital, Somajiguda Raj Bhavan Road, Hyderabad- 500082 Telangana Phone: 040- 40144967 / 582

**a. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SI No.	Name and Description of main products / services	NIC Code of the Product /service	% to total turnover of The company
1.	Jewellery Manufacturing Services	99889020	100.00

**II. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL****III. 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	
<b>A.PROMOTERS</b>									
(1) Indian									
a) Individual / HUF	6829860	0	6829860	58.422	7327060	0	7327060	62.675	4.253
b) Central Government									
c) State Government									
d) Bodies Corporate									
e) Banks/Financial Institutions									
f) Any Other									
<b>Sub-total (A)(1)</b>	<b>6829860</b>	<b>0</b>	<b>6829860</b>	<b>58.422</b>	<b>7327060</b>	<b>0</b>	<b>7327060</b>	<b>62.675</b>	<b>4.253</b>

(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks/Financial Institutions									
e) Any Other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>6829860</b>	<b>0</b>	<b>6829860</b>	<b>58.422</b>	<b>7327060</b>	<b>0</b>	<b>7327060</b>	<b>62.675</b>	<b>4.253</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
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)									
<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	1747412	36700	1784112	15.261	475910	36700	512610	4.385	-10.876
ii) Overseas									

<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	348884	142782	491666	4.206	330261	141782	472043	4.038	-0.168
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2357412	25000	2382412	20.379	3345697	25000	3370697	28.833	8.454
<b>c) Others Specify</b>									
1. NRI	1000	0	1000	0.009	3000	0	3000	0.026	0.017
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	201550	0	201550	1.724	5190	0	5190	0.044	-1.680
5. Trusts									
6. Foreign Bodies - D.R.									
<b>Sub-total (B)(2)</b>	<b>4656258</b>	<b>204482</b>	<b>4860740</b>	<b>41.578</b>	<b>4160058</b>	<b>203482</b>	<b>4363540</b>	<b>37.25</b>	<b>-4.253</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>4656258</b>	<b>204482</b>	<b>4860740</b>	<b>41.578</b>	<b>4160058</b>	<b>203482</b>	<b>4363540</b>	<b>37.25</b>	<b>-4.253</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A+B+C)</b>	<b>11486118</b>	<b>204482</b>	<b>11690600</b>	<b>100.0</b>	<b>11487118</b>	<b>203482</b>	<b>11690600</b>	<b>100.0</b>	<b>0.000</b>

**(ii) Shareholding of Promoters**

SI. NO.	SHARE HOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THR YEAR			SHAREHOLDING AT THE END *OF THR YEAR#			% Change in Share holding during the year
		No. of shares	%of total shares of the company	% of Shares pledge/ encumbered to total shares	No. of shares	% of total shares of the company	% of Shares pledge/ encumbered to total shares	
1	RITESH KUMAR SANGHI	3116060	26.654	0.000	3116060	26.654	0.000	0.000
2	SANJAY KUMAR SANGHI	3318800	28.389	0.000	3318800	28.389	0.000	0.000
3	TEJAS SANGHI	197500	1.689	0.000	455600	3.897	0.000	2.208
4	UDAY SANGHI	197500	1.689	0.000	436600	3.735	0.000	2.046
	T O T A L	6829860	58.422	0.000	7327060	62.675	0.000	4.253

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

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				
	a) At the Beginning of the Year	3116060	26.654		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			3116060	26.654
2	SANJAY KUMAR SANGHI				
	a) At the Beginning of the Year	3318800	28.389		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			3318800	28.389
3	TEJAS SANGHI				
	a) At the Beginning of the Year	197500	1.689		
	b) Changes during the year				
	Date Reason				
	15/04/2016 Transfer	80000	0.684	277500	2.373
	10/06/2016 Transfer	50000	0.428	327500	2.801
	24/06/2016 Transfer	50000	0.428	377500	3.229
	28/10/2016 Transfer	75000	0.642	452500	3.871
	27/01/2017 Transfer	1100	0.009	453600	3.880
	03/02/2017 Transfer	2000	0.017	455600	3.899
	c) At the End of the Year			455600	3.899
4	UDAY SANGHI				
	a) At the Beginning of the Year	197500	1.689		
	b) Changes during the year				
	Date Reason				
	15/04/2016 Transfer	70000	0.599	267500	2.288
	10/06/2016 Transfer	50000	0.428	317500	2.716
	24/06/2016 Transfer	50000	0.428	367500	3.144
	28/10/2016 Transfer	69100	0.591	436600	3.735
	c) At the End of the Year			436600	3.735
	<b>TOTAL</b>	<b>6829860</b>	<b>58.422</b>	<b>7327060</b>	<b>62.675</b>

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

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	ANISHA GUPTA				
	a) At the Beginning of the Year	0	0.00		
	b) Changes during the year				
	Date Reason				
	21.10.2016 Transfer	199679	1.708	199679	1.708
	28.10.2016 Transfer	100000	0.855	299679	2.563
	c) At the End of the Year			299679	2.563
2	CHOICE EQUITY BROKING PRIVATE LIMITED				

	a) At the Beginning of the Year	200000	1.711		
	b) Changes during the year				
	Date Reason				
	15.04.2016 Transfer	-200000	1.711	0	0.00
	03.06.2016 Transfer	50000	0.428	50000	0.428
	10.06.2016 Transfer	-50000	0.428	0	0.00
	07.10.2016 Transfer	50000	0.428	50000	0.428
	14.10.2016 Transfer	160000	1.369	210000	1.797
	21.10.2016 Transfer	-10000	0.086	200000	1.711
	28.10.2016 Transfer	-200000	1.711	0	0.00
	c) At the End of the Year			200000	1.711
3	CISTRO TELELINK LIMITED				
	a) At the Beginning of the Year	675000	5.774		
	b) Changes during the year				
	Date Reason				
	03.06.2016 Transfer	-50000	0.428	625000	5.346
	10.06.2016 Transfer	-100000	0.855	525000	4.491
	24.06.2016 Transfer	-125000	1.069	400000	3.422
	07.10.2016 Transfer	-50000	0.428	350000	2.994
	14.10.2016 Transfer	-105000	0.898	245000	2.096
	21.10.2016 Transfer	-245000	2.096	0	0.00
	c) At the End of the Year			0	0.00
4	CLASSIC FILAMENTS LIMITED				
	a) At the Beginning of the Year	800000	6.843		
	b) Changes during the year				
	Date Reason				
	03.06.2016 Transfer	-50000	0.428	750000	6.415
	24.06.2016 Transfer	-150000	1.283	600000	5.132
	14.10.2016 Transfer	-105000	0.898	495000	4.234
	21.10.2016 Transfer	-155000	1.326	340000	2.908
	28.10.2016 Transfer	-150000	1.283	190000	1.625
	c) At the End of the Year			190000	1.625
5	DARSHAN GUPTA				
	a) At the Beginning of the Year	360790	3.086		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			360790	3.086
6	MOHIT GUPTA				
	a) At the Beginning of the Year	0	0.00		
	b) Changes during the year				
	Date Reason				
	21.10.2016 Transfer	200000	1.711	200000	1.711
	28.10.2016 Transfer	100000	0.855	300000	2.566
	c) At the End of the Year			300000	2.566
7	PRAVEEN KUMAR				
	a) At the Beginning of the Year	112924	0.966		
	b) Changes during the year				
	Date Reason				

