



4th September, 2021

The Corporate Relationship Department,
BSE Limited,
25th, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001

Re: Submission of Annual Report of the Company for the Financial Year 2020-21
Ref: Scrip Code: 539518

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith copy of Annual Report for the Financial Year 2020-21.

The approved and adopted Annual Report will be filed with the Exchange after the 22nd Annual General Meeting of the Company to be held on Wednesday, 29th day of September, 2021.

This is for your information and we request you to kindly take the same on record.

Thanking you,

Yours truly,

For **UDAY JEWELLERY INDUSTRIES LIMITED**


(LEKHPAL SAHU)
(Company Secretary & Compliance Officer)



Encl: As stated above

Uday Jewellery Industries Limited
manufacturers • exporters • distributors

22ND ANNUAL REPORT



2020-2021

UDAY JEWELLERY INDUSTRIES LIMITED
Manufacturers & Exporters



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CONTENTS

Particulars	Page Nos.
Notice	3-13
Directors' Report with Annexures	14-56
Independent Auditors'Report	57-66
Financial Statements	67-69
Schedules forming a part of Accounts	70-76
Significant Accounting Policies	77-95

BOARD OF DIRECTORS

Shri Ritesh Kumar Sanghi	-	Chairperson- Managing Director
Shri Sanjay Kumar Sanghi	-	Director
Smt. Pritha Sanghi	-	Director
Shri Ramprasad Vempati	-	Independent Director
Shri Vikram Goel	-	Independent Director
Shri Praveen Kumar Agarwal	-	Independent Director (upto11.08.2020)
Shri Sunil Garg	-	Independent Director (w.e.f. 27.08.2020)
Mr. Rakesh Agarwal	-	Chief Financial Officer
Mr. Sher Singh Verma	-	Company Secretary & Compliance Officer (w.e.f.22.04.2019 to 08.10.2020)
Ms. Khwaish Kamrani	-	Company Secretary & Compliance Officer (w.e.f.05.11.2020 to 29.01.2021)

AUDITORS

M/s Venugopal & Chenoy
Chartered Accountants,
Tilak Road,
Hyderabad – 500004

BANKERS

KOTAKMAHINDRABANKLTD
STATEBANKOFINDIA
ICICIBANK

REGISTERED OFFICE

3-6-291/4/A, 1st Floor, Hyderguda,
Hyderabad-500029
Phone:- 040-48538411

REGISTRAR & SHARE TRANSFER AGENTS

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
Fax: 040-23370295
Email: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

NOTICE

Notice is hereby given that the **Twenty-Second Annual General Meeting** of the Members of **Uday Jewellery Industries Limited** will be held on **Wednesday, 29th September, 2021 at 1:00 P.M.** through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31st March, 2021 and the Report of the Board of Directors and Auditors thereon.
2. To re-appoint Mrs. Pritha Sanghi, Director (DIN: 02681491), who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint M/s. Anant Rao & Mallik., Chartered Accountants (Firm Registration No. 006266S) as Statutory Auditors of the Company for a period of 5 years.

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

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors M/s. Anant Rao & Mallik, Chartered Accountants (Firm Registration No. 006266S), Hyderabad, be and are hereby appointed as Statutory Auditors of the Company for a period of 5 consecutive years who shall hold office from the conclusion of this Annual General Meeting till the conclusion of 27th Annual General Meeting to be held in 2026 at such remuneration and reimbursement out-of-pocket expenses incurred in connection with the audit carried out by them as may be agreed between the Auditors and Board of Directors from time to time.”

SPECIAL BUSINESS:

4. To approve the Related Party Transactions of the Company, and in this regard, to pass, with or without modifications, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in accordance with the Company’s policy on Related Party transaction(s), approval of the members be and is hereby accorded to enter at prevailing market rates and at arm’s length basis and in the ordinary course of business of the Company with the related parties as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, as follows:

UDAY JEWELLERY INDUSTRIES LIMITED

Sl. No.	Name of related parties	Nature of relationship	Type of Contract/ Transaction	Transaction Limit	Duration
1.	Sanghi Jewellers Private Limited Rs.	Company having common directors	Purchase/ sale of various manufactured products and availing Jobwork services At prevailing market rates and on arm's length basis	Rs. 75,00,00,000/- (Rupees Seventy Five Crores only)	From 01.10.2021 to 30.09.2023
2.	Narbada Gems and Jewellery Limited	Company having common directors	Sale/ purchase of various manufactured products At prevailing market rates and on arm's length basis	Rs. 25,00,00,000/- (Rupees Twenty Five Crores only)	From 01.10.2021 to 30.09.2023

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all such acts, deeds, matters and things as may be considered necessary or expedient to give effect to this resolution.”

By Order of the Board

Sd/-

RITESH KUMAR SANGHI

Managing Director

DIN: 00628033

Place: Hyderabad.

Date: 27.08.2021.

NOTES:

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. Annual General Meeting (AGM) will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to a least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.udayjewellery.com. The Notice can also be accessed from the websites of the Stock Exchanges at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL at www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in virtual mode in accordance with the directives provided in paragraphs 3 and 4 of the General Circular No. 20/2020 and MCA circular no. 02/2021 dated January,13,2021.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2021 to 29th September, 2021 (both days inclusive) for the purpose of Annual General Meeting.
10. Shri Ajay Suman Shrivastava, Practicing Company Secretary has been appointed as "Scrutinizer" for the Business mentioned to be conducted by e-voting.
11. The Results of the e-voting will be declared by Director by 30th September, 2021, by 05:00P.M. at the Registered Office of the Company at Hyderabad and shall be hosted on the website of the Company; www.udayjewellery.com. And on the website of the Stock Exchange; www.bseindia.com.
12. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 4 is annexed herewith.

13. The details pertaining to Director(s) liable to retire by rotation and director(s) proposed to be appointed/ re-appointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:

PROFILE OF THE DIRECTOR RETIRING BY ROTATION: Mrs. Pritha Sanghi, aged about 52 years has a varied experience in the field of jewellery designing and expert knowledge in gemology. She has an immense skill and expertise in sorting and recognizing diverse range of precious and semi-precious gems used in manufacturing of various colored stone jewellery. She has more than 20 years of experience in business of dealing and trading in Gems and Jewellery. Her shareholding in the Company is 20,45,300 Equity shares representing 9.29% of total share capital of the Company as on 31st March, 2021.

Her directorships held in other public companies as on 31.03.2021 are:

1. Trisa Retail Limited;
2. Sanghi Jewellers Private Limited.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on **Sunday, 26th September, 2021 at 09:00 A.M and ends on Tuesday, 28th September, 2021 at 05:00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off of **22nd September, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and

Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant **Uday Jewellery Industries Limited** on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User 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 linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; **info@udayjewellery.com**, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **2 (Two) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **2 (Two) days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at **info@udayjewellery.com**. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Businesses mentioned in the Notice:

Item no. 4:

Your Company proposes to enter into transactions with Narbada Gems and Jewellery Limited (NGJL) and Sanghi Jewellers Private Limited (SJPL), which are under the same Promoter Group and majority of the Directors are common. The proposed transactions shall be at Arms' Length basis and in the ordinary course of business.

Section 188 of the Companies Act, 2013 ("the Act") and the applicable Rules framed there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provide that Related Party Transactions will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Narbada Gems and Jewellery Limited and Sanghi Jewellers Private Limited come under the ambit of Related Party for the purpose of Related Party Transaction(s) in terms of provisions of the Act and Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transactions proposed to be entered into by your Company with NGJL and SJPL for a period of 24 months starting from 1st October, 2021 to 30th September, 2023.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the Proposed transaction(s) with the related parties, as follows:

Section 188 of the Companies Act, 2013 ("the Act") and the applicable Rules framed there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provide that Related Party Transactions will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Narbada Gems and Jewellery Limited and Sanghi Jewellers Private Limited come under the ambit of Related Party for the purpose of Related Party Transaction(s) in terms of provisions of the Act and Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transactions proposed to be entered into by your Company with NGJL and SJPL for a period of 24 months starting from 1st October, 2021 to 30th September, 2023.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the Proposed transaction(s) with the related parties, as follows:

UDAY JEWELLERY INDUSTRIES LIMITED

Sl. No.	Name of related parties	Nature of relationship	Type of Contract/ Transaction	Transaction Limit	Duration
1.	Sanghi Jewellers Private Limited	Company having common directors	Purchase/ sale of various manufactured products and availing Jobwork services At prevailing market rates and on arm's length basis	Rs. 75,00,00,000/- (Rupees Seventy Five Crores only)	From 01.10.2021 to 30.09.2023
2.	Narbada Gems and Jewellery Limited	Company having common directors	Sale/ purchase of various manufactured products At prevailing market rates and on arm's length basis	Rs. 25,00,00,000/- (Rupees Twenty Five Crores only)	From 01.10.2021 to 30.09.2023

The Board of Directors of the Company and their respective relatives are concerned and interested in the resolution, up to the monetary value of transaction(s) proposed to be entered.

The Board of Directors recommends passing of the resolution as set out at item no. 4 of this Notice as an Ordinary Resolution.

DIRECTORS' REPORT

**To
The Members,
UDAY JEWELLERY INDUSTRIES LIMITED**

Your Directors have pleasure in presenting the **Twenty-Second Annual Report** together with the audited Financial Statement of the Company for the financial year ended 31st March, 2021.

1. FINANCIAL HIGHLIGHTS

The highlights of the financial statements of the Company for the financial year ended March 31, 2021, are as under:

(Rs. in Lakhs)

Particulars	31.03.2021	31.03.2020
Revenue from operations	9333.50	9174.08
Other Income	108.33	42.41
Total income	9441.82	9216.49
Profit before tax	781.95	939.93
Current Tax	203.82	246.87
Deferred Tax	(2.90)	(0.65)
Income tax pertaining to earlier years	0.88	-
Profit after Tax	580.15	693.71
Earnings per share		
Basic	2.63	3.22
Diluted	2.63	3.17

2. COMPANY'S PERFORMANCE AND BUSINESS OVERVIEW:

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. Global solutions are needed to overcome the challenges – businesses & business models have transformed to create a new work order. The physical and emotional wellbeing of employees continues to be a top priority for the Company, with several initiatives to support employees and their families during the pandemic.

The performance of the business was affected during the last financial year due to store closures consequent upon declaration of national lockdown by the Government and subsequent state-wise lockdowns. During the year under review,

- Your Company has achieved a turnover of Rs. 9333.50 Lakhs against Rs. 9174.08 Lakhs during previous year and registering a growth of 1.74% over the previous year.
- The Company reported a Net Profit after Tax of Rs. 580.15 Lakhs as against Rs. 693.71 Lakhs earned during the previous year and decline in profit due to high carrying cost of inventory of 16.37%.

Your Company is engaged in the business of manufacturing, sale and trading of stone studded gold jewellery, diamond studded jewellery and silver items and cubic zirconic with natural and color stones in different geographical areas i.e. domestic sales and export sales.

The Company has not faced material impact on the capital and financial resources, profitability, liquidity position and assets of the Company. As per present conditions, the Company is confident of its ability to service debt and other financing arrangements.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the year under review.

4. FUTURE PROSPECT:

The changes expected in the product–mix portfolio of the Company augers well in the long run to improve the profits. The vision of your company is to fulfill the aspirations of the GenX and Gen Z with exclusive gold jewellery at affordable prices to attract them both for its aesthetic value and also as a tool for investment as Gold continues to be a favorite investment product.

It is expected that the positive impact of polarization on the organized sector is likely to be visible operationally with in a couple of years that would go along way in improving the margin and turnover for the industry in general and the Company.

