



**25TH ANNUAL REPORT
2016-17**



Beautiful flat diamond jewellery





BOARD OF DIRECTORS

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

AUDITORS

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

BANKERS

Kotak Mahindra Bank Ltd
Himayatnagar Branch
Hyderabad- 500029

State Bank of India
Commercial Branch
Koti, Hyderabad

REGISTERED OFFICE

3-6-290/18, 1st Floor, Sadana Building
Hyderguda, Hyderabad- 500029

REGISTRAR & SHARE TRANSFER AGENTS

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

Narbada Gems & Jewellery Limited

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear shareholders,

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

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

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

Registered Folio or DP Id - Client ID *

Full Name *

Email ID *

Contact no. :

Declaration: (Select whichever is applicable) *

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

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

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NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of the Company will be held at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001 on Thursday, 16th day of November, 2017 at 12:30 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the year ended on 31st March, 2017 together with the Reports of Directors and Auditors thereon.
2. To appoint director in place of Mrs Bhavna Sanghi, Director (DIN:02681438), who retires by rotation and being eligible, offers herself for re-appointment
3. To appoint auditors and to authorise the Board to fix their remuneration and in that connection, to pass the following resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Company (Audit & Auditors) Rules, 2014, M/s D.V Aditya & Co., Chartered Accountants, (Firm Reg. No. 000044S, M. No. 0022646), Hyderabad be and are hereby appointed as the Statutory Auditors of the Company, to hold office until the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification at every Annual General Meeting and on a remuneration, as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized, to inform the Statutory Auditors of the said appointment, file Form ADT-1 with the Registrar of Companies, Andhra Pradesh and Telangana and to do all such acts, deeds and things as may be necessary to give effect to the above resolution."

SPECIAL BUSINESS:

4. Reappointment of Mr. Sanjay Kumar Sanghi as the Managing Director of the Company

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

"RESOLVED THAT pursuant to provisions of Section 196 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent of the member be and is hereby accorded for the re-appointment of Mr. Sanjay Kumar Sanghi (DIN- 00629693) as the Managing Director of the Company with effect from 28th August, 2017, for a further period of five years, at similar terms and conditions of appointment and without any remuneration."

"RESOLVED FURTHER THAT all items of business during the period after his tenure till reappointment stands approved and ratified unanimously and that the Board of Directors of the Company be and is hereby authorized to file the above resolution and the requisite e-forms with the Registrar of Companies, Hyderabad and to sign such other documents and do all other activities as needed to execute the aforementioned resolution."

5. Increase in Authorized Share Capital of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 61, 64 and other applicable provisions, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) read with the Companies (Share Capital and Debentures) Rules, 2014, the consent of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 6,50,00,000/- (Rupees Six Crores and Fifty Lakhs only) divided into 65,00,000 (Sixty Fifty Five Lakhs only) Equity

Shares of Rs. 10/- each to Rs. 13,50,00,000/-(Rupees Thirteen Crores and Fifty Lakhs only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs only) Equity Shares of Rs. 10/- each by creation of further 70,00,000 (Seventy Lakhs) Equity Shares of Rs. 10/- each ranking pari passu with the existing equity shares of the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file requisite e-forms with the Registrar of Companies, Hyderabad and to sign and execute the related documents and do all the ancillary activities as needed to give effect to the above resolution."

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

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

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

V. The Share Capital of the Company is Rs. 13,50,00,000/- (Rupees Thirteen Crores and Fifty Lakhs only) divided into 1,35,00,000 (One Crore Thirty Five Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary modify on any such rights, privileges or conditions in such manner as may for the time being, be provided by the regulations of the Company.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to sign and file necessary e-forms with the Registrar of Companies, Andhra Pradesh and Telangana and other authorities/agencies, and to do other related activities to give effect to the foregoing resolution"

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

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

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

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

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file the requisite E-Forms with the Registrar of Companies, Andhra Pradesh and Telangana and perform all such duties, acts and deeds as may be required to carry out the aforesaid resolution."

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

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

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the Articles of Association of the Company be altered in the manner that "The Act" or "the said Act" means the Companies Act, 2013 (including any statutory modification(s) or re-enactments thereof, for the time being in force) applicable for Companies limited by shares and effecting the Company and wherever specific reference of Sections of the Companies Act, 1956 has been mentioned in the Articles, the same shall be deemed to be referring to the corresponding provisions of the Companies Act, 2013 or the Act for the time being in force and the rules made there under and in case of inconsistency or variation of any of the Articles with the Companies Act, 2013, its rules or the Act for the time being in force, the provisions of the Companies Act, 2013, its rules or the Act for the time being in force, shall prevail and the said Article(s) shall be deemed to have been amended to that extent, in accordance with Section 5 (6) of the Act".

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

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file the requisite E-Forms with the Registrar of Companies, Andhra Pradesh and Telangana and take all decisions and steps necessary or expedient, from time to time, to implement the foregoing resolution."

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

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended ("the Companies Act") read with the Rules made there under and such other applicable provisions, as amended and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("the ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the LODR Regulations") and any other guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the permissions, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such permissions, sanctions and which may be agreed to by the Board of Directors of the Company (herein after referred to as "the Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other modifications, conditions and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to issue and allot upto 79,02,000 warrants ("Equity Warrants") on

a preferential basis; to persons within the Promoter/ Promoter Group (as defined in the ICDR Regulations) and to persons belonging to the Non-Promoter Group; each convertible into one Equity Share of face value of Rs. 10/- (Rupees Ten only) each, from time to time in one or more tranches, within a period of 18 (Eighteen) months from the date of allotment of Equity Warrants, at a price (including the warrant subscription price and the warrant exercise price) of Rs. 12.50/- each (Rupees Twelve and Fifty paise only) aggregating to upto Rs. 9,87,75,000/- (Rupees Nine Crores Eighty Seven Lakhs Seventy Five Thousand only), on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the ICDR Regulations or other applicable laws."

"RESOLVED FURTHER THAT, in accordance with the provisions of Chapter VII of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the price for the issue of Equity Shares pursuant to the exercise of the Equity Warrants is 17th October, 2017, which is 30 days prior to the date of this Annual General Meeting i.e. 16th November, 2017 and the price so calculated is Rs. 12.50/- (Rupees Twelve and Fifty paise only) per equity share.

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

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

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

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- g. The Equity Shares to be issued and allotted by the Company on exercise of the Equity Warrants in the manner aforesaid shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company.
- h. The Equity warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter VII of the ICDR Regulations relating to preferential issues."

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

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to above resolutions, to file the necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana, SEBI, BSE and to authorize all such persons in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to take all other steps which may be ancillary in this connection."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

10. Preferential Allotment of Equity Warrants of the Company to Non Promoter Group convertible into equity shares in single tranche.

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, as amended ("the Companies Act") read with the Rules made there under and such other applicable provisions, as amended and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("the ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the LODR Regulations") and any other guidelines and clarifications issued by any other competent authority, from time to time, to the extent applicable including the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the permissions, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such permissions, sanctions and approval and which may be agreed to by the Board of Directors of the Company (herein after referred to as "the Board" which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution) and subject to any other modifications, conditions and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board to issue and allot upto 20,90,000 warrants ("Equity Warrants") on a preferential basis; to persons belonging to the Non-Promoter Category being Resident Indians; each convertible into one Equity Share of face value of Rs. 10/- (Rupees Ten only) each, in single tranche, within a period of 18 (Eighteen) months from the date of allotment of Equity Warrants, at a

price (including the warrant subscription price and the warrant exercise price) of Rs. 12.50/- each (Rupees Twelve and Fifty paise only) aggregating to upto Rs. 2,61,25,000/- (Rupees Two Crores Sixty One Lakhs Twenty Five Thousand only), on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the ICDR Regulations or other applicable laws."