	15.04.2016 Transfer	50011	0.428	162935	1.394
	22.04.2016 Transfer	50	0.00	162985	1.394
	29.04.2016 Transfer	50	0.00	163035	1.395
	13.05.2016 Transfer	40	0.00	163075	1.395
	03.06.2016 Transfer	50050	0.428	213125	1.823
	10.06.2016 Transfer	50000	0.428	263125	2.251
	17.06.2016 Transfer	58	0.00	263183	2.251
	24.06.2016 Transfer	175001	1.497	438184	3.748
	01.07.2016 Transfer	750	0.006	438934	3.755
	05.08.2016 Transfer	1700	0.015	440634	3.769
	c) At the End of the Year			440634	3.769
8	RAJESH GUPTA				
	a) At the Beginning of the Year	450000	3.849		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			450000	3.849
9	SANDEEP GUPTA				
	a) At the Beginning of the Year	100000	0.855		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			100000	0.855
10	SANJAY GUPTA				
	a) At the Beginning of the Year	450000	3.849		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			450000	3.849
11	TANEEA SANJJOY PASARRI				
	a) At the Beginning of the Year	335600	2.871		
	b) Changes during the year	--	--	--	--
	c) At the End of the Year			335600	2.871
12	V KAMALA DEVI				
	a) At the Beginning of the Year	217330	1.859		
	b) Changes during the year	--	--	--	
	c) At the End of the Year			217330	1.859
	T O T A L	3701644	31.663	3144033	26.894

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Share Holder's Name	Shareholding at the Beginning of The year			Shareholding at the end of the year			% Change in Share holding during the year
		No. of shares	% of total shares of the company	% of Shares pledge/ encumb-ered to total shares	No. of shares	% of total shares of the company	% of Shares pledge/ encumb-ered to total shares	
1	RITESH KUMAR SANGHI	3116060	26.654	0.000	3116060	26.654	0.000	0.000
2	SANJAY KUMAR SANGHI	3318800	28.389	0.000	3318800	28.389	0.000	0.000
	<b>T O T A L</b>	<b>6434860</b>	<b>55.043</b>	<b>0.000</b>	<b>6434860</b>	<b>55.043</b>	<b>0.000</b>	<b>0.000</b>

**v) INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	4,30,56,686	-	-	4,30,56,686
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	5,17,33,075	-	-	5,17,33,075
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	9,47,89,761	-	-	9,47,89,761
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	9,47,89,761	-	-	9,47,89,761

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**Rs. in lakhs**

SN.	Particulars of Remuneration	Name of MD/WTD/ CS/CFO				Total Amount
		Ritesh Kumar Sanghi- MD	Sanjay Kumar Sanghi-NED	Pragya Sarda-CS	Rakesh Agarwal -CFO	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	4.56	5.00	9.56
	(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 (A)	-	-	4.56	5.00	9.56
	Ceiling as per the Act	-	-	-		-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

\*\*\*\*\*

**ANNEXURE - IV****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:** Uday Jewellery Industries Limited (UJIL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2016-17.
2. **Details of material contracts or arrangement or transactions 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	Purchase of Gold Ornaments and Jobwork Services for making the same.
c)	Duration of the contracts/ arrangements/transaction	Approval from members at the 17 <sup>th</sup> Annual General Meeting held on 29 <sup>th</sup> September, 2016 for contracts between 01.10.2016 to 31.12.2020.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 4,00,00,000/- approx
e)	Date of approval by the Board	Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	—

**ANNEXURE - V**

**Certificate on Compliance with the Provisions of Corporate governance requirements under  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors,  
**Uday Jewellery Industries Limited**  
Hyderabad.

We have examined all the records of Uday Jewellery Industries Limited, Hyderabad for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C,D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Calcutta Stock Exchange Association Limited and BSE Limited for the financial year ended 31<sup>st</sup> March, 2017. We have obtained all the information which is best of our knowledge and belief were necessary for the purpose of certification

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been in the manner prescribed in the Guidance Note on certification of Corporate Governance issued by the Institute of Company Secretaries of India and has been limited to a review of the procedures and implementation thereof adopted by the Company. It is neither an assurance of the efficacy or effectiveness with which the management has conducted the affairs of the Company nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on our reliance upon the representations made by the management, that there were no transactions of material nature with the management.

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

**Place: Hyderabad**  
**Date: 13.10.2017**

**Sd/-**  
**AJAY S. SHRIVASTAVA**  
**Practicing Company Secretary**  
**Membership No: 3489; PCS: 3479**

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## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

We submit herewith the Management discussion and analysis report on the business of the Company as applicable to the extent relevant.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Indian jewellery demand jumped 16% from last year's exceptionally low level as market conditions improved after a very tough 2016 according to a report from World Gold Council.

The gems and jewellery market in India is home to more than 500,000 players, with the majority being small players. India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country.

The Indian Gems and Jewellery industry has gained popularity worldwide because of its talented craftsmen and its superior practices in cutting and polishing fine diamonds and precious stones. According to an industry report, the gems and jewelry market in India is projected to grow at a CAGR of 11.26%, during 2016-2021 on account of growing presence of international and domestic players, significant decline in jewelry making charges, increasing westernization and aggressive marketing strategies adopted by various players in the country.

In addition, the Government of India, in the Union Budget 2017-18, proposed various measures such as tax cuts for the middle class and other sections of society and reduction in corporate tax rates for micro, small and medium enterprises (MSMEs). These measures will drive consumption which will be favourable for the gems and jewellery industry and also encouraging for the exporters from MSME category. The implementation of Goods and Service Tax at the rate of 3% for gold, silver and diamond jewellery and 0.25% for rough diamond is another major change in the economy. It can make the gold industry more transparent which coupled with recent hallmarking legislation, should ensure gold buyers have confidence in the gold products they buy, rather than continuing to suffer from the gross level of under-carating they have previously endured.

### **OPPORTUNITIES AND THREATS**

The opportunities in the following areas can be availed by the gems and jewellery industry for its growth and development

- ♦ Increasing demand in global markets: According to a report, India's gems and jewellery exports jumped by 8.95 per cent for financial year 2016-17 on recovery in demand from the United States (US), Hong Kong and the United Arab Emirates (UAE).
- ♦ New market in Europe and Latin America
- ♦ The Government of India's proposal to cut corporate tax rates to 25 per cent for micro, small and medium enterprises having annual turnover up to Rs 50 crore will benefit a large number of gems and jewellery exporters from MSME category.

While the industry provides various opportunities for its growth and development, it also has to mitigate certain challenges:

- ♦ Stiff competition from other Asian countries like China, Thailand and Sri Lanka which are targeting the machine-made jewellery.
- ♦ Dependence on imports of raw materials. Raw materials account for the largest share in the industry's cost structure and thus it is vulnerable to fluctuations in exchange rates and raw material price volatility.

### **OUTLOOK**

According to a TechSci Research report, gems and jewellery market in India is projected to grow at a CAGR of 11.26%, during 2016-2021 on account of growing presence of international and domestic players, significant decline in jewellery making charges, increasing westernization and aggressive marketing strategies adopted by various players in the country. Changing lifestyle preferences has led to increase in brand consciousness and inclination of consumers towards western brands, which in turn resulted in increased demand for exclusive designer jewelry, across the country. Your Company has its own manufacturing unit and plans to introduce light weight jewellery with contemporary designs catering to the current demands and young customer preferences.

Growth in organized manufacturing over recent years has owed much to the growth in exports and the requirements of the organized retail sector. With the implementation of Goods and Service Tax at the rate of 3% on gold articles and polished diamond and 0.25 % on rough diamond, many unorganized businesses will be encouraged to enter the organized trade.

### **RISKS AND CONCERNS**

- ♦ The availability of raw materials is critical for this industry, which relies on gold and diamond imports. Further, supply of rough diamonds is controlled by fewer companies.
- ♦ The management of price volatility is another area of concern. Prices of jewellery tend to fluctuate because of volatility in gold and diamond prices.
- ♦ Market diversification in the gems and jewellery industry also plays an important role. Companies having an appropriate mix in terms of domestic and exports' share in revenues are able to manage risks in a better manner.
- ♦ Distribution setup- The jewellery industry is known for its localization and geographical concentration. This structure increases the risk of regional demand. Companies that have a wide distribution set up tend to face lower risks as they are hedged against regional demand shocks
- ♦ Availability of skilled labourers- Jewellery making and diamond polishing are labour-intensive processes. Hence, labour cost is the second biggest cost component after raw material cost. The industry needs skilled and trained labour to operate efficiently; non-availability of labour increases the business risk of companies.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate internal control system commensurate with the size of the business operations. The systems are updated and monitored on a continuous basis so as to ensure complete alignment with evolving technological requirements. Internal audit is conducted regularly to ensure that the systems and procedures are in place and the applicable rules and regulations are been duly complied with. The audit committee reviews the implementation of management policies to ensure that transaction has been accurately recorded and promptly reported.