Wedding is the biggest economic driver in India, thereby increasing the demand of Bridal Jewellery across the country. The Company's economy is culturally and traditionally driven by Wedding thereby leading to investment in Jewellery as cultural fashion, asset class and lifestyle product from time to time. Uniqueness of color gemstone along with Cubic Zerconia (CZ) is core USP. Since, the Company supplying to major retailers, even the Company is getting a pull from Customers. Further, Government's recent initiative on Hallmarking Guidelines (HUID) has also increased the dependency of all organized retail players on the organized Manufacturers like your Company. Your Directors are hopeful for better future potential of the Uday Jewellery Industries Limited

Plans to Modify/ Enhance the product Offering: The Management focus to enhance the product offering to the customers, hence new product innovation is one of the integral plan of the company.

Strategizing the Marketing & Business Development:

- a. **Customer Acquisition Policy:** Customer acquisition is important for businesses of any age and size. The goal of this process is to create a systematic, sustainable customer who can sell the Company's products in the long term.
- b. The credit policies are kept dynamic based on client profiles to allow credit to the parties which vary from 45- 60 days depending on the retention margin on the products. So, before adding a new customer, a due diligence is done to understand, the credit worthiness of the client.
- c. **Business Development Policy:** A Business Development Policy is being evolved to cater to ever changing market preferences, but with a focus on growth and how to achieve it. It's a long-term plan that outlines strategies for steady and sustainable business growth over the coming

years. Its scope covers both the marketing and sales functions, as they are interlinked in the Jewellery Industry.

The Company's marketing team at present is catering to the following category of buyer group:

1. National Chains – Retail Chains having National level presence
2. Local Chains – Retail Chains having regional/local level presence
3. Family Jewellers – Well known Family jewellers having 1 or 2 stores.
4. Distributors and
5. Exports

The Company is developing new creations to provide a wide range of collection to its customers and we expect the new collections will help us to penetrate the market. The strategy of the Company is to target multiple sales channels, online selling of products and to explore overseas market as the products are contemporary and have a large audience.

The various initiatives taken by the Company in formulating strategies and implementation on all sphere of business activities will result in a sustainable revenue and profit growth over a period of time.

5. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 26,00,00,000/- (Rupees Twenty Six Crore) dividend into 2,60,00,000 (Two Crore Sixty Lakhs) Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid up Equity Share Capital of the Company is Rs. 22,02,19,000/- (Rupees Twenty Two Crore Two Lakhs Nineteen Thousand only) divided into 2,20,21,900 (Two Crore Twenty Lakhs Twenty one Thousand nine hundred only) Equity shares of Rs. 10/- each.

Further, during the financial year 2020-21, there were no

- (i) Re-issue of forfeited shares out of 31,62,900 Equity shares pending re-issue.
- (ii) Issue of shares with differential rights
- (iii) Issue of sweat equity shares
- (iv) Issue of ESOP

6. DIVIDEND

In order to conserve resources for further expanding business of the Company, your directors have opined not to recommend any dividend for the year under review.

7. 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 dividend in previous year.

8. RESERVES

Amount to be carried forward to the reserves is Rs.580.15/- Lakhs being Profit for the year.

9. KEY MANAGERIAL PERSONNEL:

1. Mr. Ritesh Kumar Sanghi - Managing Director
2. Mr. Rakesh Agarwal - Chief Financial officer
3. CS. Lekhpal Sahu - Company Secretary & Compliance Officer

The following changes have been occurred in KMPs composition during the period under review till the date of Board Meeting.

- CS Sher Singh Verma (A58060) resigned from the position from the Company Secretary and Compliance Officer of the Company w.e.f 08.10.2020 the Board placed on record appreciation for the services and contribution made by him during his tenure.
- CS Khwaish Kamlani (A47534) has appointed as Company Secretary and Compliance Officer of the Company w.e.f. 05.11.2020 and She resigned from the position of Company Secretary and Compliance officer of the Company w.e.f 29.01.2021 the Board placed on record appreciation for the services and contribution made by her during her tenure.
- Mr. Lekhpal Sahu (A48183) has been appointed as Company Secretary and Compliance Officer w.e.f. 03.05.2021.

10. DIRECTORS :

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs.Pritha Sanghi,(DIN: 02681491), Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends her re-appointment.

Shri Ramprasad Vempati (DIN: 01903161), Shri Vikram Goel (DIN: 05104754), Shri. Sunil Garg (DIN: 08851283) were the Independent Directors during the Financial Year 2020-21 and all have given declarations that they continue to meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and regulations 16(1)(b) of the LODR Regulations and that they are not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

During the year under review, Mr. Praveen Kumar Agarwal, Independent Director of the Company resigned w.e.f 11th August, 2020. Your directors place on record their sincere appreciation for the valuable contribution made by Mr. Praveen Kumar Agarwal during his tenure. In his place Mr. Sunil Garg has been appointed as additional Director w.e.f 27.08.2020 and regularized in Annual General Meeting on 11.12.2020 and appointed as an Independent Director of the Company for 5 years.

All the above changes in the composition of the Board and KMP were made on the recommendation of the Nomination & Remuneration Committee.

11. DECLARATION ON INDEPENDENT DIRECTORS:

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, all the Independent Directors of your Company have given declaration that they meet the criteria of independence as required under the Act and the regulations.

12. NUMBER OF MEETINGS OF THE BOARD

During the year **Eight(8)** Board meetings were held on 29.06.2020, 30.07.2020, 27.08.2020, 14.09.2020, 05.11.2020, 23.11.2020, 28.01.2021 and 02.02.2021. For further details, please refer to Report on Corporate Governance. The intervening gap between two Board Meeting is as per the section 173 of Companies Act, 2013 except first Board meeting.

The Ministry of Corporate Affairs has issued guidelines in respect of conduct of Board Meeting through General Circular No. 11/2020 Dated 24th March, 2020 and allowed the maximum gap of 180 days can be taken between two Board meetings. These guidelines were issued after looking into the situation and spread of COVID-19 Pandemic.

13. BOARD EVALUATION:

The Board of your Company on the recommendation of Nomination and Remuneration Committee had laid down the criteria for evaluation of performance of the Board, its Committees and individual Directors. Accordingly, annual performance evaluation process was carried out based on evaluation forms, which include a rating mechanism. Independent Directors also reviewed the performance of the Board as a whole, Non Independent Directors and the Chairman.

The criteria for performance evaluation of the Board and its Committees amongst others includes their structure and composition, processes, information and functioning, terms of reference of the Committees, etc. The criteria for performance evaluation of individual Directors including Executive and Independent Directors amongst others includes their attendance and contribution at the meetings, devotion of time and efforts to understand the Company, its business, their duties and responsibilities and adherence to the code of conduct, etc. The said policy is available at the website of the Company at www.udayjewellery.com The Independent Directors had met separately on **11th February, 2021** without the presence of Non-Independent Directors to discuss the performance of the Non-Independent Directors and the Board as a whole.

14. POLICY ON DIRECTORS' APPOINTMENT & REMUNERATION AND CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OF A DIRECTOR:

Your Company has always considered sound advice from the Board and Key Managerial persons as invaluable assets of the Company. The Nomination & Remuneration Policy of the Company is designed to identify the persons for appointment as Director, Key Managerial Personnel and other Senior Management Personnel and to attract, motivate, improve productivity and retain manpower by creating a congenial work atmosphere, encouraging initiatives and team work by creating a sense of belonging and involvement, besides offering appropriate remuneration packages.

The objective of the Policy on Criteria for determining Qualifications, Positive Attributes and Independence of a Director is to determine qualifications, positive attributes and independence of a director.

The Nomination & Remuneration Policy as well as Criteria for determining Qualifications, Positive Attributes and Independence of a Director are placed on the Company's website www.udayjewellery.com in the Investor Section.

15. BOARD COMMITTEES :

The detailed composition of the Board committees namely Audit Committee, Nomination and Remuneration Committee, and Corporate Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

16. AUDIT COMMITTEE:

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

All the recommendations made by the Audit Committee were accepted by the Board of Directors of the Company.

17. MANAGEMENT DISCUSSION AND ANALYSIS (MD & A):

The report on Management Discussion and Analysis (MD & A Report) for the financial year under review, as stipulated under Regulation 34 of the SEBI-LODR Regulations, 2015 is presented in a separate section and forms part of the Annual Report.

18. 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.

19. INTERNAL CONTROL SYSTEMS:

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal and statutory auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board committees, including the Audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and your Company is constantly endeavoring to improve the standards of internal control in various areas and taking steps to strengthen the internal control system to make it commensurate and effective with the nature of its business.

20. MANAGERIAL REMUNERATION

The Company's policy on Director's appointment and remuneration in accordance with Section 178 (3) of the Companies Act, 2013 the same is available at the website of the Company at 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:

a. All pecuniary relationship or transactions, of the, non-executive directors of the Company:

The Non-executive Directors does not have any pecuniary relationship or transactions of the Company.

b. Details of remuneration of each Director and CFO and Company Secretary in the Financial Year 2020-21 are as follows:

Name	Designation	Remuneration (in Rs.)	
		2020-21	2019-20
Ritesh Kumar Sanghi	Managing Director	-	-
Sanjay Kumar Sanghi	Director	-	-
Rakesh Agarwal	Chief Financial Officer	5,15,000	6,00,000
Priyanka Agarwal	Company Secretary	-	11000*
Sher Singh Verma	Company Secretary	1,84,060*	3,99,023*
Ms. Khwaish Kamlani	Company Secretary	1,42,534*	-

*For the part of financial year

c. Details of fixed component and performance linked incentives, along with the performance criteria: The Company does not have any performance linked incentives for the Directors and CFO the appointments are made for a fixed period of time on the terms and conditions in the respective resolution passed by the Board/Members in the Meeting.

d. Number of permanent employees on the rolls of the Company as on 31st March, 2021 are 62.

e. Stock option details: Nil

21. PARTICULARS OF EMPLOYEES:

During the year under report, none of the employees was in receipt of remuneration exceeding the limit prescribed under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

22. HUMAN RESOURCES:

Your Company treats its manpower as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

23. INSIDER TRADING REGULATIONS:

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Code of Conduct for prohibition of insider trading, as approved and adopted by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information during the period of Trading Window Closure. The Board is responsible for implementation of the Code. All Board of Directors and designated employees have confirmed

compliance with the Code. The Board has appointed CS Lekhpal Sahu, Compliance officer under the code after resignation of CS Khwaish Kamrani.

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

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

25. STATUTORY AUDITORS:

The Auditors, M/s Venugopal & Chenoy, Chartered Accountants, Hyderabad, (Firm Regn No.- 004671S) were appointed in the Annual General Meeting held on 28th September, 2020 to hold office until the conclusion of the 22nd Annual General Meeting of the Company to be held in the calendar year 2021. They have audited the financial statements of the Company for the financial year under review. The observations of Statutory Auditors in their Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation.

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 has been submitted to the Stock Exchanges.

As the term of Ms/ Venugopal & Chenoy is ending at the ensuing Annual General Meeting, the Board subject to the approval of the Members at the Annual General Meeting, in their meeting held on 29th June, 2021, has approved the appointment of M/s Anant Rao & Mallik, Chartered Accountants (Registration No. 006266S) as Statutory Auditors of the Company to hold office for a period of 5 years from the conclusion of the 22nd Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2026, in place of the outgoing Auditors, at such remuneration and reimbursement out of pocket expenses incurred in connection with the audit conducted by them as may be decided by the Board and Statutory Auditors from time to time.

26. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, CS Arpita Dhar, Practicing Company Secretary, (COP No.- 24137) has been appointed as Secretarial Auditor of the Company for the financial year 2020-21. 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 I** to this report.

The report Annual Secretarial Compliance report for the FY 2020-21 as per Regulation 24A of SEBI (LODR) Regulation, 2015 as amended, issued by Shri Ajay Suman Shrivastava, Practicing Company Secretary, Hyderabad (COP No. 3479), is enclosed as **Annexure II** to this report.

27. COST RECORDS:

Your Company is not required to maintain cost records as specified under Section 148 of the Act.

28. VIGIL MECHANISM:

The Whistle-blower Policy has been approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations 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. Further, the Whistle-blower Policy is available on the website of your company at www.udayjewellery.com.

29. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on Company website at www.udayjewellery.com.

30. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There have been no material changes and commitments affecting financial position of the Company between end of the financial year and the date of the report.

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

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

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.

32. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and SEBI-Listing Obligation Disclosure Regulation (LODR), 2015 during the financial year ended March 31, 2021 is disclosed in Form No. AOC-2 as **Annexure III** to this report.

33. CORPORATE GOVERNANCE CERTIFICATE:

Your Company is committed to maintain the high standards of corporate governance and adhere to the requirements set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. The certificate from the Practicing Company Secretary confirming 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 as **Annexure IV** to this report.

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

A. CONSERVATION OF ENERGY

In its endeavour towards conservation of energy your Company ensures optimal use of energy, avoid wastages and conserve energy as far as possible. Since the Jewellery manufacturing does not entail major electricity consumption, no major efforts are required for conservation except the optimal usage of

B. TECHNOLOGY ABSORPTION

The Company has not carried out any research and development activities. Hence, the information relating to technology absorption is NIL.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, the foreign exchange earnings of the Company is Rs.1249.57 Lacs only.

35. CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year under review, the Company has fallen continue second year under the criteria of "Corporate Social Responsibility" pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014,

The Company has deposited Rs.11,36,010 as per the requirement of said provisions on separate bank account for financial year 2019-20. The said fund has been allocated and will be utilised towards providing relief to the poor and vulnerable sections of society who are facing severe disruptions to their livelihoods.

Due to pandemic the Company has not formulated a CSR Policy yet to take up Projects or programs relating to CSR activities and the Corporate Social Responsibility Committee is under process to formulate the CSR Policy in accordance with Section 135 read with Schedule VII to the Companies Act, 2013.

Further, the CSR Committee and the Board of the Company are now planning for effective implementation of CSR Activity and also under the process to deposit the CSR contribution for the financial year 2020-21 in separate bank account as per the above said provisions of CSR .

36. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors would like to inform the members that the Audited Financial Statement for the financial year ended 31st March, 2021 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 M/s Venugopal & Chenoy, Chartered Accountants, Statutory Auditors of the Company.

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

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;

- b) 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 on 31st March, 2021 and of the profit and Loss of the Company for that period;
- c) 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;
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) 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.
- f) 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.

37. LISTING:

Your Company's equity shares are listed and traded on BSE 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.

38. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder. The Company has constituted an Internal Complaints Committee headed by Smt. Pritha Sanghi, Director, for redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on 31st March, 2021.

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

There were no significant / material orders passed by the regulators or courts or tribunals impacting the going concern status of your Company and its operations in future.

40. 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 for the support from Banks, Stock Exchange & Other authorities for their able guidance and support.

Date: 27.08.2021
Place: Hyderabad

For and on behalf of Board of Directors

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

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

ANNEXURE INDEX

ANNEXURE	CONTENTS
I	Secretarial Audit Report- Form MR-3
II	Annual Secretarial Compliance report
III	Particulars of Contract with related parties- Form AOC-2
IV	Certificate for non-disqualifications of Directors
V	Corporate Governance Report
VI	Certificate on Compliance of Corporate Governance
VII	Compliance Certificate
VIII	Management Discussion and Analysis Report
IX	Annual Report of Corporate Social Responsibility (CSR)

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2021

[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
3-6-291/4/A, 1st Floor, Hyderguda,
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. This Report is to be read with the letter of even date which is annexed to this as 'Annexure- 1' and forms an integral part of this report.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit remotely as permitted, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on 31st March, 2021, has complied with the statutory provisions listed hereunder, except specifically stated and also that the Company has proper Board processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 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. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, subject to the below stated:-

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/Remarks
1	With respect to purchase/ sale of shares by Connected/ Designated persons as per Regl. 5 & 7 (2) of SEBI-PIT, prior permission not sought for one instance of creation of pledge on Promoter Group shares in December 2020.	Non-disclosure/ reporting as prescribed within the prescribed period.	Pledge created on shares at the Trading platform/Depositories. However, margin created was not utilized, resulting in no gains for the pledgers.

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - To the extent applicable for Preferential issue of warrants and consequent final conversion into shares.
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable to the Company during the Audit Period
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable to the Company during the Audit Period
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable to the Company during the Audit Period and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable to the Company during the Audit Period.
- vi. Labour laws as under:
- The Payment of Wages Act, 1936;
 - The Minimum Wages Act, 1948;
 - Factories Act, 1948
 - Employees State Insurance Act, 1948
 - Employee's Provident Funds and Miscellaneous Provisions Act, 1952
 - Payment of Bonus Act, 1965 (reported inclusive in remuneration)
 - Maternity Benefit Act, 1961
- vii. Environment (Protection) Act, 1986, however, other environmental laws are not applicable as the Company is in a non- polluting business.
- viii. The Trademarks Act, 1999
- ix. Bureau of Indian Standards (BIS) for hallmarking etc

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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015

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

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

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There have been some changes in the Board members but the same are in accordance with the prevailing provisions of the Act and the Regulations applicable.
- 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, if any, are captured and recorded as part of the minutes.

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

ARPITA DHAR

ACS No: A38304

C.P. No: 24137

UDIN:A038304C000828313

Place: Shillong

Date: 27.08.2021

Annexure- 1'

To,
The Members,
UDAY JEWELLERY INDUSTRIES LIMITED
3-6-291/4/A, 1st Floor, Hyderguda,
Hyderabad – 500029, Telangana

This letter is to be read with the report even date and forms an integral part of this report.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my remote audit as possible in times of pandemic.
2. I have followed the basic 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 a 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. Wherever 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 and transparency, on a 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 : Shillong
Date : 27.08.21

ARPITA DHAR
ACS No. A38304
CP No: 24137
UDIN : A038304C000828313

**SECRETARIAL COMPLIANCE REPORT OF UDAY JEWELLERY INDUSTRIES
LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

[Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 as amended.]

To,
The Members
UDAY JEWELLERY INDUSTRIES LIMITED
3-6-291/4/A, 1st Floor, Hyderguda,
Hyderabad – 500029, Telangana

I have examined:

- a) all the documents and records made available to us and explanations provided by **Uday Jewellery Industries Limited (“the listed entity”)**, (having BSE Scrip Code: 539518)
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31st March, 2021 (“Review Period”)** in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2019 as amended in 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2013 (Not applicable to the Company during the period under review);

- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the period under review);
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period under review);
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the period under review);
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
- i) other regulations and circulars/ guidelines issued thereunder; (as applicable)

and based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks
1	With respect to purchase/ sale of shares by Connected/ Designated persons as per Regl. 5 & 7 (2) of SEBI-PIT, prior permission not sought for one instance of creation of pledge on Promoter Group shares in December 2020.	Non-disclosure/ reporting as prescribed within the prescribed period.	Pledge created on shares at the Trading platform/Depositories However, margin created was not utilized, resulting in no gains for the pledgers.

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks
	NIL	NIL	NIL	NA

- d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2020.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	NIL	Nil as this is the first report	NA	NIL

Place: Hyderabad

Date: 29.06.2021

AJAY SUMAN SHRIVASTAVA

FCS No.: 3489

C.P. No.: 3479

UDIN: F003489C000520137

FORM NO. AOC -2

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

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

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

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

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	i. Sanghi Jewellers Private Limited- Company having common directorship ii. Narbada Gems and Jewellery Limited- Company having common directorship iii. Trisa Retail Limited Company having common directorship iv. Hanumanthrai Sanghi Relative of Directors v. Sarala Sanghi Relative of Directors

		<p>vi. Ritesh Kumar Sanghi Managing Director</p> <p>vii. Sanjay Kumar Sanghi Director</p> <p>viii. Pritha Sanghi Director</p> <p>ix. Bhavan Sanghi Relative of Directors</p> <p>x. Uday Sanghi Relative of Directors</p> <p>xi. Tejas Sanghi Relative of Directors.</p>
b)	Nature of contracts/ arrangements/transaction	<p>i. Purchases and sales of manufactured products, and payment of Rent</p> <p>ii. Purchase and sales of manufactured products.</p> <p>iii. Payment of Rent.</p>
c)	Duration of the contracts/ arrangements/transaction	<p>i. Regular</p> <p>ii. Yearly</p>
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<p>During the year 2020-21 the total value of transactions with the related parties are as follows:</p> <p>I. Sanghi Jewellers Private Limited-</p> <p>i. Purchases: Rs. 20,54,37,566/-</p> <p>ii. Sales: Rs. 3,75,02,859/-</p> <p>iii. Job work Services: NIL</p> <p>iv. Payment of Rent: Rs. 3,00,000/-</p> <p>II. Trisa Retail Limited</p> <p>i. Interest: Rs. 24,22,350</p> <p>III. Narbada Gems and Jewellery Limited-</p> <p>i. Purchase: NIL</p> <p>IV. Hanumanthrai Sanghi Payment of Rent : NIL</p> <p>V. Sarala Sanghi Payment of Rent : NIL</p> <p>VI. Ritesh Kumar Sanghi Payment of Rent Rs.2,20,000/-</p> <p>VII. Sanjay Kumar Sanghi Payment of Rent Rs.2,20,000/-</p>

UDAY JEWELLERY INDUSTRIES LIMITED

		VIII. Pritha Sanghi Payment of Rent Rs.2,20,000/- IX. Bhavna Sanghi Payment of Rent Rs.2,20,000/- X. Uday Sanghi Payment of Rent Rs.2,20,000/- XI. Tejas Sanghi Payment of Rent Rs.2,20,000/- Total Payment of Rent- Rs.13,20,000/- for Four Months (December, 2020 to March 2021)
e)	Date of approval by the Board	Approval of Board is duly taken as and when required. Transactions as per approval of shareholders
f)	Amount paid as advances, if any	--

Date: 27.08.2021

Place: Hyderabad

On behalf of Board of Directors

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

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para-C sub clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To

The Members of Uday Jewellery Industries Limited

3-6-291/4/A, 1st Floor, Hyderguda,
Hyderabad, Telangana-500 029.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Uday Jewellery Industries Limited** having CIN: L74900TG1999PLC080813 and BSE Code: 539518, having registered office at 3-6-291/4/A, 1st Floor, Hyderguda, Hyderabad, Telangana-500 029 (hereinafter referred to as 'the Company'), remotely produced before me, by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended.

In my opinion and to the best of my information and verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of Director	Designation	DIN	Date of Appointment/ Reappointment
1.	Mr. Ritesh Kumar Sanghi	Managing Director	00628033	22.08.2011/29.08.2017
2.	Mr. Sanjay Kumar Sanghi	Director	00629693	22.08.2011
3.	Mr. Ramprasad Vempati	Director	01903161	18.08.2011/ 28.09.2019
4.	Mr. Sunil Garg	Director	08851283	27.08.2020/11.12.2020
5.	Ms. Pritha Sanghi	Director	02681491	14.05.2014
6.	Mr. Vikram Goel	Director	05104754	28.03.2013/28.09.2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad

Date: 25.08.2021

AJAY SUMAN SHRIVASTAVA

Practicing Company Secretary

Membership No: 3489; PCS: 3479

UDIN: F003489C000823077

REPORT ON CORPORATE GOVERNANCE- 2020-21

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at **Uday Jewellery Industries Limited** ('the Company').

Corporate Governance refers to the way in which companies are governed and to what purpose. It identifies who has power and accountability, and who makes decisions. It is, in essence, a toolkit that enables management and the board to deal more effectively with the challenges of running a company. Corporate governance ensures that businesses have appropriate decision-making processes and controls in place so that the interests of all stakeholders (shareholders, employees, suppliers, customers and the community) are balanced. It is a system of structuring, operating and controlling a company with a view to achieve long term strategic goals to satisfy shareholders, creditors, employees, customers and suppliers.

The purpose of corporate governance is to help build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies.