"RESOLVED FURTHER THAT, in accordance with the provisions of Chapter VII of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the price for the issue of Equity Shares pursuant to the exercise of the Equity Warrants is 17th October, 2017, which is 30 days prior to the date of this Annual General Meeting i.e. 16th November, 2017 and the price so calculated is Rs. 12.50/- (Rupees Twelve and Fifty paise only) per equity share.

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

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

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

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

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for giving effect to above resolutions, to file the necessary forms with the Registrar of Companies, Andhra Pradesh and Telangana and to authorize all such persons in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the shareholders of the Company and to take all other steps which may be ancillary in this connection."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

Date: 16.10.2017

Place: 3-6-290/18, 1st Floor, Sadana Building
Hyderguda, Hyderabad- 500029

For and on behalf of the Board

Sd/-

Sanjay Kumar Sanghi

Managing Director

DIN: 00629693

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

NOTES:

1. Any Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 10th November, 2017 to 16th November, 2017 (both days inclusive) for the purpose of Annual General Meeting.
3. All correspondence and share transfer documents must be addressed to the Share Transfer Agents.
4. Member who hold shares in dematerialized form are requested to bring their clients Id and DPID number for easy identification of their attendance at the meeting.
5. Members holding the shares in physical and electronic form are required to inform immediately the changes, if any, in their address of Share Transfer Agents.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.

7. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.
8. Members are requested to notify change of address, if any, to the Company's Share Transfer Agents immediately.
9. Members / Proxies are requested to bring their attendance slips along with their copies of Annual Report to the Meeting.
10. The Equity Shares of the Company are in Compulsory Trading in dematerialized form (Scripless trading in electronic form) through Depository Participants. The ISIN Code is INE540C01021.
11. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the company or the Registrar and Share Transfer Agents of the Company.
13. The relevant documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, between 11.00 A.M. and 1.00 P.M. up to the date of the declaration of result.
14. A Member can opt only one mode for voting i.e. either Physical or e-voting. In case a member opts e-voting, he cannot exercise his vote through postal ballot form and vice-versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then the voting done through physical Ballot shall prevail and voting done by e- voting will be treated as invalid. Instructions for e-voting facility being provided through CDSL are given elsewhere in the Notice.
15. Shri Ajay S. Shrivastava, Practicing Company Secretary has been appointed as "Scrutinizer" for the Business mentioned to be conducted by e-voting and Poll.
16. The Results of the e-voting and Poll will be declared by the Directors by 18th November, 2017, by 3:30 P.M at the Registered Office of the Company at Hyderabad and shall be hosted on the website of the Company and on bseindia.com.
17. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 4 to Item No. 10 is annexed herewith.
18. The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed/ reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchanges are as follows:

Mrs Bhavna Sanghi, aged about 43 years, has an expert knowledge in precious and semi precious gems and stones used in the manufacturing of jewellery. She has been providing valuable support and guidance to the design and development team with regard to the usage of various gemstones in an exclusive jewellery making. Her shareholding in the Company is NIL as on 31st March, 2017.

Her directorships in other public companies as on 31.03.2017 are:

1. Trisa Retail Limited

19. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to

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provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

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

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

- (i) The remote e-voting period commences on 13th November, 2017 at 09:00 A.M and ends on 16th November, 2017 at 05:00 P.M. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 09th November, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

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

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. 'Narbada Gems and Jewellery Limited' on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533

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- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
20. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at comsec@narbadajewellery.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 15th November 2017, upto 5:00 pm without which the vote shall not be treated as valid.
21. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date of 09th November, 2017. A person who is not a member as on cut off date should treat this notice for information purpose only.
22. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficiary owners as at closing hours of business, on 20th October, 2017.
23. The shareholders shall have one vote per equity share held by them as on the cut-off date of 09th November, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
24. Since the Company is providing members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 09th November, 2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting by Poll.
25. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
26. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. 9th November, 2017 are requested to send the written / email communication to the Company at comsec@narbadajewellery.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
27. Mr. Ajay S. Shrivastava, Practicing Company Secretary (Certificate of Practice Number 3479) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
28. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.narbadajewellery.com and on the website of CDSL. The same will be communicated to the listed stock exchange viz. the BSE Limited.

EXPLANATORY STATEMENT

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

Item No. 4:

Mr. Sanjay Kumar Sanghi was appointed as Managing Director of the Company for a term of five years with effect from 29th April, 2012. The Board has reappointed him on the recommendations of the Nomination & Remuneration Committee, on completion of the said term. Mr. Sanjay Kumar Sanghi, aged about 50 years, is a commerce graduate and Gemologist has more than 25 years of experience in business of dealing and trading in Gems and Jewellery. He 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. His wisdom and business proficiency would be favorable for the Company.

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

The Board recommends for the approval of the said resolution.

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

Item Nos. 5 and 6:

At present, the Authorized Share Capital of the Company is Rs. 6,50,00,000/- (Rupees Six Crores Fifty Lakhs only) divided into 65,00,000 (Rupee Sixty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each. The Company intends to develop its existing line of business and broaden its clientele base thereby requiring additional financial resources for its activities. In this regard, it is now proposed to increase the Authorized Share Capital of the Company.

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

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

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

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

Item No.7:

The Company was incorporated under the Companies Act, 1956 and the Memorandum of Association (MOA) of the Company is in accordance with the format mentioned in the aforesaid Act. It is now proposed to alter the Share Capital Clause of the existing Memorandum of Association of the Company. With the enforcement of the Companies Act, 2013, it is required to adopt the new set of MOA as per the format provided in Table A, Schedule I of the Companies Act, 2013. The said alteration requires approval of members by way of special resolution, in accordance with Section 13 of the Companies Act, 2013.

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

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

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Item No. 8:

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

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

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

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

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

Item Nos. 9 and 10:

a) The objects of the issue:

The objective of the proposed preferential allotment of Equity Warrants is to utilize the proceeds for enhancing of its business operations and broaden its existing product line by introduction of light weight diamond jewellery. In the near future, the Company also intends to setup its in-house manufacturing unit, thereby optimizing the cost of production on the whole. In order to realize its objectives, it is required to infuse further capital in the Company

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

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

c) Total number of securities proposed to be issued:

The Company, subject to necessary approvals, is proposing to issue and allot, on a preferential basis, upto 99,92,000 Equity Warrants which may be exercised to receive Equity Shares at a price (including the Equity Warrant Subscription Price and Equity Warrant Exercise Price) of Rs. 12.50/- each (Rupees Twelve and Fifty paise only) determined in accordance with the ICDR Regulations.

d) Pricing:

The minimum price as per the pricing formula prescribed under the Chapter VII of ICDR Regulations for the preferential issue of Equity Warrants is Rs. 12.38/- each (Rupees Twelve and Thirty paise only), being the Net Asset Value of the Company as on the last Audited Balance Sheet for the Financial Year ending 31st March, 2017, the equity shares being infrequently traded at the stock exchange i.e. BSE Limited. Therefore, the Share Warrants are proposed to be issued at a price of Rs. 12.50/- (Rupees Twelve and Thirty paise only) per warrant/share. Upon Conversion, the same shall be apportioned as Rs. 10/- towards Share Capital and Rs. 2.50 per share towards Share Premium per Share.