### **FINANCIAL CONDITION**

#### **Share Capital**

The Authorized Share capital of the Company is Rs. 15,50,00,000/- divided into 1,55,00,000 equity shares of Rs. 10/- each. The Issued, Subscribed and Paid up Share Capital of the Company is Rs. 11,69,06,000/- divided into 1,16,90,600 equity shares of Rs. 10/- each for the financial year ended 31<sup>st</sup> March, 2017.

#### **Secured Loans**

The Company has availed working capital loan from Kotak Mahindra Bank Limited, Himayatnagar branch, Hyderabad. The amount of such loan as on 31<sup>st</sup> March, 2017 is Rs. 907.26 lakhs.

#### **Fixed Assets**

Fixed Assets (Net Block) is Rs. 106.96 lakhs during the financial year 2016-17.

### **HUMAN RESOURCES**

The Company regards its human resources as amongst its most valuable assets and proactively reviews policies and processes by creating a work environment that encourages initiative, provides challenged and opportunities and recognizes the performance and potential of its employees attracting and retaining the best manpower available by providing high degree of motivation. Your Company believes in trust, transparency & teamwork to improve employees productivity at all levels.

### **CAUTIONARY STATEMENT**

Statement made in Management Discussion and Analysis report which seeks to describe the objectives, projections, estimates, predictions may be considered to be forward looking statements and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied and are determined by many factors including global and domestic demand – supply conditions, process, raw materials availability, tax laws, governmental policies and other statutes which may affect actual results which may be different from what the Directors envisaged in terms of future performance and outlook.

**REPORT ON CORPORATE GOVERNANCE****I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on corporate governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in its interactions with its stakeholders. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors and in establishing productive and lasting business relationship with all stakeholders. The Company is committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. It has complied, with the features of corporate governance as applicable and specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**II. BOARD OF DIRECTORS**

The Board of Directors of the Company plays a pivotal role in ensuring that good corporate governance practices are followed within the Company. The Board of Directors oversees the functioning of the Company and that of its management; and ensures that every decision taken is in the best interest of the stakeholders of the Company.

**1. Composition:**

The Composition of the Board of Directors of the Company is in compliance with the Companies Act, 2013 and Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. The Board of Director of your Company comprises of six Directors as on 31<sup>st</sup> March, 2017.

The composition of the Board and category of each Director along with their shareholding in the Company as at 31<sup>st</sup> March, 2017, is as follows:

Name	Designation	Date of Appointment at current designation	Category	No. of Equity shares held in the Company
Mr. Ritesh Kumar Sanghi	Managing Director	29.08.2012	Promoter-Executive	31,16,060
Mr. Sanjay Kumar Sanghi	Director	22.08.2011	Promoter-Non-Executive	33,18,800
Ms. Pritha Sanghi	Director	29.09.2014	Promoter-Non-Executive	--
Mr. Siddharth Goel	Director	29.09.2014	Independent -Non-Executive	--
Mr. Ram Prasad Vempati	Director	29.09.2014	Independent-Non-Executive	--
Mr. Vikram Goel	Director	29.09.2014	Independent -Non-Executive	--

- ♦ Mr. Ritesh Kumar Sanghi (Managing Director) is the brother of Mr. Sanjay Kumar Sanghi and brother-in law of Ms. Pritha Sanghi.
- ♦ Mr. Sanjay Kumar Sanghi is the spouse of Ms. Pritha Sanghi.
- ♦ None of the other Directors are related to any other director on the Board.

**2. Directorships and Memberships of the Directors in other Companies/ Committees**

In accordance with the provisions of Section 165(1) of the Companies Act, 2013 and Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors are compliant with said regulations with respect to their number of Directorship in other Companies and chairmanship/membership on various Committees.

The details of the directorship of each Director on the Board of various other Companies along with their Chairmanship and Membership on the Board Committees are as follows:

Name of Director	No. of Directorships	Member/Chairperson of Committee*	
		Member	Chairperson
Mr. Ritesh Kumar Sanghi	5	Nil	-
Mr. Sanjay Kumar Sanghi	4	Nil	-
Mr. Siddharth Goel	1	2	-
Mr. Ram Prasad Vempati	3	2	1
Mr. Vikram Goel	3	Nil	-
Mrs. Pritha Sanghi	2	Nil	-

\*Committees considered to reckon the limit are Audit Committee and Stakeholders Relationship Committee in public listed Companies.

### 3. Board Meetings

In accordance with Section 173(1) of the Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors meets at least four times a year, with a maximum time gap of not exceeding one hundred and twenty days between any two meetings. Additional Board Meetings are held by the Company to address specific needs, as and when required. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as per the provisions of Section 175 of the Companies Act, 2013, which is ratified in the subsequent meeting of the Board. The notice of the Board meeting along with the Agenda is circulated to all the Directors well in advance.

During the Financial Year ended 31<sup>st</sup> March, 2017, Eight Board Meetings were held on 30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 25<sup>th</sup> August, 2016, 28<sup>th</sup> September, 2016, 14<sup>th</sup> November, 2016, 31<sup>st</sup> January, 2017, 13<sup>th</sup> February, 2017 and 31<sup>st</sup> March, 2017. The attendance of each director at the Board Meetings and last Annual General Meeting is as follows:

SI No.	Name of Director	Board Meeting		AGM held on 29th September, 2016
		Held	Attended	
01	Mr. Ritesh Kumar Sanghi	8	7	Present
02	Mr. Sanjay Kumar Sanghi	8	8	Present
03	Mrs. Pritha Sanghi	8	8	Not Present
04	Mr. Siddharth Goel	8	7	Not Present
05	Mr. Ram Prasad Vempati	8	8	Present
06	Mr. Vikram Goel	8	7	Not Present

### 4. Independent Directors

The Independent Directors on Board of the Company are non-executive directors and follow the criteria as defined under Regulation 16 of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013.

The Independent Directors met on 28<sup>th</sup> December, 2016 in accordance with Regulation 25(3) of the SEBI Listing Regulations and discussed the

- ♦ the performance of Non-Independent Directors and the Board as a whole;
- ♦ the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and

- ♦ the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The familiarization programme for the new and continuing Independent Directors of the Company ensures that they understand the Company's business in depth and that would facilitate their active participation in managing the Company. The details of the familiarization programme are available on the Company's website at <http://www.udayjewellery.com/investors/downloads>.

### III. COMMITTEES OF THE BOARD

The Board of the Company has three committees- Audit Committee, Stakeholders' Grievance Committee and the Nomination and Remuneration Policy. The Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a close review. The Committees meet at regular intervals and the minutes of the meetings of all Committees are placed before the Board for review.

#### 1. Audit Committee

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. There are three members in the Audit Committee all of them being Independent Directors. The Committee oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible. It also reviews the annual financial statements, auditor's report thereon, quarterly financial results and monitors the auditor's independence and performance and effectiveness of audit process and other roles in accordance with Part C Schedule II of the SEBI Listing Regulations.