The Securities and Exchange Board of India ('SEBI') accepted some of the recommendations with or without modifications on 28th March, 2018 of the Kotak Committee on Corporate Governance and consequently, on 09th May, 2018 the SEBI amended (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Your Company welcomes this progressive step of SEBI and shall ensure that its governance framework incorporates the amendments introduced in the Listing Regulations and the same are complied with on or before the effective date.

A. PHILOSOPHY

Good Corporate Governance practice lies at the foundation of our company's business ethos. Uday Jewellery Industries Limited ('the Company') strongly believes that sound corporate governance practices go a long way in retaining the investors' trust and confidence as well as sustaining the interest of all the stakeholders. The Company has always strived to adopt best corporate governance practices. The Company is committed to the adoption of, adherence to and maintaining the highest ethical standards and sound corporate governance practices at all times. The Company believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value.

Company corporate governance framework is based on the following main principles:

1. Appropriate composition and size of the Board;
2. Timely flow of information to the members of the Board and Board Committees;
3. Well developed systems and processes for risk management and financial reporting;
4. Timely and accurate disclosure of all material operational and financial information.

B. BOARD OF DIRECTORS

Corporate Governance is concerned with the functioning of Board of Directors (BODs) –its structure, styles, process, their relationships and roles, activities etc. Therefore, Boards of directors (BODs) is considered as a crucial part of the Corporate Governance and plays a pivotal role in ensuring that good corporate governance practices are followed within the Company. The Board 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 read with 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 and more than 50% of the Board comprises of Non-Executive Directors. The Board of Directors of your Company comprises of Six Directors as on 31st March, 2021.

The composition of the Board and category of each Director along with their shareholding in the Company as at 31st March, 2021, 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	29.08.2017	Promoter-Executive	46,44,560
Mr. Sanjay Kumar Sanghi	Director	22.08.2011	Promoter-Non-Executive	44,98,800
Ms. Pritha Sanghi	Director	29.09.2014	Promoter- Non-Executive	20,45,300
Mr. Ram Prasad Vempati	Director	28.09.2019	Independent – Non-Executive	--
Mr. Vikram Goel	Director	28.09.2019	Independent –Non-Executive	--
Mr. Sunil Garg	Director	28.09.2020	Independent –Non-Executive	--

- Mr. Ritesh Kumar Sanghi (Managing Director) and Mr. Sanjay Kumar Sanghi are sibling.
- Mr. Sanjay Kumar Sanghi is the spouse of Mrs. Pritha Sanghi.
- Except the above, 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 read with 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	-	-
Mr. Sanjay Kumar Sanghi	4	-	-
Mrs. Pritha Sanghi	2	-	-
Mr. Ram Prasad Vempati	3	4	2
Mr. Vikram Goel	3	2	1
Mr. Sunil Garg	1	4	-

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

3. Board Meetings:

In accordance with Section 173(1) of the Companies Act, 2013 read with Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors meets at least four times in a year, with a maximum time gap not exceeding one hundred and twenty days between any two meetings except 1st Board Meeting.

During the Financial Year ended 31st March, 2021, Eight Board Meetings were held on 29th June, 2020, 30th July, 2020, 27th August, 2020, 14th September, 2020, 5th November, 2020, 23rd November, 2020, 28th January, 2021 and 2nd February, 2021. The attendance of each director at the Board Meetings and last Annual General Meeting is as follows:

Sl. No.	Name of Director	Board Meeting		AGM held on 28th September, 2020
		Held	Attended	
01	Mr. Ritesh Kumar Sanghi	8	8	Present
02	Mr. Sanjay Kumar Sanghi	8	8	Present
03	Mrs. Pritha Sanghi	8	8	Present
04	Mr. Praveen Kumar Agarwal*	8	2	Not Present
05	Mr. Ram Prasad Vempati	8	8	Present
06	Mr. Vikram Goel	8	8	Present
07.	Mr. Sunil Garg	8	5	Present

4. Independent Directors

The Independent Directors on Board of the Company are non-executive directors and the Company has received declarations from all the Independent Directors that they fulfill the conditions of independence as defined under Regulation 16 of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013. The Board after assessing their disclosures confirms that all the Independent Directors of the Company fulfill the conditions of independence specified in the Act and LODR Regulations and are independent of the management of the Company.

The Independent Directors met on 11th February, 2021 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 Directors of the Company are updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislations and economic environment and on matters affecting the Company to enable them to take well informed and timely decisions.

Independent Directors of the Board are also familiarized through updates on nature of industry in which the company operates, company's performance and future outlook related to business, operations, expansion, strategy, budgets, financial statements, besides relevant regulatory updates. The details of the familiarization programme are available on the Company's website at <http://www.udayjewellery.com/investors/downloads>.

C. COMMITTEES OF THE BOARD:

The Board of the Company has three committees- Audit Committee, Stakeholders' Grievance Committee and the Nomination and Remuneration Committee. The Committees play a pivotal 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 closer 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 members of the Committee were well versed with the accounting and financial management. The Committee reviewed the quarterly financial results, half yearly financial results, annual financial results, auditor's report thereon and internal control system of the Company. Valuable suggestions and guidance received from the members of the Committee add strength to its operations. The role and terms of reference stipulated by the members of the Audit Committee covers area mentioned under Regulation 18 and Schedule II part C of the SEBI LODR and Section 177 of the Companies Act, 2013.

During the Financial Year 2020-21, the Committee met Six times on 30th July, 2020, 27th August, 2020, 14th September, 2020, and 5th November, 2020, 23rd November, 2020 and 2nd February, 2021 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 2020-21	
			Held	Attended
1.	Mr. Ramprasad Vempati- (Chairman)	Independent, Non- Executive	6	6
2.	Mr. Praveen Kumar Agarwal*	Independent, Non- Executive	6	1
3.	Mr. Vikram Goel	Independent, Non- Executive	6	6
4.	Mr. Sunil Garg*	Independent, Non- Executive	6	3

**During the year Mr. Praveen Kumar Agarwal (DIN: 02012257) has resigned from the post of Independent Director of the Company w.e.f. 11th August, 2020.*

**Mr. Mr. Sunil Garg (08851283) has been appointed as Additional Director of the Company w.e.f. 27.08.2020 and he is regularized as an Independent Director in Annual General Meeting on 28.09.2020.*

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 of Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

During the Financial Year 2020-21 the Committee met Two times on 27th August, 2020 and 5th November, 2020 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 2020-21	
			Held	Attended
1.	Mr. Ramprasad Vempati	Independent, Non- Executive	2	2
2.	Mr. Vikram Goel	Independent, Non- Executive	2	2
3.	Mr. Sunil Garg (Chairman)*	Independent, Non- Executive	2	1
4.	Praveen Kumar Agarwal*	Independent, Non- Executive	2	0

**During the year Mr. Praveen Kumar Agarwal (DIN: 02012257) has resigned from the post of Independent Director of the Company w.e.f. 11th August, 2020.*

**Mr. Mr. Sunil Garg (08851283) has been appointed as Additional Director of the Company w.e.f. 27.08.2020 and he is regularized as an Independent Director in Annual General Meeting on 28.09.2020.*

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. The roles and responsibilities of the Committee are in accordance with the requirements as specified in accordance with Para B of Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

During the Financial Year 2020-21, the committee met once on 23rd November, 2020 in accordance with Regulation 19 of SEBI Listing Regulations. The composition of the 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 2020-21	
			Held	Attended
1.	Mr. Vikram Goel (Chairman)	Independent, Non- Executive	1	1
2.	Mr. Ramprasad Vempati	Independent, Non- Executive	1	1
3.	Mr. Sunil Garg*	Independent, Non- Executive	1	1
4.	Mr. Praveen Kumar Agarwal*	Independent, Non- Executive	0	0

**During the year Mr. Praveen kumar Agarwal (DIN: 02012257) has resigned from the post of Independent Director of the Company w.e.f. 11th August, 2020.*

**Mr. Sunil Garg (08851283) has been appointed as Additional Director of the Company w.e.f. 27.08.2020 and he is regularized as an Independent Director in the Annual General Meeting held on 28.09.2020.*

D. ANNUAL GENERAL MEETINGS:

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

Financial Year	Venue	Date / Time
2017-18	Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001	29th September, 2018 at 11:30 A.M.
2018-19	Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001	27th September, 2019 at 12:30 P.M.
2019-20	Through Video Conference (VC)/ Other Audio Visual Means (OAVM).	28th September, 2020 at 01:30 P.M.

E. MEANS OF COMMUNICATION:

The Company believes that all stakeholders should have access to adequate information, regarding the Company's position to enable them to accurately assess its future potential.

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. The financial results of the Company are submitted with BSE Limited ("BSE") electronically through BSE Listing Centre. 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 newspapers in one English National daily newspaper viz; "Business Standard" or "Financial Express" and one Regional Language Newspaper "Nava Telangana".

Management presentations, quarterly shareholding patterns, annual reports and other important information submitted by the Company with BSE from time to time are also displayed on the Company's website.

F. GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting for the Financial Year 2020-21

Date	29th September, 2021
Time	1:00 P.M.
Venue	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)
Book Closure Date	22nd September, 2021 to 29th September, 2021
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, 2022 for approval of quarterly financial results is as follows:

Results for the quarter ending June 30, 2021	: Second week of August, 2021
Results for the quarter ending September 30, 2021	: Second week of November, 2021
Results for the quarter ending December 31, 2021	: Second week of February, 2022
Results for the quarter and year ending March 31, 2022	: Last week of May, 2022

3. Listing Details

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

The Annual Listing fee for the Financial Year 2020-21 has been duly paid to the BSE Ltd on 30.06.2020.

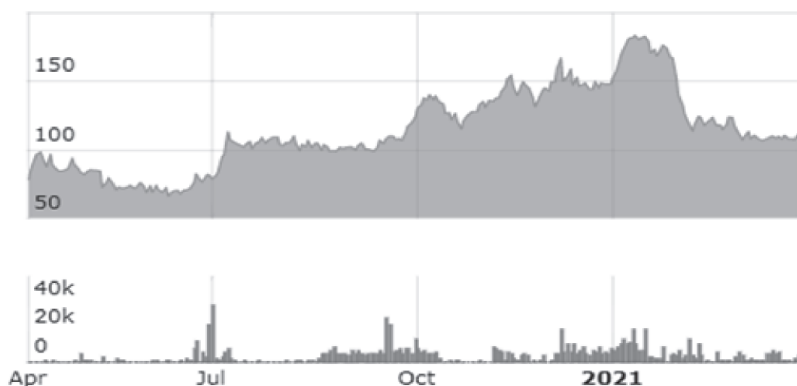
4. Market Price Data

The Equity shares of the Company are listed at BSE Limited. The market price data of the shares of the Company traded during each month for the financial year ended 31st March, 2021 at Bombay Stock Exchange (BSE Limited) is as under:

UDAY JEWELLERY INDUSTRIES LIMITED

Month	High (Price in Rs.)	Low (Price in Rs.)	Volume
April, 2020	110.95	68.80	10,486
May, 2020	87.85	63.00	12,006
June, 2020	95.95	57.65	68,999
July, 2020	115.50	72.10	69,452
August, 2020	110.00	95.25	63,421
September, 2020	124.90	96.00	1,98,081
October, 2020	142.00	114.85	57,167
November, 2020	162.00	124.45	72,634
December, 2020	169.95	131.35	1,59,509
January, 2021	199.35	145.75	1,77,383
February, 2021	170.65	108.25	72,213
March, 2021	123.35	102.15	61,877

5. Market performance of the Company during the Financial Year 2020-21



6. Registrar and Share Transfer Agent

During the year, there was no change in the Registrar and Share Transfer Agent of the Company.

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

Website:- www.bigshareonline.com

7. Share Transfer System

Shares sent for the physical transfer are registered and returned within one month from the date of receipt, if the documents are clear in all respects. The Company has appointed Bigshare Services Private Limited as Registrar and Share Transfer Agents for physical transfer of securities as well as dematerialization/ rematerialization of securities. However there were no share transfers in physical form during 2020-21 and no share transfer was pending as on March 31, 2021.