e) Relevant Date:

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

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

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

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

S. No.	Category	Pre Issue		Post Issue	
		No. of Shares held	% of share holding	No. of Shares held post conversion of all warrants	% of share holding
A	Promoters Holding:				
1.	Indian:				
	Individual	14,33,931	48.35	81,35,931	62.79
	Bodies Corporate	550	0.02	550	0.00
	Sub Total				
2.	Foreign Promoters	-	-	-	-
	Sub Total (A)	14,34,481	48.37	81,36,481	62.79
B	Non Promoters' Holding:				
1.	Institutional Investors	-	-	-	-
2.	Non Institution:				
	Bodies Corporate	58,015	1.96	58,015	0.45
	Directors and relatives	-	-	-	-
	Indian Public	14,61,778	49.29	47,51,778	36.67
	Others (Including NRIs)	11,436	0.38	11,436	0.09
	Sub Total (B)	15,31,229	51.63	48,21,229	37.21
	GRANDTOTAL	29,65,710	100.00	1,29,57,710	100.00

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

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

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

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

Name of the Proposed Allottee	Category Promoter/ Promoter Group/Non-Promoter	Address	Permanent Account Number (PAN)	No. of securities to be allotted	% share holding in the Company post issue
Sanjay Kumar Sanghi	Promoter	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AMQPS5787G	9,82,200	13.04
Ritesh Kumar Sanghi	Promoter	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AFVPS5465B	9,82,200	13.03
Sanjay Kumar Sanghi (HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AAUHS1249D	4,76,100	3.67
Ritesh Kumar Sanghi (HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AADHR6702D	2,29,700	1.77
HanumanthraiSanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AEAPS7073P	3,38,900	2.62
Sarala Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AFVPS5457B	4,47,300	3.45
HanumanthraiSanghi (HUF)	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AABHH1798D	1,94,600	1.50
Pritha Sanghi	Promoter	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AJYPS6286K	9,25,800	7.14

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Bhavna Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	AJYPS6513M	9,19,200	7.09
Tejas Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	DUIPS4099N	6,38,100	5.07
Uday Sanghi	Promoter Group	8-2-686/D/6/7, Road No. 12, Banjara Hills, Hyderabad, 500034, Telangana	EYNPS5899Q	5,67,900	4.40
Rajesh Gupta	Non-Promoter	8-2-293/82/A/876, Road No.45, Jubilee Hills, Hyderabad- 500033	ACWPG4939L	2,40,000	1.85
Anisha Gupta	Non-Promoter	8-2-293/82/A/876, Road No.45, Jubilee Hills, Hyderabad- 500033	ADEPG8127F	2,40,000	1.85
Mohit Gupta	Non-Promoter	8-2-293/82/A/876, Road No.45, Jubilee Hills, Hyderabad- 500033	BBPPG5753H	2,40,000	1.85
Rajesh Gupta(HUF)	Non-Promoter	8-2-293/82/A/876, Road No.45, Jubilee Hills, Hyderabad- 500033	AADHG2963F	2,40,000	1.85
Mohit Gupta(HUF)	Non-Promoter	8-2-293/82/A/876, Road No.45, Jubilee Hills, Hyderabad- 500033	AAPHM1676R	2,40,000	1.85
Total				79,02,000	72.03

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

Name of the Proposed Allottee	Category Promoter/ Promoter Group/Non-Promoter	Address	Permanent Account Number (PAN)	No. of securities to be allotted	% share holding in the Company post issue
Umesh Kumar Agarwal	Non-Promoter	8-2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	ACBPK9975D	2,10,000	1.62

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Rajender Kumar Agarwal	Non- Promoter	Plot No. 30, Road No. 5, Trimuthy Colony, Mahendra Hills, Sec'bad- 500026	ABLPA2496E	2,00,000	1.54
Archana	Non- Promoter	8-2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	ABLPA4762H	2,00,000	1.54
Yukthi Gupta	Non- Promoter	16-11-20/1/25, Saleem Nagar Colony, Malakpet, Hyderabad- 500036	BVOPG4062N	2,00,000	1.54
Aarti	Non- Promoter	8-2-293/1184, Road No. 45, Jubilee Hills, Hyderabad- 500033	ADWPA9072D	1,80,000	1.39
Vinay Kumar Agarwal	Non- Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	AEMPK0188B	1,50,000	1.16
Ritesh Kumar Agarwal (HUF)	Non- Promoter	Plot No. 30, Road No. 5, Trimuthy Colony, Mahendra Hills, East maredpally Sec-bad- 500026	AAOHR8884B	1,00,000	0.77
Jashoda Devi	Non- Promoter	Plot No. 1195, Road no. 59, Jubilee Hills, Hyderabad- 500033	ACEPJ2201Q	1,00,000	0.77
Narayandas Kakani	Non- Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	AFWPK8931R	1,00,000	0.77
Poonam Kakani	Non- Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	AAAPF2423N	1,00,000	0.77
Vedanth Kakani	Non- Promoter	H No- 15-7-322, Begum Bazar, Hyderabad- 500012	EGWPK0577E	1,00,000	0.77
Nidhe Navneet Kakani	Non-Promoter	158-C, Ground Floor, Laxminarayan, Modi Khana, Solapur North, Solapur- 413001	AFZPM4502K	1,00,000	0.77
Purshottam Das Agarwal	Non-Promoter	1G, Shagrilla, Lumbini Jewel Mall, Road No. 2, Banjara Hills, Hyderabad- 500034	ACNPA5404H	1,00,000	0.77

Vijay Laxmi Agarwal	Non-Promoter	1G, Shagrilla, Lumbini Jewel Mall, Road No. 2, Banjara Hills, Hyderabad- 500034	AFIPA6465J	1,00,000	0.77
Rakhee Agarwal	Non-Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	ACHPR8771J	75,000	0.58
Utkarsh Agarwal	Non-Promoter	8-2-293/82/A/893/O, Jubilee Hills, Road No. 44A, Shaikpet, Hyderabad- 500033	BDAPA8481P	75,000	0.58
Total				20,90,000	16.13

i) **Change in control:**

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

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

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

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

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

l) **Lock-in-period:**

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

- i. The Equity Shares to be allotted on a preferential basis to the Promoter Group Company, pursuant to exercise of options against each Warrant, shall be subject to 'lock-in' for a period of three years from the date of trading approval for such Equity Shares in accordance with Regulation 78(1) of the ICDR Regulations.
- ii. The Equity Shares allotted on a preferential basis to the Non-Promoter Group shall be subject to 'lock-in' for a period of one year from the date of trading approval as per Regulation 78(2) of the ICDR Regulations.
- iii. The entire pre-preferential allotment shareholding, if any, of the proposed allottees under Promoter and Non-Promoter Group shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval as per Regulation 78(6) of the ICDR Regulations.

m) **Auditor's certificate:**

A copy of the certificate from Venugopal & Chenoy, Chartered Accountants, the statutory auditors of the Company, certifying that the above preferential issue of Equity Warrants is made in

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accordance with the applicable provisions of the ICDR Regulations shall be placed before the members at the Annual General Meeting.