During the Financial Year 2016-17, the Committee met four times on 30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017 in accordance with Regulation 18(2) of SEBI Listing Regulations. The composition of the Audit Committee and details of meetings attended by its members are as under:

S No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Mr. Ram Prasad Vempati- (Chairman)	Independent, Non- Executive	4	4
2.	Mr. Siddharth Goel	Independent, Non- Executive	4	4
3.	Mr. Vikram Goel	Independent, Non- Executive	4	4

#### 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations. There are three members in the Nomination and Remuneration Committee all of them being Independent Directors. The roles and responsibilities of the Committee and the terms of reference are in accordance with the requirements as specified in accordance with Para A Part D Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

During the Financial Year 2016-17, the Committee met once on 16<sup>th</sup> May, 2016 in accordance with Regulation 19 of SEBI Listing Regulations. The composition of the Nomination and Remuneration Committee and details of meetings attended by its members are as under;

S No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Mr. Siddharth Goel(Chairman)	Independent, Non- Executive	1	1
2.	Mr. Ram Prasad Vempati	Independent, Non- Executive	1	1
3.	Mr. Vikram Goel	Independent, Non- Executive	1	1

### 3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations. There are three members in the Stakeholders' Relationship Committee all of them being Independent Directors. In accordance with Para B Part D Schedule II of the SEBI Listing Regulations, the role of the Stakeholders' Relationship Committees broadly as under:

During the Financial Year 2016-17, the Committee met five times on 30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, 14<sup>th</sup>December, 2016 and 13<sup>th</sup> February, 2017in accordance with Regulation 19 of SEBI Listing Regulations. The composition of the and details of meetings attended by its members are as under;

S No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Mr. Siddharth Goel (Chairman)	Independent, Non- Executive	5	5
2.	Mr. Ram Prasad Vempati	Independent, Non- Executive	5	5
3.	Mr. Vikram Goel	Independent, Non- Executive	5	5

Mr. Siddharth Goel is the Chairman of the Stakeholders' Relationship Committee. Ms. Pragya Sarda, Company Secretary, is the Compliance Officer of the Company for resolution of Shareholders' / Investors' complaints. During the financial year ended 31st March, 2017, no complaints were received from the shareholders and therefore no complaints were pending to be resolved.

## IV. ANNUAL GENERAL MEETINGS

### 1. Details of last three Annual General Meetings held by the Company

Financial Year	Venue	Date / Time
2013-14	Flat No 301, Plot No 5-9-60, Moghuls Court building, Basheerbagh, Hyderabad – 500001	29 <sup>th</sup> September, 2014 at 3:30 P.M.
2014-15	3-6-290/18, 1 <sup>st</sup> Floor, Sadana Building, Hyderguda, Hyderabad- 500029	29 <sup>th</sup> September, 2015 at 3:30 P.M.
2015-16	Rajasthan Graduate Association, 'SnatakBhavan', First Floor, Abids, Hyderabad- 500001	29 <sup>th</sup> September, 2016 at 11:30 A.M.

2. There was no Extraordinary General Meeting held by the Company during the Financial Year 2016-17
3. No special resolution was passed in the previous three Annual General Meetings held by the Company.
4. During the Financial Year 2016-17, no special resolution was passed by way of postal ballot.

## V. MEANS OF COMMUNICATION

The Company recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies. In accordance with Regulation 46 of the SEBI Listing Regulations, the Company maintains a functional website containing the basic information about the listed entity at – [www.udayjewellery.com](http://www.udayjewellery.com). The quarterly, half yearly and annual financial results of the Company are made available on the website of the Company at <http://www.udayjewellery.com/investors/performance> and same is also published in the newspaper in one English National daily newspaper viz Financial Express or Business Standard and one Regional Language Newspaper Nava Telangana.

The website also displays vital information relating to the Company and its performance. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through BSE Listing Centre, for dissemination on their website.

## VI. GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting for the Financial Year 2016-17

Date	16 <sup>th</sup> November, 2017
Time	10:30 a.m.
Venue	Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad-500001
Book Closure Date	10 <sup>th</sup> November, 2017 to 16 <sup>th</sup> November, 2017
Dividend Payment date	No dividend has been recommended

### 2. Financial Year:-

The Company follows April-March as the Financial Year. The Board meeting calendar of the Financial Year ended 31st March, 2017 for approval of quarterly financial results is as follows:

Results for the quarter ending June 30, 2016	: 12 <sup>th</sup> August, 2016
Results for the quarter ending September 30, 2016	: 14 <sup>th</sup> November, 2016
Results for the quarter ending December 31, 2016	: 13 <sup>th</sup> February, 2017.
Results for the quarter and year ending March 31, 2017	: 29 <sup>th</sup> May, 2017

### Tentative Calendar of the Financial Year ended 31st March, 2018 is as follows

Results for the quarter ending June 30, 2017	: Second week of August, 2017
Results for the quarter ending September 30, 2017	: Second week of November, 2017
Results for the quarter ending December 31, 2017	: Second week of February, 2018
Results for the quarter and year ending March 31, 2018	: Last week of May, 2018

### 3. Listing Details

Name and Address of Stock Exchange	Stock Code
BSE Limited	539518
The Calcutta Stock Exchange Limited	18358
ISIN of the Company	INE551B01012

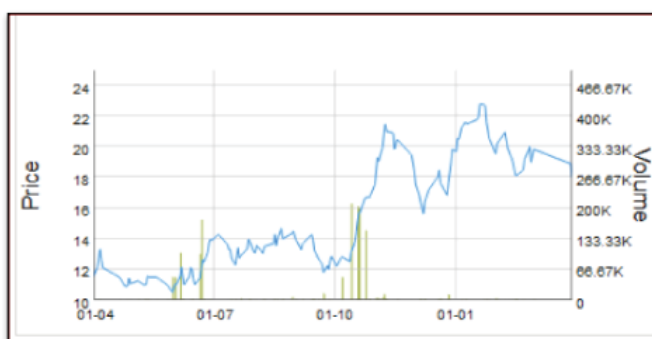
The Annual Listing fee for the Financial Year 2017-18 has been paid to the respective Stock Exchanges.

### 4. Market Price Data

The equity shares of the Company are listed at BSE Limited and Calcutta Stock Exchange Limited. The shares are not frequently traded on the Calcutta Stock Exchange Limited. The market price data of the shares of the Company traded during each month for the financial year ended 31<sup>st</sup> March, 2017 at BSE Limited (BSE) is as under:

Month	High	Low	Volume
April 2016	13.35	10.90	3292
May 2016	12.07	10.50	57246
June 2016	14.29	10.47	438661
July 2016	14.33	12.10	11726
August 2016	14.7	13.00	18220
September 2016	15.00	11.80	27872
October 2016	16.70	12.22	823135
November 2016	21.58	17.53	37655
December- 2016	19.85	15.10	26800
January-2017	22.80	19.70	6804
February- 2017	21.00	18.15	10052
March- 2017	20.75	18.00	4250

## 5. Market performance of the Company during the Financial Year 2016-17



## 6. Registrar and Share Transfer Agent

During the year, the Registrar and Share Transfer Agent of the Company have been changed from Niche Technologies Private Limited to Bigshare Services Private Limited. The same has been approved by CDSL vide their letter no. CDSL/ISS/SK/RTA-CH/2017-18/1091 dated August 31, 2017 and NSDL vide their letter no II/PP/DEMAT/2017/0633 dated September 08, 2017. Therefore, with effect from September 09, 2017, Bigshare Services Private Limited is acting as the new Registrar and Share Transfer Agent of the Company, the details of whom are as under:

Bigshare Services Private Limited  
 306, Right Wing, 3rd Floor Amrutha Ville,  
 Opp. Yashoda Hospital, Somajiguda  
 Rajbhavan Road, Hyderabad – 500082  
 Ph:-040- 40144967/582  
 Fax:-040-23370295  
 Email:- [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)  
 Website:-[www.bigshareonline.com](http://www.bigshareonline.com)

## 7. Share Transfer System

The share transfers which are received in physical form are processed by the Registrar and Transfer Agents and the share certificates are returned after affecting the transfer, subject to the documents being valid and complete in all respects.