8. Distribution of Shareholding as at 31st March, 2021

Category (No. of shares)	Number of holders	% of total holders	Number of shares	% of total shares
Upto 500	2336	89.13	60352	0.27
501- 1000	126	4.81	115505	0.53
1001- 2000	35	1.33	60822	0.28
2001- 3000	17	0.65	43655	0.20
3001- 4000	9	0.34	31441	0.14
4001-5000	11	0.42	52080	0.24
5001- 10000	18	0.69	139459	0.63
10001 and above	69	2.63	21518586	97.71
Total	2621	100	22021900	100.00

9. Dematerialization of Shares and Liquidity:

The Company's shares are available for trading in both "National Securities Depository Limited" and "Central Depository Services (India) Limited". As on 31st March, 2021, 99.16% of the total issued Equity shares representing 2,20,21,900, 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: 3-6-291/4/A, 1st Floor,
Hyderguda, Hyderabad- 500 029.
Email:- info@udayjewellery.com.

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

During the Financial Year 2020-21, 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 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 Whistle Blower Policy is available on the website of the Company at www.udayjewellery.com.

4. Details of compliance with Mandatory requirements

During the financial year 2020-21, 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, 2021 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 31st March, 2021.

For and on behalf of Board of Directors

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 0628033

Sd/-
Sanjay Kumar Sanghi
Director
DIN: 00629693

Date: 27-08-2021

Place: Hyderabad.

ANNEXURE - VI

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

To
The Board of Directors,
Uday Jewellery Industries Limited
3-6-291/4/A, 1st Floor, Hyderguda,
Hyderabad- 500 029.

I have examined the records of **Uday Jewellery Industries Limited**, Hyderabad (BSE Code: 539518) 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") as amended, with BSE Limited for the financial year ended 31st March, 2021 as made available remotely. I have obtained the required information which is to the best of my knowledge and belief were necessary for the purpose of certification

The Compliance of the conditions of Corporate Governance is the responsibility of the management. My 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 not an assurance of the efficacy or effectiveness with which the management has conducted the affairs of the Company nor an audit or expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on my reliance upon the representations made by the management, that there were no transactions of material nature with the management of the Company that have an impact on the financial position of the Company.

I 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: 27.08.2021

Sd/-
AJAY SUMAN SHRIVASTAVA
Practicing Company Secretary
Membership No: 3489; PCS: 3479
UDIN: F003489C000828711

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 and 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, 2021 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 proposed to be taken 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: 27.08.2021
Place: Hyderabad

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 00628033

Sd/-
Rakesh Agarwal
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended March 31, 2021. The Company operates in one segment that is Jewellery manufacturing. Your Board of Directors place herewith the Management Discussion and Analysis Report on the business of the Company as applicable to the extent relevant.

DISCLAIMER:

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.

INDUSTRY OVERVIEW:

The gems and jewellery sector plays a significant role in the Indian economy. As of January 2021, India's gold and diamond trade contributed 7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gems and jewellery sector is likely to employ 8.23 million persons by 2022.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route.

In FY21, exports of gems & jewellery stood at US\$ 25.30 billion. The vision of company is to be a leading manufacturing Company for the CZ with studded colour stone jewellery in India to fulfill the demand from GenX and GenZ who have higher disposable income and look for aesthetic value with investment grade buying of jewellery products.

It is expected that the positive impact of polarization on the organized sector is likely to be visible operationally within a couple of years that would go a long way in improving the margin and turnover for the industry in general and the Company.

India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). Government has viewed this sector as a thrust area for export promotion.

GLOBAL PANDEMIC:

The COVID-19 pandemic has affected every industry, and has disrupted trade, supply chains, work and business models, employment and consumer behaviors. The COVID-19 pandemic that occurred in 2020-21 has crippled the World's economy. Due to COVID, industries across the globe are at a stalemate. Like many other industries, the jewelry industry underwent a catastrophic turn of events. A few years back, the industry's surge predicted that 2020 would be a doorway to a plethora of business opportunities. This year was the most challenging year for the corporate world.

The production, export, and supply were aligned to encounter the desired goals. Conversely, the outspread of coronavirus took everyone by shock. The jewelry business dipped significantly. The high-value diamond pieces and the high-end chunky jewelry widely popular in the Middle-East and far-east agonized a huge downfall.

The lockdown period instigated the feeling of uncertainty. The uncertain economic future caused an imbalance in the sale and export in context with the gem and jewelry industry. The period from April 2020 – February 2021 reflected a decline of 34.58% in the overall gross exports of Gems & Jewellery as compared to the same period the previous year. The increased shortfall in the export is anticipated to recover in the upcoming year.

During the Lockdown, our workers and artisans returned to their native place due to global pandemic and it took considerable time to convince them to return back to work. Sales were adversely affected due to overall public sentiments and the major event like Akshay Tritiya was marred in Lockdown. Further due to ongoing Covid, majority of the travel for festivals and other religious purposes was impaired, marriages were postponed or became low key affairs thereby, the light Jewellery purchases were at a lower ebb of the cycle.

Demand for gold slumped to a more than two-decade low last year although it bounced back in the first three months of 2021 on softening gold prices and a sharp pick-up in economic activity. The situation have been improving and we expect positive response in the buying behavior of Customers.

MARKET SIZE:

The global estimated market size of the gems and jewellery sector is expected to reach over US\$480 billion by 2025 even though there can be times of slow growth post-pandemic. According to the Indian jewellery industry analysis, the market size of the Indian jewellery industry is expected to grow by US\$103.06 billion by 2023. In FY21, exports of gems & jewellery stood at US\$ 25.30 billion. In March 2021, exports of gems & jewellery stood at US\$ 3.42 billion. In April 2021, India exported gems & jewellery worth US\$ 3.37 billion compared with US\$ 36.11 million in April 2020.

In FY21, imports of gems & jewellery stood at US\$ 16.49 billion. Imports of gold jewellery recorded US\$ 262.25 million from April 2020 to February 2021. The GJEPC (Gem and Jewellery Export Promotion Council) has said that the industry has largely contributed to foreign exchange earnings. India exports 75% of polished diamonds globally and this trend is likely to continue well into the future. The Indian jewellery industry saw a slump during the pandemic. However, the rebound has started and is taking a steep curve for buying.

SWOT ANALYSIS:

Strengths:

1. Adequate manufacturing facilities across the jewellery hub for strengthening of design
2. Cost competitive logistics
3. Capable to venture into new markets and exploit various opportunities with the help of strong management team.
4. Having huge customer base to explore new markets across the Country.
5. Customized service gives a unique identity to the company distinct from other players.

6. Use of synergy optimization at various functional verticals gives a huge advantage.
7. Advanced Technology strength to support business operations and expansion.
8. Mandatory hallmarking will ensure the purity of Gold and hence, transparency can be maintained.

Weaknesses:

1. Operating in a stiff competitive environment with uncertain profit margins.
2. Unpredicted Gold price movements and its impact on margin of the products.
3. Low margin products
4. Limited line of business is the bottleneck to exploit untapped markets.
5. Frequent change in customer taste and preference for jewellery designs.
6. Mixture of organized and un-organized sector in Jewellery Industry affects profit margins drastically.

OPPORTUNITIES:

1. Growing preference for online platform
2. Rural development
3. Customer's preference in choosing hallmarked products over products made by un-organized manufacturers.
4. Concentrating in one sector makes the company mature in the industry and gain efficiency in operations.
5. Scaling of economy resultant out of Brand/Advertisement & Publicity/Procurement of Gold, Product Mix, designs, etc.

The Government of India has also launched the Sovereign Gold Bond Scheme to reduce the country's reliance on physical gold imports to meet the investment demand for gold by retail investors.

THREATS:

Some of the key challenges facing the jewellery industry are as follows:

- a. Acute shortage of skilled labour increases the production costs significantly.
- b. Macro-economic factors such as Rupee fluctuations, enactment of new laws such as GST, KYC norms and quality consciousness amongst export markets.
- c. Increasing duties and cess following GST implementation.
- d. Adapting to fast changing consumer preferences and buying patterns.
- e. Volatility in the market prices of gold and diamonds.
- f. The jewellery industry is a working capital-intensive business and currently there are increasing restrictions by banks over lending in this sector.
- g. Recession affects the industry growth in general.
- h. Unpredictable Covid situation may lead to unavailability of Artisans/ workers.

OUTLOOK:

In the coming years, growth in Gems & Jewellery sector would be largely contributed by the development of large retailers/brands due to the ongoing structural changes together with strong macro-demographic trends. Increasing penetration of organized players provides variety in terms of products and designs. Regulatory changes introduced by the Government of India over last few years are likely to increase the preference towards branded jewellery and shift the scales in favour of organized sector at the cost of the unorganized sector. The demand for jewellery is expected to remain robust, given India's demographics and the consumer's affinity towards gold for both wedding related purchases and as store of value. Overall, India is expected to play a more important role in the global gems & jewellery sector, with diamond miners setting up auction centers in India and with significant investment seen in the retail end of the sector by domestic players, foreign players and private equity investors.

The changes expected in the product-mix portfolio of the Company augurs well in the long run to improve the profits. It is expected that the positive impact of polarization on the organized sector is likely to be visible operationally within a couple of years that would go along way in improving the margin and turnover for the industry in general and the Company.

Plans to Modify/ Enhance the product Offering: The Management is focusing to bring state of the art designing portfolio to buyers and to enhance the product offering to the customers, hence new product innovation is one of the integral plan of the company.

Strategizing the Marketing & Business Development:

- a. Customer Acquisition Policy: Customer acquisition is important for businesses of any age and size. The goal of this process is to create a systematic, sustainable customer who can sell the Company's products in the long term.
- b. The credit policies are kept dynamic based on client profiles to allow credit to the parties which vary from 45- 60 days depending on the retention margin on the products. So, before adding a new customer, a due diligence is done to understand, the credit worthiness of the client.
- c. Business Development Policy: A Business Development Policy is being evolved to cater to ever changing market preferences, but with a focus on growth and how to achieve it. It's a long-term plan that outlines strategies for steady and sustainable business growth over the coming years. Its scope covers both the marketing and sales functions, as they are interlinked in the Jewellery Industry.

The Company's marketing team at present is catering to the following category of buyer group:

1. National Chains – Retail Chains having National level presence
2. Local Chains – Retail Chains having regional/local level presence
3. Family Jewellers – Well known Family jewellers having 1 or 2 stores.
4. Distributors and
5. Exports

The various initiatives taken by the Company in formulating strategies and implementation on all sphere of business activities will result in a sustainable revenue and profit growth over a period of time.

In order to meet the rising need for long term financial resources due to increase in almost all raw material prices and in order to scale up the operations, the Company requires long term working

capital funds for the business. In this regard, the Company could be looking at raising long term funds in near future.

GOVERNMENT INITIATIVES:

- A. The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- B. Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation w.e.f. 15th June, 2021
- C. In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- D. In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.
- E. Gem and Jewellery Export Promotion Council has proposed a reduction in import duty on cut and polished diamonds to 2.5% from the existing 7.5% to double exports of gems & jewellery to US\$ 70 billion by 2025.
- F. The World Gold Council (WGC) said in a study that India's gold demand surged by 19.2% to 76.1 tonne in the April-June quarter of this year.
- G. Gems and Jewellery Export Promotion Council (GJEPC) signed an agreement with the World Gold Council to promote gold jewellery in India in 2021. According to a statement published by GJEPC, "As per the agreement, both the partners will co-operatively fund a multi-media marketing campaign to expand awareness, significance and implementation of gold jewellery among consumers in India, especially the new generation and millennials."
- H. According to a statement published by Gems and Jewellery Export Promotion Council (GJEPC), with the World Gold Council to promote gold jewellery in India in 2021. "As per the agreement, both the partners will co-operatively fund a multi-media marketing campaign to expand awareness, significance and implementation of gold jewellery among consumers in India, especially the new generation and millennials."
- I. Gold Monetisation Scheme enables individuals, trusts and mutual funds to deposit gold with banks and earn interest on the same in return.