n) **Undertaking:**

In terms of the ICDR Regulations, the Company hereby undertakes that:

- i. It shall re-compute the price of the Equity Warrants in terms of the provision of the ICDR Regulations where it is required to do so.
- ii. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the underlying Equity Warrants shall continue to be locked-in till the time such amount is paid by the proposed allottees.

o) **Other salient features of the preferential issue of equity warrants are as under:**

The proposed issue and allotment of Equity Warrants, on a preferential basis, shall be governed by the applicable provisions of the ICDR Regulations and the Companies Act read with the applicable provisions of the rules made there under. Without generality to the above, the salient features of the preferential issue of Equity Warrants are:

- ★ The amount equivalent to 25% of the total amount payable for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of the warrants.
- ★ The Equity Warrants shall be exercised within a period of 18 (eighteen) months from the date of their allotment, in one or more tranches as per the terms agreed with the subscribers.
- ★ At the time of exercise, the Equity Warrant holder(s) shall pay the balance 75% of the consideration payable in respect of the Equity Warrants so being exercised on proportionate basis.
- ★ Post conversion of the Warrants (assuming full conversion), the increase in Equity Share Capital would be Rs. 12,95,77,100/- (Rupees Twelve Crores Ninety Five Lakhs Seventy Seven Thousand and One Hundred only) and the Securities Premium Account would be Rs. 2,49,80,000/- (Rupees Two Crores Forty Nine Lakhs Eighty Thousand only).

Apart from Mr. Sanjay Kumar Sanghi, the Managing Director, Mr. Ritesh Kumar Sanghi, Director and Mrs. Bhavna Sanghi, Director, belonging to the promoter and promoter group; none of the Directors or Key Managerial Personnel are any way concerned or interested in the proposed resolution in item no.9 and 10.

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

Date:16.10.2017

Place: 3-6-290/18, 1st Floor, Sadana Building
Hyderguda, Hyderabad- 500029

For and on behalf of the Board

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

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

DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the **Twenty Fifth Annual Report** together with the audited accounts of the Company for the financial year ended **31st March, 2017**

1. FINANCIAL SUMMARY

(Rs. in lakhs)

Particulars	31.03.2017	31.03.2016
Revenue from operations	1157.49	1312.28
Other Income	--	-
Total Income	1157.49	1312.28
Expenses	1123.08	1245.87
Profit before tax	34.41	66.41
Tax Expense	10.85	15.31
Profit after Tax	23.56	51.10
Earnings per share	0.79	0.95

2. State of Company's Affairs:

The Company achieved a total turnover of Rs. 1157.49 lakhs for the year ended 31st March, 2017 as compared to Rs. 1312.28 lakhs in the previous year. The profit before tax during the year ended 31st March, 2017 was Rs. 34.41 lakhs whereas the profit for the previous year ended 31st March, 2016 stood at Rs. 66.41 lakhs. During the year, the Company had undergone reduction of its paid up share capital of the Company as approved by the Hon'ble High Court Judicature at Hyderabad for the states of Telangana and Andhra Pradesh. Post reduction of its share capital, the Company is planning to expand its business operations further.

3. Future Outlook

At present, the Company is into dealing and trading in gold jewellery. In near future, there are plans to manufacture the products on its own by setting up of its in-house manufacturing unit. This would enable the Company to lower its overall processing and jobwork charges and the cost of production as a whole. As per the latest industry trends, the demand is for branded jewellery with modern designs. Keeping the same in view, it is proposed to introduce fresh range of products with creative and light weight jewellery along with uncut and flat diamond jewellery ranging from polki sets to chakri patterns.

In order to scale up the operations, the Company requires working capital funds for the business. In this regard, it is also proposed to infuse further capital in the business by way of issuing share warrants convertible into equity shares on preferential basis. This would boost its financial resources, facilitate ease of operations and enhance its business on the whole.

4. Dividend:

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

5. Reserves:

Amount to be carried forward to the reserves Rs. 68.01 Lakhs.

6. Share Capital:

The paid up share capital of the Company is Rs. 2,96,57,100/- divided into 29,65,710 equity shares of Rs. 10/- each at the financial year ended 31st March, 2017. During the year under review, the Company had filed a petition with the Hon'ble High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh for reduction of its paid up share capital of the Company from Rs. 5,39,22,000/- divided into 53,92,200 equity shares of Rs. 10/- each to Rs. 2,96,57,100/- divided into 29,65,710 equity shares of Rs. 10/- each and the same was approved

by the Hon'ble High Court. Further, the Company has not issued and allotted any equity shares out of the unissued share capital during the year under review.

7. Listing Agreement:

The shares of your Company are listed at BSE Ltd. The Company has duly complied with all the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CORPORATE GOVERNANCE

Corporate Governance is all about ethical conduct, transparency, integrity and accountability of an enterprise. The code of governance is based on the principles of making all the necessary decisions and disclosures, accountability and responsibility towards various stakeholders, complying with all the applicable laws and a continuous commitment of conducting business in a transparent and ethical manner.

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

It is to be noted that pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in Reg. 17-27, clauses (b) to (i) of Reg. 46(2) and para C, D and E of Schedule V **does not apply** to your Company as its paid-up share capital does not exceed Rs. 10 Crores and net worth does not exceed Rs. 25 Crores, as on the last day of previous financial year ended 31st March, 2017. However, the Board of Directors and the management of the Company believe that the compliance of law should be in true letter and spirit and that the Company's legacy of fair, transparent and ethical governance practices shall be maintained.

8. Directors and Key Managerial Personnel:

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

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

During the period, Ms. Shreya Mangal has resigned as the Company Secretary and Compliance Officer of the Company with effect from 15th April, 2017.

9. Number of Meetings of the Board:

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

- v) Eleven (11) board meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are: 11.04.2016, 30.05.2016, 22.06.2016, 12.08.2016, 25.08.2016, 14.11.2016, 19.12.2016, 11.01.2017, 24.01.2017, 13.02.2017 and 31.03.2017. The attendance of each director at the Board Meetings is as follows:

S. No.	Name of Director	Board Meeting	
		Held	Attended
1	Shri Sanjay Kumar Sanghi	11	10
2	Shri Ritesh Kumar Sanghi	11	10
3	Smt. Bhavna Sanghi	11	9
4	Shri Siddharth Goel	11	11
5	Shri Ram Prasad Vempati	11	11
6	ShriVinod Agarwal	11	9

The necessary quorum was present for all the meetings.

10. Declaration by Independent Directors:

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

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

The Independent Directors of the Company have convened a meeting on 31st December, 2016, exclusively without the presence of non-independent Directors and other members of management, for the evaluation of the Board.

11. Board Evaluation:

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

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

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

Narbada Gems & Jewellery Limited

12. Managerial Remuneration

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

- i) Median remuneration of the Company for all its employees is Rs 1,66,720/- for the Financial Year 2016-17.
- ii) **Details of percentage increase in the remuneration of each Director and CFO and Company Secretary in the Financial Year 2016-17 are as follows:**

Name	Designation	Remuneration (in Rs.)		Increase %
		2016-17	2015-16	
Sanjay Kumar Sanghi	Managing Director	-	-	-
Ritesh Kumar Sanghi	Director	-	-	-
Bajranglal Agarwal	Chief Financial Officer	5,74,880	79,310*	-
Bandana Sangai	Company Secretary*	37,800*	1,40,000*	-
Shreya Mangal	Company Secretary*	1,48,800*	-	-

*For part of the Financial Year 2016-17.