**8. Distribution of Shareholding as at 31<sup>st</sup> March, 2017**

Category (No. of shares)	Number of holders	% of total holders	Number of shares	% of total shares
Upto 500	311	50.24	58,793	0.50
501-1000	170	27.47	1,61,132	1.38
1001-5000	82	13.25	1,96,777	1.68
5001-10000	19	03.07	1,58,810	1.36
10001- 50000	21	03.39	4,59,100	3.93
50001-100000	3	0.48	2,84,895	2.44
100001 and above	13	2.10	1,03,71,093	88.71
<b>Total</b>	<b>619</b>	<b>100.00</b>	<b>1,16,90,600</b>	<b>100.00</b>

**9. Dematerialization of Shares and Liquidity:**

The Company's shares are available for trading in both National Securities Depository Ltd and Central Depository Services Ltd. As on 31<sup>st</sup> March, 2017, 98.26% of the total paid up share capital representing 1,14,87,118 equity shares are held in dematerialized form. The processing activities with respect to the requests received for dematerialization are generally completed within 21 days from the date of receipt of request.

**10. Outstanding Global depository receipts or American depository receipts or warrants or convertible instruments:- NIL****11. Address for correspondence**

**Registered Office:** Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Deccan Tower Complex, Basheerbagh, Hyderabad – 500001 email:- [info@udayjewellery.com](mailto:info@udayjewellery.com)

**Corporate Office:** 3-6-290/19, 1<sup>st</sup> Floor, Sadana Building, Hyderguda, Hyderabad- 500029

**VII. OTHER DISCLOSURES****1. Disclosure on materially significant related party transactions**

During the Financial Year 2016-17, there were no materially significant related party transactions that may have potential conflict with the interest of the Company at large. All Related Party Transactions entered during the year were in ordinary course of the business and on Arm's Length basis. In accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available at Company's website at <http://www.udayjewellery.com/investors/downloads>. The said policy defines the materiality of related party transactions and lays down the procedures of dealing with Related Party Transactions.

All Related Party Transactions are placed before the Board of Directors and the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the ordinary course of business and are at Arm's Length.

**2. Details of non-compliance by the Company**

There were NIL non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market, during the last three years.

**3. Establishment of vigil mechanism and whistle blower policy**

In accordance with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. It also provides for adequate safeguards against victimization of Directors and employees who avail the mechanism. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy. The Whistleblower Policy is available on the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com).

**4. Details of compliance with Mandatory requirements**

During the financial year 2016-17, the Company has complied with all mandatory requirements as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 5. Affirmation and Disclosure

All the members of the Board and the Management Committee have affirmed their compliance with the Code of Conduct as on 31st March, 2017 and a declaration to that effect, signed by the Managing Director is attached and forms part of this Report.

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations, to the extent applicable to the Company.

### DECLARATION REGARDING CODE OF CONDUCT

To the Shareholders

I hereby declare that in terms of Regulation 26(3) of the SEBI Listing Regulations, all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company as on 31<sup>st</sup> March, 2017.

Date: 16.10.2017

Place: Plot No 5-9-60, Flat No 301, Moghuls Court, Basheerbagh, Hyderabad – 01

**Sd/-**  
**Ritesh Kumar Sanghi**  
**Managing Director**  
**DIN: 00628033**

### COMPLIANCE CERTIFICATE

**[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To

The Board of Directors,

Uday Jewellery Industries Limited, Hyderabad

We, the Managing Director and Chief Financial Officer of the Company, do hereby certify in accordance with Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II thereto, that :

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2017 and to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We jointly accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors namely M/s Venugopal & Chenoy, Chartered Accountants, Hyderabad and the Board Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that have been taken or propose to take to rectify these deficiencies.
- D. We have indicated, to the Auditors and Audit Committee:
  - i) significant changes, in the internal control over financial reporting during the year; if any;
  - ii) significant changes, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**Date:** 29.05.2017

**Place:** Plot No 5-9-60,  
Flat No 301, Moghuls Court,  
Basheerbagh, Hyderabad – 500001

**Sd/-**  
**Ritesh Kumar Sanghi**  
**Managing Director**  
**DIN: 00628033**

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

**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
Uday Jewellery Industries Limited,  
Hyderabad.

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Uday Jewellery Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, 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 standalone 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2017, 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 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 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 it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone 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 the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 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"; and
  - 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.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For VENUGOPAL & CHENOY,**  
**Chartered Accountants,**  
**FRN: 004671S**  
**Sd/-**  
**( P.V.SRI HARI )**  
**Partner**  
**Membership No.021961**

**Place: Hyderabad**  
**Date: 29.05.2017**

**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 standalone financial statements for the year ended March 31, 2017, we report that:

- i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies have been 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) a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
  - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) The Company has granted Inter Corporate Deposit to companies covered in the register maintained under section 189 of the Companies Act, 2013.
  - a. In our opinion, the terms and conditions on which the Inter Corporate Deposit has been granted to the party listed in the register maintained under section 189 of the Act are not prejudicial to the interest of the Company.
  - b. The payment of principal and the interest, wherever applicable, are regular.
  - c. There are no overdue amounts in respect of the Inter Corporate Deposits granted to the party listed in the register maintained under section 189 of the Act.
- 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, with respect to the loans and investments made.
- v) Company has not accepted any deposits from public.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- vii) 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 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 and other material statutory dues which were in arrears as at March 31, 2017, for a period of more than six months from the date they became payable.
  - (b) According to information and explanations given to us, there have been no disputed dues, which have not been deposited with respective authorities in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess.
- 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 the Banks.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

- x) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give 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 give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- 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 them. 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 VENUGOPAL & CHENoy,**  
**Chartered Accountants,**  
**FRN: 004671S**

**Sd/-**  
**( P.V.SRI HARI )**

**Partner**

**Membership No.021961**

**Place: Hyderabad**

**Date: 29.05.2017**

### **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 **Uday Jewellery Industries Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone 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.

#### **Auditors' 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 a 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 31 March 2017, 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 VENUGOPAL & CHENOY,**  
**Chartered Accountants,**  
**FRN: 004671S**  
**Sd/-**  
**( P.V.SRI HARI )**  
**Partner**  
**Membership No.021961**

**Place: Hyderabad**  
**Date: 29.05.2017**

**BALANCE SHEET AS AT MARCH 31, 2017**

(Rs. in Lakhs)

Particulars	Note No.	Figures for the year end of March 31, 2017		Figures for the year end of March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
<b>I. EQUITY &amp; LIABILITIES</b>					
(1) <b>Shareholder's Funds:</b>					
(a) Share Capital	1	1,248.13		1,248.13	
(b) Reserves & Surplus	2	241.08		158.17	
			1,489.21		1,406.30
(2) <b>Non- Current Liabilities:</b>					
Long term borrowings	3	40.64		-	
			40.64		-
(3) <b>Current Liabilities:</b>					
(a) Short term borrowings	4	907.26		430.57	
(b) Trade Payables	5	9.00		0.00	
(c) Other Current Liabilities	6	42.43		2.53	
(d) Short term Provisions	7	0.42		19.46	
			959.11		452.56
<b>Total:</b>			<b>2,488.96</b>		<b>1,858.86</b>
<b>II. ASSETS</b>					
(1) <b>Non-Current Assets:</b>					
(a) Fixed Assets					
(i) Tangible Assets	8	106.96		46.15	
(b) Non-Current Investments	9	17.84		14.91	
(c) Deferred Tax Asset	10	7.28		7.48	
(d) Long-Term Loans and Advances	11	265.66		257.22	
			397.75		325.77
(2) <b>Current Assets:</b>					
(a) Current Investments	12	-		2.93	
(b) Inventories	13	1,039.06		648.34	
(c) Trade Receivables	14	865.06		778.97	
(d) Cash and Cash Equivalents	15	2.54		6.01	
(e) Short Term Loans and Advances	16	184.54		96.84	
			2,091.20		1,533.09
<b>Total:</b>			<b>2,488.96</b>		<b>1,858.86</b>
<b>Significant Accounting Policies and Notes to Accounts</b>	24				

Our Report attached,  
For VENUGOPAL & CHENYO,  
Chartered Accountants,

For Uday Jewellery industries Ltd.,

Sd/-  
(CA P.V.SRI HARI )  
Partner  
Membership No. 021961

Sd/-  
Ritesh kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Place : Hyderabad  
Date: 29.05.2017