RISKS AND CONCERNS:

As the Company is dealing in very high value goods/items, it is always exposed to operational risks. The Company, therefore, always ensures that its entire inventory, from raw material to finished goods is insured at all times, at the manufacturing facilities. The Company has cash pick up arrangements with leading banks, with transit insurance. All of its manufacturing units have strong Security systems for 24/7 safe custody of the inventory. In addition, all the manufacturing units have 24 hours CCTV vigilance and armed guards.

The Company is also exposed to price risk movements both in gold as well as its forex exposure. However, it has put rigorous systems and procedures in place to take care of these concerns. The Company has in place a comprehensive risk management framework that helps in anticipating, identifying and evaluating business risks and challenges across the Company and finding ways to mitigate the same.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate system of internal controls, commensurate with the size and nature of its business, to ensure that all assets are safe guarded and protected against loss from unauthorized use or disposal and to ensure all transactions are authorized, recorded and reported correctly. Company is maintaining function wise Standard Operating Procedures (SOP). It has in place internal controls covering all fields across all financial and operating functions. The Independent audit firms appointed by the company conduct periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with the applicable laws and regulations.

The key findings of their audit along with implementation plan of their recommendations are discussed with the senior management and also the Audit Committee. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

There were no instances of fraud which necessitates reporting in the financial statements. Further, there have been no communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

FINANCIAL PERFORMANCE:

During the year under review, your Company has achieved a turnover of Rs. 9333.50 Lakhs against Rs. 9174.08 Lakhs during previous year registering a growth of 1.74% over the previous year. The Company reported a Net Profit after Tax of Rs. 580.15 Lakhs as against Rs. 693.71 Lakhs earned during previous year and decline in profit due to high carrying cost of inventory of 16.37%.

OTHER FINANCIAL SYNOPSIS OF THE COMPANY:

Share Capital:

The Share Capital of your Company is Rs. 26,00,00,000/- divided into 2,60,00,000 Equity shares of Rs. 10/- each as on 31st March, 2021.

During the year under review, the Company has allotted nil Equity shares. The issued, subscribed, paid up equity share capital of the Company is Rs. 22,02,19,000/- divided into 2,20,21,900 Equity shares of Rs. 10/- each as on 31st March, 2021. Share Forfeited account amounts to Rs. 79.07 Lakhs as on 31st March, 2021.

Secured Loans:,

The Company has outstanding Secured Loan of Rs. 1300.06 Lakhs as on the financial year ended 31st March, 2021

Fixed Assets:

Fixed Assets (Net Block) is Rs. 74.64 Lakhs during the financial year ended 31st March, 2021.

HUMAN RESOURCES & INDUSTRIAL RELATIONS:

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility.

The Company considers its human resources as amongst its most valuable assets and continues to place emphasis on their development. It has been Company's constant endeavour to impart requisite training and thereby develop and hone the skills and talent of its personnel and enable them to realize their potential.

The Company has taken pragmatic steps for strengthen ingorganizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels.

With the changing and turbulent business scenario, the Company's basic focus is to up grade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

In order to keep the employees skill, knowledge and business facilities updated, ongoing inhouse and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial relations scenario remained harmonious through out the year.

The human rights manual and procedures therein apply to all our manufacturing operations. We are committed to identify, prevent and mitigate adverse human rights impacts resulting from or caused by our business activities before they occur.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing Company's objective, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Forward looking statements embedded in the Management Discussion and Analysis above is based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or event.

For and on behalf of Board of Diectors

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 0628033

Sd/-
Sanjay Kumar Sanghi
Director
DIN: 00629693

Date: 27-08-2021
Place: Hyderabad.

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR Policy:

The Corporate Social Responsibility (CSR) Policy of Uday Jewellery Industries Limited (The Company) will align with the vision of creating a good CSR towards the society. The required Fund has been allocated and will be utilised towards providing relief to the poor and vulnerable sections of society who are facing severe disruptions to their livelihoods.

The Company has not formulated a CSR Policy yet to take up Projects or programs relating to CSR activities and the Corporate Social Responsibility Committee is under process to formulate the CSR Policy in accordance with Section 135 read with Schedule VII to the Companies Act, 2013.

2. The composition of the CSR Committee:

SI No.	Name	Designation
1.	Shri Ritesh Kumar Sanghi	Chairman of the Committee
2.	Smt. Pritha Sanghi	Director
3.	Shri Ramprasad Vempati	Independent Director

3. Average Net Profit of the Company for last three financial years: Rs. 5,68,00,136**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 11,36,003-****5. Details of CSR spent during the financial year:**

6. a) Total amount spent for the financial year: NIL/-
 b) Amount unspent, if any: Rs. 11,36,003

7. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Yes During the Financial Year 2020-21 due to Covid-19 pandemic the Company has not spent any amount on CSR, but in June 2021 the Company has transferred the total amount Rs. 11,36,010 as due for FY 2020-21 in separate bank account to be spent in CSR Activity.

8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The CSR Committee hereby confirms that they will implement and monitor the CSR Policy, in compliance with CSR Rules.

Sd/-
(Ritesh Kumar Sanghi)
 Chairman of the CSR Committee

VENUGOPAL & CHENOY

Chartered Accountants

4-1-889/16/2, Tilak Road,
Hyderabad – 500 001.
TeleFax: 24753454,24753852
24752853,24756885
Email: info@venugopalandchenoy.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
UDAY JEWELLERY INDUSTRIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of UDAY JEWELLERY INDUSTRIES LIMITED ("the Company"), which comprises the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Auditor's response
<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard)</p> <p>Principal Audit Procedures We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date</p>	<p>Principal Audit Procedures: We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. We reviewed the collation of information and the logic of the report generated from the budgeting system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a

material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial

controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. According to the information and explanations given to us and based on our examination of the records the Company, the Company has not paid any managerial remuneration to any director.
- h) 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. The pending litigations of the company that might impact the financial position of the company are disclosed in standalone financial statements – Refer to the note no 37.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR VENUGOPAL & CHENOY
CHARTERED ACCOUNTANTS**

FRN: 004671S

(P.V.SRI HARI)

Partner

Membership No.021961

UDIN: 21021961AAAAFR9156

Place : Hyderabad

Date : 29.05.2021

Annexure - A to the 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 31 March 2021, we report that:

i. In respect of its fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified during the year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. In respect of Inventories:

- (a) The 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 was no material discrepancies noticed on physical verification of inventory as compared to the book records.

- iii. During the year, the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence, paragraph 3(iii) of the Order is not applicable.
- 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, investments, guarantees and securities.
- v. The Company has not accepted any deposits, within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. In our opinion and according to the information and explanations given to us, the Company is not required to maintain Cost records under Central Government under sub-section (1) of the section 148 of the Act.

vii. In respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, duty of customs, 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, Goods and services tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the dues of Sales tax, Service tax, Duty of Custom and Duty of Excise which have not been deposited on March 31, 2020 on account of any dispute, are as follows:

Name of the statute	Nature of the Disputed statutory dues	Amount disputed (In Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,99,18,329	AY 2017-18	CIT (A), Hyderabad- 5

- 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 given to us and based on our examination of the records of the Company, no remuneration has been paid during the year and hence the provisions of section 197 do not apply.
- 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. The company complies with section 42 of the Companies Act, 2013. Hence, reporting under clause 3(xiv) is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. Requirement of registration if any under section 45-IA of Reserve Bank of India Act, 1934 are dealt at Central Office.

FOR VENUGOPAL & CHENoy
CHARTERED ACCOUNTANTS
FRN: 004671S

(P.V.SRI HARI)

Partner

Membership No.021961

UDIN: 21021961AAAAFR9156

Place : Hyderabad

Date : 29-06-2021

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 M/s. NARBADA GEMS AND JEWELLERY LIMITED ("the Company") as of 31 March 2021 in conjunction with our audit of Ind AS 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

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 2021, 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

(P.V.SRI HARI)
Partner

Membership No.021961
UDIN: 21021961AAAAFR9156

Place : Hyderabad
Date : 29.06.2021

UDAY JEWELLERY INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in lakhs)

Particulars	Note No.	31st March, 2021	31st March, 2020
A Assets			
1 Non-Current assets			
(a) Property, Plant & Equipment	1	74.64	90.57
(b) Capital Work-in-progress	1	2.25	
(c) Financial assets			
(i) Investments	2	-	-
(ii) Loans	3	230.70	230.70
(iii) Others	4	45.34	21.71
(c) Deferred tax Asset (net)	5	3.33	0.43
(d) Other non-current assets	6	-	5.67
Total Non-Current Assets		356.27	349.08
2 Current assets			
(a) Inventories	7	2,773.10	2,103.38
(b) Financial assets			
(i) Trade receivables	8	2,909.57	3,081.09
(ii) Cash & Cash Equivalents	9	164.40	7.86
(iii) Others	10	36.06	13.66
(c) Current tax assets (net)	11	130.00	130.00
(d) Other Current assets	12	317.14	188.30
Total Current Assets		6,330.27	5,524.29
Total Assets		6,686.54	5,873.37
B Equity & Liabilities			
1 Equity			
(a) Equity share capital	13	2,281.26	2,281.26
(b) Other Equity	13	2,999.75	2,419.60
Total Equity		5,281.02	4,700.87
2 Liabilities			
Non Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(b) Deferred tax liabilities (net)	14	-	-
(d) Other non-current liabilities	15	4.94	-
Total Non Current Liabilities		4.94	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,300.06	1,021.49
(ii) Trade payables			
(a) Total outstanding dues of micro and small enterprise	17	-	-
(b) Total outstanding dues of creditors other than micro and small enterprise	17	49.63	42.11
(b) Other current liabilities	18	34.08	15.26
(c) Provisions		-	-
(c) Current tax liabilities (net)	19	16.81	93.65
Total Current Liabilities		1,400.58	1,172.51
Total Equity and Liabilities		6,686.54	5,873.37

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

For Uday Jewellery Industries Ltd.,

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 00628033

Sd/-
Sanjay Kumar Sanghi
Director
DIN: 00629693

Hyderabad
Date: 29.06.2021

Sd/-
Rakesh Agarwal
Chief Financial Officer

Sd/-
Lekhpal Sahu
Company Secretary
M. No. A48183

UDAY JEWELLERY INDUSTRIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021 (Rs. in lakhs)

Particulars	Note No.	31st March, 2021	31st March, 2020
Revenue from operations	20	9,333.50	9,174.08
Other income	21	108.33	42.41
Total Revenue (I)		9,441.82	9,216.49
Expenses:			
Cost of materials consumed	22	9,072.79	7,682.38
Changes in inventories	23	(669.72)	320.04
Employee benefits expense	24	100.60	96.42
Finance costs	25	57.02	87.76
Depreciation	1	19.12	19.01
Other expenses	26	80.06	70.95
Total Expenses (II)		8,659.87	8,276.56
Profit before tax and exceptional items (I-II)		781.95	939.93
Exceptional Items		-	-
Profit before tax		781.95	939.93
Tax expense:			
Current tax		203.82	246.87
Income tax pertaining to earlier years		0.88	-
Deferred tax		(2.90)	(0.65)
Profit after tax		580.15	693.71
Other Comprehensive income			
A (i) Items that will not be reclassified to profit or loss (net of tax)		-	-
B (i) Items that will be reclassified to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income after tax		580.15	693.71
Earnings per equity share:	27		
Basic		2.63	3.22
Diluted		2.63	3.17
Accounting Policies	28		

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

For Uday Jewellery Industries Ltd.,

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 00628033

Sd/-
Sanjay Kumar Sanghi
Director
DIN: 00629693

Hyderabad
Date: 29.06.2021

Sd/-
Rakesh Agarwal
Chief Financial Officer

Sd/-
Lekhpal Sahu
Company Secretary
M. No. A48183

UDAY JEWELLERY INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2021 (Rs. in lakhs)