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

Particulars	2016-17 (Amt in Rs.)	2015-16 (Amt in Rs.)	Increase (decrease)%
Median remuneration of all employees per annum	1,66,720/-	1,54,399/-	7.98%

Number of permanent employee on the rolls of the Company as on 31st March, 2017 are less than 10

13. Familiarization Programme for Independent Directors:

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

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

14. COMMITTEES OF THE BOARD:

The Board has constituted three committees at present:

- ◆ Audit Committee;
- ◆ Nomination and Remuneration Committee;

◆ Stakeholders Relationship Committee,

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

14A. AUDIT COMMITTEE:

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

S. No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Shri Ram Prasad Vempati Chairman	Independent Non- Executive	4	4
2.	Shri Siddharth Goel	Independent Non- Executive	4	4
3.	Shri Vinod Agarwal	Independent Non- Executive	4	4

Four (4) Audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are as follows: 30.05.2016, 12.08.2016, 14.11.2016 and 13.02.2017. The necessary quorum was present for all the meetings.

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

- ◆ The recommendations for appointment, remuneration and terms of appointment of auditors of the Company;
- ◆ Review and monitor the auditor's independence and performance, and effectiveness of audit process
- ◆ Examination of the financial statement and the auditors' report thereon;
- ◆ Approval or any subsequent modification of transaction of the company with related parties;
- ◆ Scrutiny of inter-corporate loans and investments;
- ◆ Valuation of undertakings or assets of the Company, wherever it is necessary;
- ◆ Evaluation of internal financial controls and risk management systems;
- ◆ Monitoring the end use of funds raised through public offers and related matters
- ◆ Review the functioning of the whistle blower mechanism.
- ◆ Approval of transactions with related parties

Narbada Gems & Jewellery Limited

14B. NOMINATION AND REMUNERATION COMMITTEE:

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

The Nominations and Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Committee also approves the Remuneration Policy for employees other than Whole-time Directors of the Company, as may be recommended to it. The Company's policy on Director's nomination and remuneration in accordance with Section 178 (3) of the Companies Act, 2013 is attached as **Annexure I** to this report.

The Nomination and Remuneration Committee of the Company as at 31.03.2017 comprises of three directors, all of them being non-executive independent directors:

S. No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Shri Vinod Agarwal Chairman	Independent Non- Executive	2	2
2.	Shri Siddharth Goel	Independent Non- Executive	2	2
3.	Shri Ram Prasad Vempati	Independent Non- Executive	2	2

During the year under review, two meeting of the Committee was held on 16.05.2016 and 20.06.2016, for formulation and evaluation of performance of Independent Directors and for assessment and recommendation for the appointment of Company Secretary and Compliance Officer of the Company respectively. Requisite quorum was present for the meeting.

14C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

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

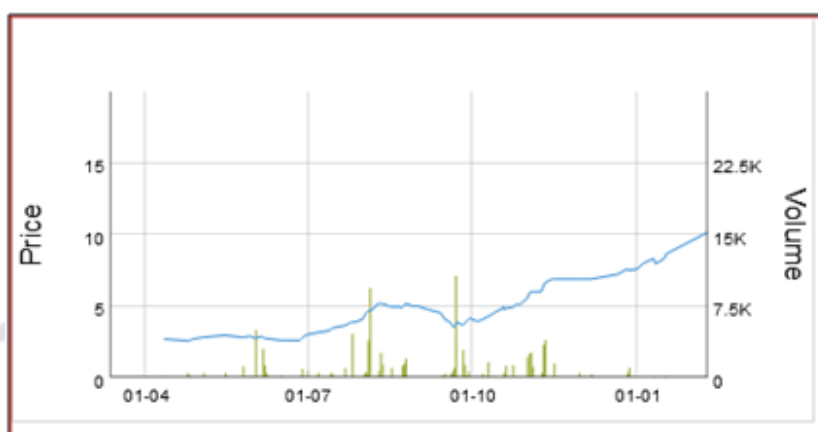
S. No.	Name of the Director	Category	Number of meetings during the FY 2016-17	
			Held	Attended
1.	Shri Vinod Agarwal Chairman	Independent Non- Executive	8	8
2.	Shri Siddharth Goel	Independent Non- Executive	8	8
3.	Shri Ram Prasad Vempati	Independent Non- Executive	8	8

The meetings of the stakeholders' relationship committee were held on 11.04.2016, 30.06.2016, 12.08.2016, 10.11.2016, 31.12.2016, 20.01.2017, 13.02.2017 and 31.03.2017 during the year, mainly for approval of share transfers, transmission and issue of duplicate share certificate.

15. Code of Conduct:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct. The Code is applicable to the members of the Board, the executive officers, the members of the management one level below the executive directors, including all functional heads of the Company. The Code is available on the website of the Company - www.narbadajewellery.com. All members of the Board, the executive officers and senior financial officers have affirmed compliance to the Code as on March 31, 2017

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



17. Vigil Mechanism:

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

18. AUDITORS:

A. Statutory Auditors:

The Company had appointed M/s Venugopal & Chenoy, Chartered Accountants, Hyderabad, (Firm Regn No. 004671S) as Statutory Auditors of the Company at the 22nd Annual general Meeting of the Company, to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. Their term is about to expire at the conclusion of the ensuing Annual General Meeting. Therefore, in accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014, it is proposed to appoint M/s D.V Aditya & Co., Chartered Accountants, (Firm Reg. No. 000044S, M. No. 0022646), Hyderabad as the Statutory Auditors of the Company, subject to the approval of the members at the ensuing Annual General Meeting.

B. Secretarial Auditor:

In terms of Section 204 of the Companies Act, 2013 and rules made there under, Mr. Ajay S. Shrivastava, Practicing Company Secretary, Hyderabad (CP No.: 3479) has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as “**Annexure II**” to this report.

C. Internal Auditors:

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

19. Risk Management:

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

20. Extract of Annual Return:

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

21. Adequacy of Internal Financial Controls with reference to the Financial Statements:

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

22. Material Changes affecting the Financial Position of the Company:

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

23. Management Discussion and Analysis Report:

The Management Discussion and Analysis for the year ended 31st March, 2017 are attached, which form part of this report.

24. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

A. Conservation of Energy

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

B. Technology Absorption

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

C. Foreign Exchange Earnings and Outgo

During the financial year 2016-17, there were NIL Foreign Exchange Earnings & Outgo.

25. Corporate Social Responsibility (CSR):

As the Company's net worth does not exceed Rs. 500 crores or Company's turnover does not exceed Rs. 1000 crores or the Company's net profit does not exceed Rs. 5 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 are not applicable.

26. Directors' Responsibility Statement:

Your Directors would like to inform the members that the audited accounts for the year ended **31st March, 2017** are in full conformity with the requirement of the Act and they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These financial statements are audited by the Statutory Auditors **M/s Venugopal & Chenoy**.

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

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

DISCLOSURES:

27. Particulars of Employees:

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

28. Details of Subsidiary/Joint Ventures/Associate Companies:

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

29. Deposits from Public:

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

Narbada Gems & Jewellery Limited

30. 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.