Sd/-  
Pragya Sarda  
Company Secretary  
Membership No. 37999

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017** (Rs. in Lakhs)

Particulars	Note No.	Figures for the year ended March 31, 2017		Figures for the year ended March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	17		4,516.54		3,162.08
II. Other Income	18		60.61		97.90
III. Total Revenue(I + II )			4,577.15		3,259.98
IV. <u>Expenses:</u>					
Cost of Material Consumed	19	4,481.72		2,973.06	
Changes in Inventory of Finished Goods,WIP, Stock-In-Trade	20	(390.72)		(72.77)	
Employee Benefit Expenses	21	45.24		36.48	
Finance Cost	22	50.96		16.27	
Depreciation		7.82		7.53	
Other Expenses	23	224.83		83.84	
			4,419.83		3,044.41
V. Profit before Tax( III - IV )			157.33		215.57
VI. Tax Expense:					
Current Tax		41.86		44.68	
Deferred Tax		0.20		(4.40)	
			42.05		40.28
VII. Profit for the year			115.27		175.29
VIII. Earnings Per Equity Share Basic & Diluted			0.99		1.50
<b>Significant Accounting Policies and Notes to Accounts</b>	24				

Our Report attached,  
For VENUGOPAL & CHENYO,  
Chartered Accountants,

For Uday Jewellery industries Ltd.,

Sd/-  
(CA P.V.SRI HARI )  
Partner  
Membership No. 021961

Sd/-  
Ritesh kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Place : Hyderabad  
Date: 29.05.2017

Sd/-  
Pragya Sarda  
Company Secretary  
Membership No. 37999

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

**NOTE - 1 : SHARE CAPITAL**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b>Authorised:</b>				
a) 155,00,000 Equity Shares of Rs.10/- each		1,550.00		1,550.00
<b>Total:</b>		<b>1,550.00</b>		<b>1,550.00</b>
<b>Issued, Subscribed &amp; Paid up:</b>				
a) 1,16,90,600 Equity Shares of Rs.10/- each, fully paid up		1,169.06		1,169.06
b) Shares Forfeiture account		79.07		79.07
<b>Total:</b>		<b>1,248.13</b>		<b>1,248.13</b>

Additional Notes:

- 1) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-17		31-Mar-16	
	No. of shares	Rs. Lakhs	No. of shares	Rs. Lakhs
At the beginning of the year	11,690,600	1,169.06	11,690,600	1,169.06
Equity Shares issued during the year	-	-	-	-
At the end of the year	11,690,600	1,169.06	11,690,600	1,169.06

- 2) The details of shares in the Company held by each shareholder holding more than 5% shares.

Name of the Shareholder	Financial Year 2016-17		Financial Year 2015-16	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
1. Ritesh Kumar Sanghi	26.654	3,116,060	26.654	3,116,060
2. Sanjay Kumar Sanghi	28.389	3,318,800	28.389	3,318,800
3. Cistro Telelink Limited	0.00	0.00	5.774	675,000
4. Classic Filaments Limited	1.625	190,000	6.843	800,000

- 3) Terms /Rights attached to equity shares :The company has one class of equity shares having a par value of Rs10/-per share. Each shareholder is eligible for one vote per share. The dividend proposed, if any by the board of directors is subject to the approval. shareholders in the ensuring Annual General Meeting In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts,in proportion to their shareholding.

**NOTE - 2 : RESERVES & SURPLUS**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b>a) Securities Premium Reserve:</b>				
Opening Balance	575.00		575.00	
Add: Additions during the year	-	575.00	-	575.00
<b>b) Capital Reserve:</b>				
Opening Balance		68.12		68.12
Add: Additions during the year				
<b>d) Surplus in Profit &amp; Loss Account:</b>				
Opening Balance	(484.94)		(660.23)	
Less: Declared under PMGKY*-2016	(32.36)		0.00	
Less: Profit for the year	115.27		175.29	
		(402.03)		(484.94)
<b>Total:</b>		<b>241.08</b>		<b>158.17</b>

\* PMGKY-Pradhan Mantri Garib Kalyan Yojana

**Note - 3 : Short Term Borrowings**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Vehicle loans:				
From Banks.		40.64		-
<b>Total:</b>		<b>40.64</b>		<b>-</b>
Additional Notes:-				
Secured, Considered Good		<b>40.64</b>		-
Unsecured, Considered Good		-		-
Doubtful		-		-
* Vehicle Loans are secured by hypothecation of Vehicles				

**Note - 4 : Short Term Borrowings**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
From Banks:				
Working Capital Loan		907.26		430.57
<b>Total:</b>		<b>907.26</b>		<b>430.57</b>
Additional Notes:-				
Secured, Considered Good		<b>907.26</b>		<b>430.57</b>
Unsecured, Considered Good		-		-
Doubtful		-		-

**NOTE - 5 : TRADE PAYABLES**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Outstanding dues of Micro and Small Enterprises		-		-
Other than Micro and Small Enterprises		9.00		-
<b>Total:</b>		<b>9.00</b>		<b>-</b>
<b><u>Disclosure relating to Micro and Small Enterprises:</u></b>				
i) (a) The principal amount remaining unpaid to the supplier as at the end of the year		NIL		NIL
i) (b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year		NIL		NIL
ii) the amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		NIL		NIL
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		NIL		NIL
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		NIL		NIL
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006		NIL		NIL

**NOTE - 6 - OTHER CURRENT LIABILITIES**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Current Maturities of Long Term Debt:				
Vehicle Loans From Banks		27.25		-
Other Payables		15.18		2.53
<b>Total:</b>		<b>42.43</b>		<b>2.53</b>

**Note - 7 : Short term provisions**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Provision for Income Tax		0.42		19.46
<b>Total:</b>		<b>0.42</b>		<b>19.46</b>

## Note - 8 : Fixed Assets

Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2016	Additions during the Year	Sales/ Adjustments during the Year	As at March 31, 2017	As at April 1, 2016	For the Year	Sales/ Adjustments during the Year	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>TANGIBLE ASSETS</b>										
Computers	0.72	-	-	0.72	0.17	0.19	-	0.35	0.37	0.55
Furniture & Fixture	4.36	1.37	-	5.73	0.86	0.52	-	1.38	4.35	3.50
Office equipment	2.90	7.42	-	10.32	0.60	1.27	-	1.88	8.44	2.30
Plant & Machinery	8.43	-	-	8.43	0.73	0.56	-	1.29	7.14	7.70
Vehicles	52.31	78.76	39.00	92.07	20.20	5.27	20.08	5.40	86.67	32.11
<b>TOTAL</b>	<b>68.71</b>	<b>87.55</b>	<b>39.00</b>	<b>117.26</b>	<b>22.56</b>	<b>7.82</b>	<b>20.08</b>	<b>10.30</b>	<b>106.96</b>	<b>46.15</b>
(Previous year)	63.33	5.38	-	68.71	15.03	7.53	-	22.56	46.15	48.30

(Rs. in Lakhs)

**Note - 9: Non- Current Investment (At Cost)**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>NON-TRADE-Quoted Investments:</u></b>				
- Investment in Equity Instruments of various Limited Companies (fully paid up and valued at cost)		17.84		14.91
<b>Total:</b>		<b>17.84</b>		<b>14.91</b>

**Note - 10: Deferred Tax Asset**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>Deferred Tax Asset:</u></b>				
Related to Fixed Assets		7.28		7.48
<b>Total:</b>		<b>7.28</b>		<b>7.48</b>

**Note- 11 : Long Term Loans and Advances**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Deposits		15.66		7.22
Other Loans & Advances		250.00		250.00
<b>Total:</b>		<b>265.66</b>		<b>257.22</b>
Secured, Considered good		-		-
Unsecured, Considered good		265.66		257.22
Doubtful		-		-

**Note - 12 : Current Investmentmenmts**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>Trade - Quoted Investments:</u></b>				
- Investment in Equity Instruments of various Limited Companies (fully paid up )		-		2.93
<b>Total:</b>		<b>-</b>		<b>2.93</b>