Particulars	31st March, 2021	31st March, 2020
A. Cash flows from Operating Activities		
Net Profit before tax	781.95	939.93
Adjustments for:		
Depreciation	19.12	19.01
Finance Cost	57.02	87.76
Loss on Sale of Fixed Assets	-	-
Dividend Income	-	-
Interest Income	(24.51)	(32.25)
Gain on Shares investment	-	-
Operating profit before working capital changes	833.59	1,014.45
Working capital changes:		
(Increase) / Decrease in Inventories	(669.72)	320.04
(Increase) / Decrease in Trade Receivables	171.52	(1099.68)
(Increase) / Decrease in Other Current financial Assets	(22.41)	8.76
(Increase) / Decrease in Other Financial Assets	(23.63)	18.86
(Increase) / Decrease in Other Non current Assets	5.67	1.89
(Increase) / Decrease in Other Current Assets	(128.83)	(238.25)
Increase / (Decrease) in Trade Payables & Provisions	7.51	(23.10)
Increase / (Decrease) in Other Current Liabilities	18.82	(2.16)
Increase / (Decrease) in Other Non-Current Liabilities	4.94	0.00
Cash Generated from Operations	197.45	0.81
Direct Taxes	(281.53)	(174.93)
Net Cash Flow from Operating Activities	(84.08)	(174.12)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	-	-
Purchase of Fixed Assets	(5.45)	(6.52)
Interest Income	24.51	32.25
Gain on Shares investment	-	-
Dividend Income	-	-
Net Cash used in investing Activities	19.06	25.73
C. Cash flows from Financing Activities		
Finance Cost	(57.02)	(87.76)
Increase / (Decrease) in Borrowings	278.58	(128.76)
Issue of share warrents	-	367.10
Net Cash used in Financing Activities	221.55	150.58
Net increase/(decrease) in Cash and Cash Equivalents	156.53	2.19
Cash and Cash equivalents at the beginning of the year	7.86	5.68
Cash and Cash equivalents at the end of the year	164.40	7.86

Notes:

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

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

For Uday Jewellery Industries Ltd.,

Sd/-
Ritesh Kumar Sanghi
Managing Director
DIN: 00628033

Sd/-
Sanjay Kumar Sanghi
Director
DIN: 00629693

Sd/-
Rakesh Agarwal
Chief Financial Officer

Sd/-
Lekhpal Sahu
Company Secretary
M. No. A48183

Hyderabad
Date: 29.06.2021

NOTE 1:Property, Plant & Equipment

Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2020	Additions during the Year	Sales/ Adjustments during the Year	As at 31.03.2021	As at 01.04.2020	For the Year	Sales/ Adjustments during the Year	As at 31.03.2021	As at 31.03.2021	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Computer	3.16	0.10	-	3.26	0.89	0.49	-	1.38	1.88	
Furniture & Fixtures	11.53	2.37	-	13.90	3.48	1.35	-	4.83	9.07	
Office equipment	12.73	0.73	-	13.47	8.28	2.26	-	10.53	2.94	
Plant & Machinery	12.93		-	12.93	2.59	0.91	-	3.50	9.43	
Vehicles	112.60		-	112.60	47.15	14.12	-	61.26	51.33	
TOTAL ASSET	152.96	3.20	-	156.15	62.39	19.12	-	81.51	74.64	
WORK IN PROGRESS		2.25		2.25					2.25	
(Previous year)	146.43	6.52	-	152.96	43.38	19.01	-	62.39	90.57	

Note: 2 Investments (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Unsecured Considered good Investment In Shares	-	-
Total	-	-

Note:3 Long term loans & Advances (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Unsecured Considered good Loans Advanced	230.70	230.70
Total	230.70	230.70

Note:4 Other Financial Assets

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Unsecured Considered good Deposits(others)	43.09	19.45
Others	2.26	2.26
Total	45.34	21.71

Note:5 Deferred tax Asset (Net)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Deferred tax liabilities Opening Balance	0.43	-
Less: During the year	2.90	0.43
Less: IND AS Adjustments	-	-
Total	3.33	0.43

Note:6 Non current Assets

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Unsecured Considered good Others	-	5.67
Total	-	5.67

Note:7 Inventories

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Raw materials	-	-
Work-in-progress	1,450.49	1,473.45
Finished goods	1,322.62	629.94
Total	2,773.10	2,103.38

Note:8 Trade Receivables (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Unsecured Considered good		
Trade Recivables	2,909.57	3,081.09
Total	2,909.57	3,081.09

Note:9 Cash & Bank Balances (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Cash & Cash equivalents:		
Cash on hand	3.47	4.26
Balances with banks in current accounts	160.93	3.60
Total	164.40	7.86

Note:10 Other Financial Assets

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Interest receivable	36.06	13.66
Total	36.06	13.66

Note:11 Current tax Asset (net)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Income tax Refundable	130.00	130.00
Total	130.00	130.00

Note:12 Other Current assets

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
VAT Receivable	-	-
GST Receivable	19.49	17.38
Advance to Suppliers	294.91	94.03
Others	2.74	76.89
Total	317.14	188.30

Note 13:
Equity Share Capital:

Particulars	31.03.2021
Authorized share capital 26,00,00,000 Equity Shares of Rs.10/- each	2,600.00
Issued,Subscribed and Paid up capital	
(a) 2,20,21,900 Equity shares of Rs.10 Each,Fully paid up	2,202.19
(b) Shares Forfeited Account	79.07
Changes during the year	
(a) Zero Equity shares of Rs.10 Each,Fully paid up	-
Total 2,20,21,900 Equity Shares outstanding as on 31.03.2021	2,281.26

Other Equity:

(Rs. in lakhs)

Particulars	Reserves and Surplus			Other Comprehensive income	Money received on issue of share warrants	Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings			
Balance as at 31st March, 2020	1,502.74	68.12	848.74	-	-	2,419.60
Adjustments:-						
Issue of share warrants		-	-	-	-	-
Conversion of share warrants into Equity shares	-	-	-	-	-	-
Total comprehensive income	-	-	580.15	-	-	580.15
Closing Balance as at 31st March, 2021	1,502.74	68.12	1,428.89	-	-	2,999.75

Note:14 Deferred tax Liabilities (Net)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Deferred tax liabilities		
Opening Balance	-	0.22
Additions during the year	-	(0.22)
Total	-	-

Note:15 Other No-Current Liabilities

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Provision for Gratuity	4.94	-
Total	4.94	-

Note:16 Borrowings (Financial liabilities)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Secured Loan		
Working capital loan(CC)	1,300.06	1,021.05
Vehicle loans	-	0.44
Total	1,300.06	1,021.49

Note:17 Trade payables (Financial liabilities)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Trade Payables		
(a) Total outstanding dues of micro and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro "and small enterprises"	49.63	42.11
Total	49.63	42.11

Note:18 Other Current liabilities

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Others	34.08	15.26
Total	34.08	15.26

Note:19 Current tax liabilities (net)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Provision for income tax	16.81	93.65
Total	16.81	93.65

UDAY JEWELLERY INDUSTRIES LIMITED

Note 20 : Revenue from operations (Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Sale of products		
- Domestic Sales	8,083.92	7,819.74
- Export Sales	1,249.57	1,354.35
Less: Excise Duty	-	-
Revenue from operations (net)	9,333.50	9,174.08

Note 21: Other income (Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Income from Forwards contracts on Metal Gold Loan	33.40	-
Exchange rate Fluctuation	43.02	7.32
Interest Income	24.51	32.25
Export Freight & Others	7.39	2.84
	108.33	42.41

Note 22 : Cost of raw material consumed (Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Purchases	9,072.79	7,682.27
Stores and Consumables	-	0.12
	9,072.79	7,682.38

Note 23 : Changes in inventories (Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Work-in-progress		
Inventory at the beginning of the year	1,473.45	2,003.96
Inventory at the closing of the year	(1,450.49)	(1,473.45)
	22.96	530.51
Finished Goods		
Inventory at the beginning of the year	629.94	419.46
Inventory at the closing of the year	(1,322.62)	(629.94)
	(692.68)	(210.48)
Changes in Inventories	(669.72)	320.04

Note 24 : Employee benefits expense (Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Salaries, Wages and Bonus	93.86	93.22
Contribution to Provident Fund	1.19	0.73
Contribution to ESI	0.31	0.28
Incentive paid	-	1.52
Staff Welfare	0.31	0.67
Gratuity	4.94	-
	100.60	96.42

UDAY JEWELLERY INDUSTRIES LIMITED

Note 25 : Finance costs

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Bank Charges and Interest	57.02	86.73
Interest on Vehicle Loan	0.00	1.03
	57.02	87.76

Note 26 : Other expenses

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
As Auditor		
- Statutory Audit	0.50	0.50
- Tax Audit	0.15	0.15
	0.65	0.65
Power and Fuel	3.64	3.51
Repairs and Maintenance	2.13	3.73
Rates and Taxes	11.20	4.43
Commission	-	-
Donation		0.01
Postage, Telegrams & Telephones	1.09	1.06
Transportation Charges	1.56	3.56
Travelling & Conveyance	0.26	1.38
Printing & Stationery	1.22	1.29
Insurance	3.02	2.84
Advertisement and publicity	2.84	1.79
Jobwork charges		7.99
Legal and professional fee	11.66	14.02
Rent	20.44	13.91
Membership fee	0.40	1.08
Security services	4.96	4.22
Interest paid	2.07	-
Factory Expenses	0.85	2.73
Miscellaneous Expenses	0.72	2.76
Corporate Social Responsibility	11.36	-
	80.06	70.95

Note 27: Earnings per share (EPS)

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Profit after tax	580.15	693.71
Weighted average number of equity shares in calculating basic EPS (Nos In Lakhs)	220.22	215.57
Weighted average number of equity shares in calculating diluted EPS (Nos In Lakhs)	220.22	218.79
Basic Earnings per Equity Share	2.63	3.22
Diluted Earnings per Equity Share	2.63	3.17

Notes to the Financial Statements**A. General Information**

The Company was originally incorporated under the Companies Act, 1956 on 13th May, 1999. The Registered office of the company is located at “3-6-291/4/A, 1st Floor, Hyderguda, Hyderabad-500029, Telangana”.

The Company is having its manufacturing units located at 3-6-291/4/A, 1st Floor, Hyderguda, Hyderabad-500029, Telangana and another manufacturing unit is located at 3-6-290/20, 2nd Floor, Sadana Building, Hyderguda, Hyderabad- 500029, Telangana. The units specialize in creating handmade gold jewellery studded with cubic zirconia and colour stones. The company sales its products in different geographical areas, in domestic market as well as overseas market.

B. Significant judgements in the application of this standard

- (i) Revenue is recognized by the company when the company satisfies a performance obligation by transferring a promised good or service to its customers. Asset/goods/services are considered to be transferred when the customer obtains control of those asset/goods/services.
- (ii) The company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, GST etc.).
- (iii) The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Any further adjustment will be made by raising debit/credit notes on the customer. While determining the transaction price effects of variable consideration, constraining estimates of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer is also considered.
- (iv) Certain adjustments have been made during the year in contract value which is not significant keeping in view the amount involved.

C. Assets Recognised from costs to obtain or fulfil a contract with a customer

Being a trading company, costs incurred by the company are fixed in nature with no significant incremental cost to obtain or fulfil a contract with a customer and same is charged to profit and loss as a practical expedient.

28. Accounting Policies under Ind AS:**1. Significant Accounting Policies****1.1 Statement of Compliance and basis of preparation of Financial Statements**

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

1.2 Application of Indian Accounting Standards (Ind-AS)

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

1.3 Use of estimates and judgment

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

1.4 Functional and presentation currency

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

1.5 Revenue Recognition

i) Operating Income

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

ii) Other Income

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

1.6 Property, Plant and Equipment's

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

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

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

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

1.7 Depreciation

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

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

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

1.8 Inventory

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

Basis of determination of cost remain as follows:

Raw Materials, Work-in-process and Finished goods - On Weighted average cost basis.