31. Particulars of Contracts or Arrangements with Related Parties:

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

32. ACKNOWLEDGMENT:

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

Date: 16.10.2017

Place: 3-6-290/18, 1st Floor,
Sadana building, Hyderguda,
Hyderabad- 500029

For and on behalf of Board of Directors

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

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

ANNEXURE INDEX

Annexure	Content
I	Nomination and Remuneration Policy
II	Secretarial Audit Report - Form No. MR-3
III	Extract of Annual Return - Form No. MGT-9
IV	Particulars of contracts with Related parties - Form No. AOC-2

ANNEXURE-I**NOMINATION AND REMUNERATION POLICY**

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

OBJECTIVE

The objective of the policy is to ensure that

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

DEFINITION

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

"Board" means Board of Directors of the Company

"Company" shall mean Narbada Gems and Jewellery Limited

"Directors" mean Directors of the Company

"Key Managerial Personnel" means

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

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

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

ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

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

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

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

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

TERM / TENURE

a) Managing Director/Whole-time Director:

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

b) Independent Director:

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

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

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

EVALUATION

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

REMOVAL

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

RETIREMENT

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

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

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

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

2) Remuneration to Non- Executive / Independent Directors:

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

3) Remuneration to Key Managerial Personnel and Senior Management:

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

REVIEW AND AMENDMENT

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

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

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

NARBADA GEMS AND JEWELLERY LIMITED

3-6-290/18, 1ST FLOOR,

SADHNA BUILDING, HYDERGUDA,

HYDERABAD- TELANGANA- 500029.

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, during the audit period covering the financial year ended on 31st March, 2017, has complied with the statutory provisions listed hereunder 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, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable to the Company during the Audit Period**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable to the Company during the Audit Period**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Company during the Audit Period**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable to the Company during the Audit Period** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable to the Company during the Audit Period.**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015
- (j) Labour Laws as under:
 - Industrial Dispute Act, 1947;
 - The Payment of Wages Act, 1936;
 - The Minimum Wages Act, 1948;
- (k). Other environmental laws are not applicable as the Company is a non- polluting business Company.

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

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

During the Audit period under review and as per the clarification, representations provided by the Management in writing and oral in the Secretarial Audit checklist prepared by me, I confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement, SEBI notifications etc. mentioned above. There are no fresh transactions attracting the provisions of FEMA during the reporting period.

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

I further report that

- v The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- v 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.
- v Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period under review, the Hon'ble High Court of Telangana and Andhra Pradesh, has approved and confirmed the Scheme of Reduction of Paid up Capital against the accumulated losses of the Company, in accordance with Section 100 of the Companies Act, 1956. Accordingly, the Board of Directors of the Company issued and allotted new equity shares in lieu of existing shares, and issued fresh Share Certificates, consequent to the Reduction of Capital. Further, on requisite Application to the BSE Limited, the new equity shares were admitted for trading on BSE.

Place: Hyderabad

Date: 12.10.2017

Sd/-

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

FCS No.: 3489

C.P. No.: 3479

'ANNEXURE -1'

To,
The Members
NARBADA GEMS AND JEWELLERY LIMITED
3-6-290/18, 1ST FLOOR,
SADHNA BUILDING, HYDERGUDA,
HYDERABAD- TELANGANA- 500029.

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

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

Place: Hyderabad

Date: 12.10.2017

Sd/-

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

FCS No.: 3489

C.P. No.: 3479

ANNEXURE-III

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

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS

1.	CIN	L01222TG1992PLC014173
2.	Registration Date	05.05.1992
3.	Name of the Company	Narbada Gems and Jewellery Limited
4.	Category/Sub-category of the Company	Company Limited by shares
5.	Address of the Registered office & contact details	3-6-290/18, 1st Floor, Sadana building, Hyderguda, Hyderabad- 500029
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	CIL Securities Limited, 208, Raghav Ratna Towers, Chirag Ali Lane, Abids, Hyderabad- 500001

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Jewellery and articles thereof	99611541	100%

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

Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	2597555	-	2597555	48.17	1431154	-	1431154	48.26	0.09
b) Central Government	-	-	-	-	-	-	-	-	-

Narbada Gems & Jewellery Limited

c)	State Government	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	1000	-	1000	0.02	550	-	550	0.02	-
e)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	2598555	-	2598555	48.19	1431704	-	1431704	48.28	0.09
(2)	Foreign	-	-	-	-	-	-	-	-	-
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
	Total Shareholding of Promoter (A) = (A) (1)+(A)(2)	2598555	-	2598555	48.19	1431704	-	1431704	48.28	0.09
B.	PUBLIC SHARE HOLDING									
(1)	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c)	Central Governments	-	-	-	-	-	-	-	-	-
d)	State Governments	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-

Narbada Gems & Jewellery Limited

i)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
(2)	Non -Institutions									
a)	Bodies Corporate									
i)	Indian	47466	55100	102566	1.90	31441	30305	61746	2.08	0.18
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs 1 lakh	658525	1750640	2409165	44.68	396370	990692	1387062	46.77	2.09
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	183284	77700	260984	4.84	61657	-	61657	2.08	(2.76)
c)	Others Specify									
1.	NRI	2930	15900	18830	0.35	1171	8745	9916	0.33	(0.02)
2.	Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
3.	Foreign Nationals	-	-	-	-	-	-	-	-	-
4.	Clearing Members	2100	-	2100	0.04	13625	-	13625	0.46	0.42
5.	Trusts	-	-	-	-	-	-	-	-	-
6.	Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
	Sub-total (B) (2)	894305	1899340	2793645	51.81	504264	1029742	1534006	51.72	(0.09)
	Total Public Share holding (B) = (B) (1)+(B)(2)	894305	1899340	2793645	51.81	504264	1029742	1534006	51.72	(0.09)
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C)	3492860	1899340	5392200	100.00	1935968	1029742	2965710	100.00	-

Narbada Gems & Jewellery Limited

ii) Shareholding of Promoters

SI No.	Share holder's Name	Share holding at the beginning of the year			Shareholding at the end of the year			% of Change in share holding during the year
		No. of Shares	% of change in share holding during the year	% of total Shares of the company	No. of Shares	% of Shares of the Company	% of Shares Pledged /encumbered to total Shares	
1.	Ritesh Kumar Sanghi	1284180	23.82	-	706299	23.82	-	-
2.	Sanjay Kuymar Sanghi	1285880	23.85	-	707234	23.85	-	-
3.	Tejas Sanghi	27157	0.50	-	17436	0.59	-	0.09
4.	Uday Sanghi	338	0.01	-	185	0.00	-	-
5.	Sanghi Jewellers Pvt. Ltd.	1000	0.02	-	550	0.02	-	-
	T O T A L	25,98,555	48.19	-	1431704	48.28	-	0.09

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

a) Pre-Reduction of Share Capital

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total shares of the company
1	RITESH KUMAR SANGHI				
	a) At the Beginning of the Year	1284180	23.82		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1284180	23.82
2	SANJAY KUMAR SANGHI				
	a) At the Beginning of the Year	1285880	23.82		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1285880	23.82

3	TEJAS SANGHI				
	a) At the Beginning of the Year	27157	0.50		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			27157	0.50
4	UDAY SANGHI				
	a) At the Beginning of the Year	338	0.01		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			338	0.01
5	SANGHI JEWELLERS PVT. LTD.				
	a) At the Beginning of the Year	1000	0.02		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			1000	0.02
	TOTAL	25,98,555	48.19	25,98,555	48.19

b) Post Reduction of Share Capital

SI No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total shares of the company
1	RITESH KUMAR SANGHI				
	a) At the Beginning of the Year				
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			706299	23.82
2	SANJAY KUMAR SANGHI				
	a) At the Beginning of the Year				
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			707234	23.85