**Note - 13 : Inventories**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Raw Material		-		-
Work-in-Progress		1029.46		648.34
Finished Goods		9.61		
<b>Total:</b>		<b>1,039.06</b>		<b>648.34</b>
Inventories are valued at Cost or NRV whichever is lower				

**Note - 14 : Trade Receivables**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Outstanding for a period exceeding six months		-		-
Others		865.06		778.97
<b>Total:</b>		<b>865.06</b>		<b>778.97</b>
<b>Notes:</b>				
<u>Particulars of Trade Receivables:</u>				
Secured, Considered good		-		-
Unsecured, Considered good		865.06		778.97
Doubtful		-		-

**Note - 15 : Cash & Bank Balances**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
<b><u>Cash &amp; Cash Equivalents:</u></b>				
<u>Balances with Banks:</u>				
- In Current Accounts		1.38		1.32
Cash on hand		1.17		4.69
<b>Total:</b>		<b>2.54</b>		<b>6.01</b>

**Note - 16 - Short term Loans and Advances**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
VAT Receivable from A.P Govt.		-		0.18
VAT Receivable		6.07		1.39
Interest Receivable		56.24		45.49
Income Tax Refund due		0.09		0.09
Others		122.14		49.70
<b>Total:</b>		<b>184.54</b>		<b>96.84</b>
Secured, Considered good		-		-
Unsecured, Considered good		184.54		96.84
Doubtful		-		-

**Note - 17 : Revenue From Operations**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Sales		4,560.22		3,162.08
Less: Excise Duty		43.68		-
<b>Total:</b>		<b>4,516.54</b>		<b>3,162.08</b>

**Note - 18 : Other Income**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Dividend on shares		0.36		0.97
Exchange rate fluctuation		-		4.81
Income From Shares - Long term		-		59.93
Income From Shares- Short Term		-		0.02
Interest Income		27.89		32.16
Other Income				
Income declared under PMGKY	32.36		-	-
Other Income	0.01	32.37	0.01	0.01
<b>Total:</b>		<b>60.61</b>		<b>97.90</b>

**Note - 19: Cost of Material Consumed**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Purchases		4,481.37		2,972.37
Stores & Consumables		0.35		0.69
<b>Total:</b>		<b>4,481.72</b>		<b>2,973.06</b>

**Note - 20 : Changes in Inventories**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Raw Material:				
Balance as at beginning of the year	-		-	
Less: Balance as at the close of the year	-		-	
		-		
Work in Progress:				
Balance as at beginning of the year	648.34		575.57	
Less: Balance as at the end of the year	1,029.46		648.34	
		- 381.12		-72.77
Finished Goods:				
Balance as at the beginning of the year	-		-	
Less: Balance as at the end of the year	9.61		-	
		-9.61		-
<b>Total:</b>		<b>-390.72</b>		<b>-72.77</b>

**Note - 21 : Employee Benefit Expenses**

(Rs. in Lakhs)

	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Salaries & Wages		45.24		36.48
<b>Total:</b>		<b>45.24</b>		<b>36.48</b>

**Note - 22 : Other Expenses**

(Rs. in Lakhs)

	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Bank Charges & Interest		49.78		16.27
Interest - Vehicle		1.18		-
<b>Total:</b>		<b>50.96</b>		<b>16.27</b>

**NOTE - 23 : OTHER EXPENSES**

(Rs. in Lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Rent		6.00		6.00
Rates & Taxes		1.90		2.24
<u>Payments to Auditors</u>				
Audit fee	0.50		0.50	
Tax Audit fee	0.15		0.15	
		0.65		0.65
Advertisement & Publicity		1.07		0.86
Computer Expenses		0.04		0.04
Postage, Telephone		0.49		0.13
Electricity Charges		0.81		1.19
Insurance		1.91		2.24
Printing & Stationery		0.45		0.60
Petrol & Fuel		0.03		0.11
Travelling Expenses		0.02		0.25
Legal & Professional Fees		13.79		17.28
Exchange rate fluctuation		4.81		0.00
Business Promotion		13.90		0.00
Office Expenses		0.77		2.09
Membership fees		0.10		0.10
Maintenance				
Building	0.96		0.87	
Machinery & Others	2.34		1.45	
		3.30		2.32
Jobwork Charges		172.43		44.57
Security Charges		0.93		0.79
Service Tax paid		0.00		2.39
Loss on sale of Fixed Assets		1.42		0.00
<b>Total:</b>		<b>224.83</b>		<b>83.84</b>

**Note: 24****ACCOUNTING POLICIES & NOTES TO ACCOUNTS:****(A) ACCOUNTING POLICIES:****1. Basis of preparation of Accounts:**

The financial statements have been prepared on the basis of going concern, under the historic cost convention, to comply in all material aspects with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

**2. System of Accounting:**

The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis.

**3. Fixed Assets:**

Fixed Assets are stated at cost of acquisition plus additions/alterations/installation charges.

**4. Depreciation:**

Depreciation on Fixed Assets is charged on Straight Line Method so as to be amortised over the useful lives prescribed in Schedule-II to the Companies Act, 2013.

**5. Investments:**

Current Investments are carried at lower of cost and market value. Non-current investments are carried at cost unless the diminution in the value of such investment is considered to be permanent.

**6. Sales:**

Sales are exclusive of the sales tax collection and are net of return.

**7. Inventories:**

Inventories are valued at lower of cost or net realisable value

**8. Account for claims:**

Claims receivable are accounted on acceptance/receipt.

**9. Prior period Adjustments:**

Income and Expenditure relating to prior period upto Rs.5000/- in each case is accounted under natural heads of account.

**(B) NOTES TO ACCOUNTS:**

1. The Company has not ascertained, from out of the amounts payable, "dues" to Small Scale undertakings.
2. The Company is in the business of trading Jewellery. It has no separate segments. Hence, Segment reporting as per AS-17 is not applicable.
3. Related party disclosure in accordance with the Accounting Standard 18 is as follows:
  - A. Name of related parties and related party relationships:  
Associate Concerns: Sanghi Jewellers Pvt. Ltd, Trisa Retail Limited
  - B. Transactions with related party during the year along with balances at year end:

(Amt in Rs.)		
Nature of Transactions	March 31, 2017	March 31, 2016
(a) Transactions during the year		
<b><u>Purchases:</u></b>		
Sanghi Jewellers Pvt. Ltd	1,84,08,684/-	4,79,39,517/-
<b><u>Sales :</u></b>		
Sanghi Jewellers Pvt. Ltd	34,09,000/-	5,43,861/-
<b><u>Jobwork Expenses:</u></b>		
Sanghi Jewellers Pvt. Ltd	1,72,43,268/-	44,56,883/-
<b><u>Rent:</u></b>		
Sarala Sanghi	6,00,000/-	6,00,000/-
<b><u>Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.		
Loan given	-	-
Loan recovered	-	-
<b><u>Interest on Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	27,50,000/-	31,96,233/-
(b) Balance outstanding as at the year end		
<b><u>Trade Payables:</u></b>		
Sanghi Jewellers Pvt Ltd	-	-
<b><u>Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	2,50,00,000/-	2,50,00,000/-
<b><u>Interest on Inter Corporate Loan:</u></b>		
Trisa Retail Ltd.	56,23,712/-	45,48,712/-

4. The Company has no reportable segments either by geography or by products.
5. Details of Specified Bank Notes (SBNs) held and transacted during the period from 08<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3,23,52,000	25,268	3,23,77,268
(+) Permitted receipts	0	5,94,850	5,94,850
(-) Permitted payments	0	2,81,684	2,81,684
(-) Amount deposited in banks	3,23,52,000	0	3,23,52,000
Closing cash in hand as on 30.12.2016	0	3,38,434	3,38,434

6. Previous year's figures are regrouped wherever necessary.

**Our Report attached,  
For VENUGOPAL & CHENOY,  
CHARTERED ACCOUNTANTS,  
Sd/-  
P.V.SRI HARI  
Partner  
Membership No.021961**