1.9 Provisions

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

1.10 Contingent Liabilities / Assets**Contingent Liabilities**

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

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

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

Contingent Assets

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

1.11 Taxation

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

Current tax

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

Deferred tax

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

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

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

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

Current and deferred tax for the year

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

1.12 Impairment

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of

money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

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

Impairment of financial assets

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

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

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

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

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future

cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

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

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

De-recognition of financial assets

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

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

1.13 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments consist of:

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

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial

risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

a) Cash and cash equivalents

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

- b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) Loans and receivables

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

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

d) Trade and other payables

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

e) Foreign Currencies Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

1.14 Prior Period Errors

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

29. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 30-07-2020.

30. Basis of preparation of Financial Statements

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

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

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

31. Use of estimates and judgment

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

32. Additional information pursuant to Schedule III of the Companies Act, 2013**Earnings in Foreign Exchange**

(Rs. In Lakhs)

Particulars	31st March, 2021	31st March, 2020
Export of Goods	1249.57	1354.35

Value of Raw Materials, Stores and Spares Consumed and Percentage (Rs. In Lakhs)

Particulars	31st March, 2021		31st March, 2020	
	Percentage	Value	Percentage	Value
a. Raw Materials				
i. Indigenous	100.00	9,072.79	100.00	7,682.27
ii. Imported	-	-	-	-
	100.00	9,072.79	100.00	7,682.27
b. Stores and Spares				
i. Indigenous	100.00	-	100.00	0.12
ii. Imported	-	-	-	-
	100.00	-	100.00	0.12

33. Financial Instruments- Fair Values and Risk Management

a. Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Amount in lakhs as of March 31, 2021)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 9)	164.40	-	-	164.40	164.40
Trade Receivable (Ref Note No.8)	2909.57	-	-	2909.57	2909.57
Loans given (Ref Note No. 3)	230.70	-	-	230.70	230.70
Other Financial Assets (Ref Note No.4)	45.34	-	-	45.34	45.34
Liabilities:					
Trade Payable (Ref Note No.17)	49.63	-	-	49.63	49.63
Borrowings (Ref Note No 14&16)	1300.06	-	-	1300.06	1300.06

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2020:

(Amount in lakhs as of March 31, 2020)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents (Ref Note No. 9)	7.86	-	-	7.86	7.86
Trade Receivable (Ref Note No.8)	3081.09	-	-	3081.09	3081.09
Loans given (Ref Note No. 3)	230.70	-	-	230.70	230.70
Other Financial Assets (Ref Note No.4)	21.71	-	-	21.71	21.71
Liabilities:					
Trade Payable (Ref Note No.17)	42.11	-	-	42.11	42.11
Borrowings (Ref Note No 14&16)	1021.49	-	-	1021.49	1021.49

b. Fair Value Hierarchy

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

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

(Amount in lakhs as at March 31, 2021)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant un-observable inputs
Financial assets						
Security deposits	-	-	43.09	43.09	-	-
Others	-	-	2.26	2.26	-	-
Interest Receivable	-	-	36.06	36.06	-	-
Total financial assets	-	-	81.41	81.41	-	-
Financial Liabilities						
Borrowings	-	-	1300.06	1300.06	-	-
Total financial liabilities	-	-	1300.06	1300.06	-	-

(Amount in lakhs as at March 31, 2020)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant un-observable inputs
Financial assets						
Security deposits	-	-	19.45	19.45	-	-
Others	-	-	2.26	2.26	-	-
Interest Receivable	-	-	13.66	13.66	-	-
Total financial assets	-	-	35.37	35.37	-	-
Financial Liabilities						
Borrowings	-	-	1021.49	1021.49	-	-
Total financial liabilities	-	-	1021.49	1021.49	-	-

c. Financial risk management

The company's activities expose it to the following financial risks:

- market risk (see (a));
- credit risk (see (b)); and
- liquidity risk.(see (c)).

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

a) Market risk**(i) Foreign Exchange Risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

Foreign Currency Exposure

(Rs. In Lakhs)

Particulars	As at 31st March, 2021 USD	As at 31st March, 2020 USD
Trade and Other Receivables	6.46	13.06
Trade and Other Payables	-	-
Borrowings	-	-

Sensitivity:

As of March 31, 2021 increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately INR 43.02(in Lakhs) respectively.

(ii) Price Risk

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

b) Credit Risk

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

Trade Receivables:

The company has outstanding trade receivables amounting to INR 2909.57 (in lakhs) and INR 3081.09 (in lakhs) as of March 31, 2021 and March 31, 2020 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

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

Credit risk exposure:

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

(As at 31st March 2021, Amount in Rs lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Past due less than 30 days	1439.67	-	1439.67
Past due more than 30 days but not more than 60 days	803.34	-	803.34
Past due more than 60 days but not more than 90 days	417.83	-	417.83
Past due more than 90 days but not more than 120 days	161.83	-	161.83
Past due more than 120 days	86.90	-	86.90
Total	2909.57	-	2909.57

(As at 31st March 2020, Amount in Rs lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Past due less than 30 days	624.66	-	624.66
Past due more than 30 days but not more than 60 days	776.79	-	776.79
Past due more than 60 days but not more than 90 days	850.09	-	850.09
Past due more than 90 days but not more than 120 days	376.17	-	376.17
Past due more than 120 days	453.38	-	453.38
Total	3081.09	-	3081.09

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

Financial assets:

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. There will be no credit risk related to employee loans as they are adjusted against their salaries.

(c) Liquidity Risk

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

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

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

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

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

(Amount in Rs in lakhs as of March 31, 2021)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	49.63	-	-	-	-	49.63
Short term borrowings (cash credit)*	-	1300.06	-	-	-	1300.06
Other Financial Liabilities	-	-	-	-	-	-
Total	49.63	1300.06	-	-	-	1349.69

*Includes interest accrued on borrowings

(Amount in Rs in lakhs as of March 31, 2020)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	39.51	-	2.60	-	-	42.11
Short term borrowings (cash credit)*	-	1021.05	-	-	-	1021.05
Other Financial Liabilities	-	0.44	-	-	-	0.44
Total	39.51	1021.49	2.60	-	-	1063.60
Trade Payables	39.51	-	2.60	-	-	42.11

*Includes interest accrued on borrowings

34. Disclosure in respect of Indian Accounting Standard 24 “Related Parties Disclosures”

Related Party Disclosures

A. Key Managerial Personnel (KMP):

Sri Ritesh Kumar Sanghi – Managing Director

Sri Rakesh Agarwal - Chief Financial Officer

Sri Sher Singh Verma - Company Secretary (Resigned w.e.f 08.10.2020)

Ms Khwaish Kamalani – Company Secretary (05.10.2020 to 29.01.2021)

B. Non - Executive Directors

Sri Sanjay Kumar Sanghi
 Smt. Pritha Sanghi
 Sri Ramprasad Vempati- Independent
 Sri Sunil Garg- Independent
 Sri Vikram Goel- Independent

C. Enterprises in which Key Management Personnel has significant influence

Trisa Retail Limited
 Narbada Gems and Jewellery Limited
 Sanghi Jewellers Private Limited

D. Relatives of Key Management Personnel

Sri Sanjay Kumar Sanghi - Director
 Smt. Pritha Sanghi – Director
 Smt. Sarala Sanghi
 Smt Bhavna Sanghi
 Sri Tejas Sanghi
 Sri Uday Sanghi

E. Related Party Transaction

Particulars	31st March, 2021	31st March, 2020
Sanghi Jewellers Private Limited:		
Purchases (Net of returns)	2,0,54,37,566/-	4,69,62,129/-
Sales (Net of returns)	3,75,02,859/-	3,74,64,579/-
Jobwork Charges (Expense)	-	7,98,864/-
Rent (Expense)	3,00,000/-	3,00,000/-
Amount Receivable/(Payable) as on	4,91,51,947/-	1,18,53,462/-
Narbada Gems and Jewellery Limited:		
Purchases (Net of returns)	-	24,39,104/-
Sales (Net of returns)	-	-
Amount Receivable/(Payable) as on	-	(65,150/-)
Rent paid to KMP & Relative of KMP	13,20,000/-*	6,50,000/-
Amount Payable as on 31.03.2021	-	-
Trisa Retail Limited:		
Interest on Inter Corporate Loan (Income)	24,22,350/-	31,04,792/-
Amount Receivable from Trisa Retail Ltd as on:		
Interest on Inter Corporate Loan	36,06,207/-	13,65,533/-
Inter Corporate Loan	2,30,70,000/-	2,30,70,000/-

*For part of the financial year

35. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share (EPS)”**a) Basic EPS**

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

(Amount in Rs lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings used in calculation of basic earnings per share(A)	580.15	693.71
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	220.22	215.57
Basic EPS(A/B)	2.63	3.22

b) Diluted EPS

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

(Amount in Rs lakhs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Earnings used in calculation of basic earnings per share(A)	580.15	693.71
Weighted average number of ordinary shares for the purpose of Diluted earnings per share(B)	220.22	218.79
Diluted EPS(A/B)	2.63	3.17

36. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: “Revenue from Contract with Customers)**Transitional Provision**

The company has adopted the new Indian Accounting Standard 115 (Revenue from Contract with Customers) retrospectively with cumulative effect of adoption as an adjustment to opening retained earnings as on 01.04.2018. The company has examined the changes brought in under Ind AS 115 and observed that there has been no impact on the opening retained earnings as at 01.04.2018.

A. (i) Contracts with customers

UDAY JEWELLERY INDUSTRIES LIMITED

(a) Company has recognized the following revenue during the year from contracts with its customers

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products	93,33,49,770	91,74,08,365
Sale of services	-	-
Other operating revenue	-	-
-Claims	-	-
-Subsidy	-	-
-Despatch Earned	-	-
-Other Trade Income	-	-
Total	93,33,49,770	91,74,08,365

(b) Company has recognized the following amount as impairment loss against the amount receivables from its customers or contract assets arising due to contract with its customers.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Impairment Loss	-	-

(ii) Disaggregation of Revenue

Particulars	For the year ended March 31, 2021	As % to Total Revenue	For the year ended March 31, 2020	As % to Total Revenue
Pure Gold	50,56,893	0.54%	-	0.00%
Cz Stones	-	0.00%	-	0.00%
Studded Gold Jewellery	92,82,92,877	99.46%	91,74,08,365.10	100.00%
Total	93,33,49,770	100%	91,74,08,365.10	100%

(iii) Contract Balances Receivables

Particulars	As at March 31,2021	As at March 31,2020
Opening Balance	30,81,08,767.00	19,81,40,697.00
Addition/deduction during the year	(1,71,51,611.29)	10,99,68,070.00
Closing Balance	29,09,57,155.71	30,81,08,767.00

Contract Liabilities

During the year the advances received are recognised as revenue as and when the goods are delivered to the customer.

Practical expedients

During the year company has entered into sales contracts with its customers where some of the part is yet to be executed, same has not been disclosed as per practical expedient as the duration of the contract is less than one year or right to receive the consideration established on completion of the performance by the company.

37. Contingent Liabilities - Income Tax

The Company has contested against assessment orders passed by Assistant Commissioner of Income Tax. Details are as follows:

Asst. Years	Amount in Rs.
AY 2017-18	2,99,18,329

The Company has paid Rs.1,30,00,000 in under protest towards the above income tax liability.

**Our Report attached,
For VENUGOPAL & CHENOY,
CHARTERED ACCOUNTANTS,**

For Uday Jewellery Industries Ltd.,

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

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

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

**Hyderabad
Date: 29.06.2021**

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

**Sd/-
Lekhpal Sahu
Company Secretary
M. No. A48183**



22nd ANNUAL GENERAL MEETING

Day : Wednesday
Date : 29th September, 2021.
Time : 01:00 P.M.
Mode : Through Video Conferencing (VC) /
Other Audio Visual Means (OAVM).
On www.evotingindia.com.



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