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3	TEJAS SANGHI				
	a) At the Beginning of the Year	14936	0.50		
	b) Changes during the year purchase	2500	0.09		
	c) At the End of the Year			17436	0.59
4	UDAY SANGHI				
	a) At the Beginning of the Year	185	0.01		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			185	0.01
5	SANGHI JEWELLERS PVT. LTD.				
	a) At the Beginning of the Year	550	0.02		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			550	0.02
	TOTAL	1431704	48.28	1431704	48.28

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

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company	No. of shares	% of total shares of the company
1	SANKAPADMAJA				
	a) At the beginning of the Year	34114	0.63		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(18762)	0.63		
	c) At the End of the Year			18762	0.63
2	SANJAY PASARI				
	a) At the beginning of the Year	32020	0.59		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(17611)	0.59		
	Sale	(100)	(0.00)		
	c) At the End of the Year			17511	0.59
3	RAHAS INVESTMENTS PVT. LTD.				
	a) At the beginning of the Year	28100	0.52		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(15455)	0.52		
	c) At the End of the Year			15455	0.52
4	BHASKARA RAO SANKA				
	a) At the beginning of the Year	27354	0.51		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(15044)	0.51		
	c) At the End of the Year			15044	0.51
5	PRAKASH AIR FREIGHT PVT. LTD.				
	a) At the beginning of the Year	27300	0.51		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(15015)	0.51		
	c) At the End of the Year			15015	0.51

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6	B N RATHI SECURITIES LIMITED				
	a) At the beginning of the Year	0	0.00		
	b) Changes during the year				
	Purchase	12766	0.43		
	c) At the End of the Year			12766	0.43
7	MARAWADI SUBHASH CHATURBHUJ				
	a) At the beginning of the Year	0	0.00		
	b) Changes during the year				
	Purchase	10340	0.35		
	c) At the End of the Year			10340	0.35
8	SUBHASH C MARWADI				
	a) At the beginning of the Year	18800	0.35		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(10340)	0.35		
	Sale	(10340)	(0.35)		
	c) At the End of the Year			0	0.00
9	ATEET BHARGAVAKUMAR				
	a) At the beginning of the Year	17500	0.32		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(9625)	0.32		
	c) At the End of the Year			9625	0.32
10	PAMIDIMARRI KAMALAKUMARI				
	a) At the beginning of the Year	17250	0.32		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(9487)	0.32		
	c) At the End of the Year			9487	0.32
11	MAHENDRA KUMAR JAIN				
	a) At the beginning of the Year	16919	0.31		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(9305)	0.31		
	c) At the End of the Year			9305	0.31
12	PAMIDIMARRI VENKATARAJESWARARAO				
	a) At the beginning of the Year	15127	0.28		
	b) Changes during the year				
	Reason- Due to Capital Reduction	(8319)	0.28		
	c) At the End of the Year			8319	0.28

v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Director's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged /encum-bered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encum-bered to total shares	
1	Ritesh Kumar Sanghi	1284180	23.82	0	706299	23.82	0	0
2	Sanjay Kumar Sanghi	1285880	23.85	0	707234	23.85	0	0
	TOTAL	2570060	47.67	0	1413533	47.67	0	0

V) INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Rs. in lakhs

SN.	Particulars of Remuneration	Name of MD/WTD/ CS					Total Amount
		Ritesh Kumar Sanghi-ED	Sanjay Kumar Sanghi-MD	Bandana Sangai-CS	Shreya Mangal-CS (w.e.f-22.06.2016)	Bajranglal Agarwal CFO (w.e.f. 12.02.2016)	
1	Gross salary	-	-	-	-	-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	0.38	1.48	6.00	7.86
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-	
2	Stock Option	-	-	-	-	-	
3	Sweat Equity	-	-	-	-	-	
4	Commission-as % of profit						
	- others, specify	-	-	-	-	-	
5	Others, please specify	-	-	-	-	-	
	Total	-	-	0.38	1.48	6.00	7.86
	Ceiling as per the Act	-	-	-	-	-	

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

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

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis:** Narbada Gems and Jewellery Limited (NGJL) have not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2016-17.
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sanghi Jewellers Private Limited - Common Directorship
b)	Nature of contracts/arrangements/ transaction	Purchase of Gold Ornaments and Jobwork Services for making the same.
c)	Duration of the contracts/arrangements/ transaction	Approval of members taken at 24 th Annual General Meeting of the Company for transactions between 01.10.2016 to 31.12.2019.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Value of transaction during the year 2016-17 is Rs 4,11,91,153/-
e)	Date of approval by the Board	Not applicable, since the contract was entered into in the ordinary course of business and on arm's length basis.
f)	Amount paid as advances, if any	--

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global gems and jewelry market witnessed healthy growth post-recession, on account of significant increase in disposable income of consumers across the globe. Asia-Pacific, especially countries such as India and China, accounted for a significant share in global gems and jewelry market and the trend is projected to continue through 2020. A research report predict that the global gems & jewelry market is projected to register revenue growth at a Compounded Annual Growth Rate (CAGR) of around 6% during 2015-20.

The Indian gem and jewellery industry plays a significant role in the economy by providing significant employment, earning significant foreign exchange through exports and providing high value addition. The industry has even greater potential for growth. According to report by a global management consulting firm, gems and jewelry market in the country is projected to grow at a CAGR of around 11% till 2021. The anticipated growth in market can be attributed to fluctuating gold prices in India, opening of exclusive showrooms, selling jewellery through online retail space, to facilitate easy sale and supply of gems and jewelry to end customers.

In addition, the Government of India has introduced a new tax regime, Goods and Service Tax (GST) effective from 1st July, 2017. As per the report from World Gold Council, the implementation of GST should eliminate double taxation and improve supply chains efficiency. While it could present short-term challenges to the gold industry, it is believed to boost the economy and make the gold industry more transparent to the benefit of gold buyers.

OPPORTUNITIES:

Despite its huge importance to the economy, the jewellery industry is one of the most heavily regulated industries in India and faces some challenges.

- ❖ Financing option: The gem and jewelry industry in India has historically faced issues around easy, low-cost financing. While there has been a gradual shift toward a more organized industry, resulting in better financing, the unavailability of gold metal loans is again creating difficulties, leading to an increase in working capital funding requirements for jewellers
- ❖ Infrastructure facilities: The gold jewellery industry also suffers from poor infrastructure, largely as a result of it being unorganized and dominated by small, independent retailers and manufacturers.

The industry faces many challenges that can hamper its growth. However, it also has opportunities to transform itself and help ensure sustainable growth and greater contribution to the Indian economy.

- ❖ Advertising: As organized jewellers continue to grow and compete for business, they are embracing advertising to broaden their appeal. Retailers view advertising campaigns as vital in targeting young, urban consumers. In addition, India has embraced online retailing.
- ❖ Online Retail: Although online jewellery retailing is at present a very small part of the market, it is growing. Further, The Government of India's announcement on establishing gold spot exchange could help in India's participation in determining gold price in the international markets.
- ❖ Increased recycling of gold: An increase in the recycling of domestic gold can help in reducing imports for the industry. The industry may educate the customers about schemes such as the gold deposit scheme to improve recycling.