**For and on behalf of the Board,**

**Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033**

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

**Sd/-  
Pragya Sarda  
Company Secretary  
Membership No. 37999**

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

**Place: Hyderabad  
Date: 29.05.2017**

**CASH FLOW STATEMENT FOR THE YEAR ENDING 31.03.2017**

	2016-17		2015-16	
	(Rs. in Lakhs)		(Rs. in Lakhs)	
A) Cash Flow from Operation Activities :				
Net Profit before taxation and extraordinary items	157.33		215.56	
Adjustments for				
Depreciation & Exp. Written off	7.82		7.53	
Profit on sale of Shares	-		(59.95)	
Interest received	(27.89)		(32.16)	
Loss on sale of Fixed Asset	1.42		-	
Finance Charges	50.96		16.27	
Dividend received	(0.36)		(0.97)	
Other Income	(32.36)		-	
Operating Profit before working Capital changes	156.92		146.28	
Working capital changes:				
Trade and Other Receivables	(86.09)		(487.90)	
Inventories	(390.72)		(72.77)	
Loans & Advances	(96.13)		(72.07)	
Trade Payables & Other liabilities	506.55		426.95	
Increase/Decrease in working capital	(66.40)		(205.79)	
Interest Paid	(50.96)		(16.27)	
Operating profit befor tax	39.55		(75.78)	
Income Taxes paid	(42.05)		(40.28)	
Cash flow before extraordinary items	(2.50)		(116.06)	
Extraordinary item	-		-	
Net Cash Used for operating activities		(2.50)		(116.06)
B) Cash Flows from Investing Activities				
Purchase of Fixed Assets	(87.55)		(5.38)	
Deffered Revenue Expenditure	0.20		(4.40)	
Sale of Fixed Assets	17.50		-	
Purchase of Investments	-		(3.84)	
Sale of Investments	-		89.91	
Interest Received	27.89		32.16	
Dividend received	0.36		0.97	
Net Cash used in Investing Activities		(41.60)		109.42

C) Cash Flow from Financing Activities				
Proceeds from Finance Borrowings	40.64		-	
Net Cash Used in Financing Activities		40.64		-
Net Increase in cash and cash equivalents		(3.46)		(6.64)
Cash and Cash equivalents as at 31.03.2016 (Opening Balance)		6.01		12.65
Cash and Cash equivalents as at 31.03.2017 (Closing Balance)		2.54		6.01

**Our Report attached,  
For VENUGOPAL & CHENoy,  
CHARTERED ACCOUNTANTS,  
Sd/-  
P.V.SRI HARI  
Partner  
Membership No.021961**

**For and on behalf of the Board,**

**Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033**

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

**Sd/-  
Pragya Sarda  
Company Secretary  
Membership No. 37999**

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

**Place: Hyderabad  
Date: 29.05.2017**

#### **AUDITOR'S CERTIFICATE**

We have verified the enclosed Cash flow statement for the year ended 31st March 2017 with the books and records maintained by UDAY JEWELLERY INDUSTRIES LTD, and certify that in our opinion, and according to the information and explanations given to us the statement is in accordance therewith.

For Venugopal & Chenoy  
Chartered Accountants

Place: Hyderabad  
Date :29.05.2017

Sd/-  
P.V.SRIHARI  
Partner, M.No:021961

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:****I. REGISTRATION DETAILS**

Registration No	080813
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Balance Sheet	31-03-2017
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**II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. LAKHS)**

Public Issue	Nil	Preferential Issue	Nil
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Bonus Issue	Nil	Private Placement	Nil
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**III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. LAKHS)**

Total Liabilities	2488.96	Total Assets	2488.96
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**SOURCES OF FUNDS**

Paid-up Capital	1248.13	Reserves & Surplus	241.08
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Secured Loans	907.26	Unsecured Loans	Nil
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**APPLICATION OF FUNDS**

Net Fixed Assets	106.96	Investments	17.84
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Net Current Assets	2091.20	Misc. Expenditure	224.83
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Accumulated Losses	(402.03)
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**IV. PERFORMANCE OF THE COMPANY (AMOUNT IN RS. LAKHS)**

Turnover	4516.54	Total Expenditure	4419.83
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Profit/ (Loss) before tax	157.33	Profit/ (Loss) after tax	115.27
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Earning Per Share (Rs.)	0.99	Dividend Rate %	Nil
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**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

Product description: Gems & Jewellery

**ROUTE MAP FOR THE 18TH ANNUAL GENERAL MEETING- 16.11.2017**

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



**ATTENDANCE SLIP****(To be handed over at the entrance of the meeting hall)****(Annual General Meeting - 16th November, 2017)**

I hereby record my presence at the 18th Annual General Meeting of the Company held on, 16th day of November, 2017 at 10:30 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: L74900TG1999PLC080813****Name of the Company:** Uday Jewellery Industries Limited**Registered Office:** Plot No. 5-9-60, Flat No. 301, Moghuls Court Building, Basheerbagh, Hyderabad - 500001**Name of the Member(s):****Registered Address:****E-mail ID:****Folio No/ Client ID:****DP ID:**

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

1. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....

2. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....

3. Name: ..... Address: .....  
 E-mail ID: ..... Signature: .....

As my our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the 18th Annual General Meeting of the Company, to be held on Thursday, 16th day of November, 2017 at 10:30 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

S. No.	Resolution	For	Against
<b>Ordinary Business:</b>			
1.	To consider and adopt the Audited Financial Statements, Reports of the Board of Directors and Auditors for the Financial Year 2016-17		
2.	For Re-appointment of Mrs. Pritha Sanghi, who retires by rotation		
3.	To ratify the appointment of the Statutory Auditors of the Company		
<b>Special Business:</b>			
4.	Reappointment of Mr. Ritesh Kumar Sanghi as the Managing Director of the Company		
5.	Increase in Authorized Share Capital of the Company		
6.	Alteration of Capital Clause of the Memorandum of Association of the Company		
7.	Adoption of new set of Memorandum of Association as per Table A, Schedule I of the Companies Act, 2013		
8.	Adoption of new set of Articles of Association as per Table F, Schedule I of the Companies Act, 2013		
9.	Preferential Allotment of Equity Warrants of the Company to Promoters/ Promoter Group/ Resident Individuals		
10.	Preferential Issue of Equity Warrants of the Company to Business Associates/ non-promoter/ public group		

Signed this ..... day of ..... 2017

Signature of the Shareholder(s) ..... Signature of Proxy (s).....

**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.**

Affix  
Revenue  
Stamp

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reasons

# WHY UDAY JEWELLERY ?



**1.INNOVATION :** We have a team of highly skilled designers and gold-smiths who constantly innovate. This helps us produce unique products that delight our customers always.



**2.QUALITY :** We believe that quality is one of the most important pillar for building trust and relationship with the customer. Hence we have adopted strict quality measures to test the purity and finish of our products



**3.ON TIME :** We understand the importance of your time. We strive to deliver on time so that your sales soar high with the right products at the right time.

**4.QUICK SALE :** Our products are based on-going trend according to the regular market survey and analysis, so that they sell quickly and the store has fresh stock all the time.

**5.DEDICATED TEAM :** We have a great team of dedicated professionals who are appointed to fulfill various needs of the clients. The teams are specialists in their respective fields.

**6.ACHIEVEMENTS :** We have been honored with many awards for our excellence so that you can have absolute confidence in our abilities.

**7.INFRASTRUCTURE :** The entire production is done In-House . The unit is well equipped and updated with modern technology and machinery.



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**UDAY JEWELLERY INDUSTRIES LIMITED**

REGISTERED OFFICE: Plot No.5-9-60, Flat No. 301, Moghuls Court Building,  
Deccan Tower Complex, Basheerbagh, Hyderabad - 500 001.

**Tel: +91-40- 32918411, Fax: +91-40-23223124, E-mail: [info@udayjewellery.com](mailto:info@udayjewellery.com).**