OUTLOOK

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

India's young population comprises more than 50% of the country's total population, which is one of the primary reasons to which increase in demand for designer jewellery can be attributed. Increase in personal disposable income and rising standard of living in urban areas, has shifted the mindset of consumers from saving to consumption and led to increased spending on lifestyle. Moreover, large regional and national retailers have taken a greater share of the retail market. They seem to have the momentum behind them. By 2020 their share could rise to 35%–40% and as India's jewellery export market grows, organized manufacturers should grow too.

RISKS AND CONCERNS:

The gems and jewellery industry has significant potential for growth and the corresponding increase in value addition, exports, and employment generation. However, there are certain apprehensions that are keeping the industry from reaching its full potential.

- ❖ Product design and development: The industry is driven by fashion trends, which keep changing from time to time. Companies having design and development capabilities are better positioned to cope with such changing trends.
- ❖ Consistency of quality: While there has been a significant increase in adoption of hallmarking (BIS) on jewellery, the practice is currently limited primarily to organized players, thereby exposing customers to risks related to quality and under-caratage.
- ❖ Risk of technical advancement: Given the fragmented nature of the Indian gems and jewellery industry and the relatively cheap work force, there is limited investment in machinery and automation in jewellery manufacturing. However, with changing customer demand, there is a need for higher automation and innovation, necessitating additional skill requirements in the industry. In the long term, India's position in the international market could be threatened by the entry of other Asian countries such as China, Sri Lanka and Thailand, which are targeting the machine-made jewellery. While there has been a shift toward higher automation, the rate of change will be dependent on the cumulative efforts made by various stakeholders.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

FINANCIAL CONDITION

Share Capital

During the year under review, the Company has reduced its paid up share capital of the Company from Rs. 5,39,22,000/- divided into 52,92,200 equity shares of Rs. 10/- each to Rs. 2,96,57,100/-

Narbada Gems & Jewellery Limited

divided into 29,65,710 equity shares of Rs. 10/- each, as approved by the Hon'ble High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh. The reduced share capital of the Company has been listed and available for trading at BSE Limited with effect from 10th March, 2017

Further, the Company has not allotted any fresh Capital out of unissued capital during the year under review.

Secured Loans

The Company has not borrowed any secured loan as at 31.03.2017.

Fixed Assets

Fixed Assets (Net Block) is Rs. 6.44 Lakhs during the financial year 2016-17.

HUMAN RESOURCES

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

CAUTIONARY STATEMENT

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.

INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A to this report, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion, and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations for the company that will impact the financial position of the company;
 - ii. There are no foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

**For VENUGOPAL & CHENOY,
Chartered Accountants,
(FRN: 004671S)**

**Sd/-
(P. V. SRIHARI)**

Partner

Membership No.021961

**Place : Hyderabad
Date : Date: 25.05.2017**

Annexure A to the Independent Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017, we report that:

- i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii)
 - a) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
 - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Consequently, clauses 3 (iii) (a) and 3 (iii) (b) of the Order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) Company has not accepted any deposits from public.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- vii)
 - a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess and other material statutory dues which were in arrears as at March 31, 2017, for a period of more than six months from the date they became payable.

Narbada Gems & Jewellery Limited

- (b) According to information and explanations given to us, there have been no disputed dues, which have not been deposited with respective authorities in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and cess.
- viii) According to the information and explanations given to us and on the basis of examination of the records, the company does not have any loans or borrowings from any financial institution, bank, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the order is not applicable
- 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, the Company has paid/provided any managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For VENUGOPAL & CHENYOY,
Chartered Accountants,
(FRN: 004671S)**

Sd/-

**(P.V.SRI HARI)
Partner**

Membership No.021961

**Place : Hyderabad
Date : : 25.05.2017**

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Narbada Gems and Jewellery Limited** ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures

Narbada Gems & Jewellery Limited

that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

The company needs to document its procedures and controls vis a vis Internal controls over Financial Reporting.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For VENUGOPAL & CHENOY,
Chartered Accountants,
(FRN: 004671S)**

Sd/-

**(P.V.SRI HARI)
Partner**

Membership No.021961

**Place : Hyderabad
Date : 25.05.2017**

BALANCE SHEET AS AT MARCH 31, 2017

(Rs. in lakhs)

Particulars	Note No.	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY & LIABILITIES					
(1) Shareholder's Funds:					
(a) Share Capital	1	299.25		541.90	
(b) Reserves & Surplus	2	68.01		(198.20)	
			367.26		343.70
(2) Non-Current Liabilities					
(a) Deferred Tax Liabilities (Net)	3	-0.07		0.07	
			-0.07		0.07
(3) Current Liabilities:					
(a) Trade Payables	4	27.19		153.87	
(b) Other Current Liabilities	5	7.89		6.37	
(c) Short Term Provisions	6	2.48		6.34	
			37.55		166.58
Total:			404.75		510.35
II. ASSETS					
(1) Non-Current Assets:					
(a) Fixed Assets					
(i) Tangible Assets	7	6.44		8.06	
(b) Long-Term Loans and Advances	8	2.83		3.57	
			9.27		11.63
(2) Current Assets:					
(a) Inventories	9	59.69		128.61	
(b) Trade Receivables	10	334.26		363.53	
(c) Cash and Cash Equivalents	11	1.35		6.58	
(d) Other Current Assets	12	0.18		0.00	
			395.48		498.72
Total:			404.75		510.35
Significant Accounting Policies and Notes to Accounts	17				

Our Report attached,
For VENUGOPAL & CHENOY,
Chartered Accountants,
FRN- 004671S

For Narbada Gems and Jewellery Ltd.,

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

Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693

Sd/-
Ritesh Kumar Sanghi
Director
DIN: 00628033

Hyderabad
Date: 25.05.2017

Sd/-
Bajranglal Agarwal
Chief Financial Officer

Narbada Gems & Jewellery Limited

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

Particulars	Note No.	Figures for the year ended March 31, 2017		Figures for the year ended March 31, 2016	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from Operations	13		1157.49		1312.28
II. Total Revenue(I)			1157.49		1312.28
III. Expenses:					
Purchases		974.13		1076.44	
Changes in Inventories of Stock-in-trade	14	68.92		75.52	
Employee Benefit Expenses	15	13.81		7.24	
Depreciation		1.67		1.67	
Other Expenses	16	64.56		85.00	
Total Expenses (III)			1123.08		1245.87
IV. Profit before Tax(II - III)			34.41		66.41
V. Tax Expense:					
Current Tax		10.98		15.34	
Deferred Tax		(0.13)		(0.03)	
			10.85		15.31
VI. Profit for the year			23.56		51.10
VII. Earnings Per Equity Share Basic & Diluted			0.79		0.95
Significant Accounting Policies and Notes to Accounts	17				

Our Report attached,
For **VENUGOPAL & CHENOY,**
Chartered Accountants,
FRN- 004671S

For Narbada Gems and Jewellery Ltd.,

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

Sd/-
Sanjay Kumar Sanghi
Managing Director
DIN: 00629693

Sd/-
Ritesh Kumar Sanghi
Director
DIN: 00628033

Hyderabad
Date: 25.05.2017

Sd/-
Bajranglal Agarwal
Chief Financial Officer

NOTE - 1 : SHARE CAPITAL

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Authorised:				
65,00,000 Equity Shares of Rs.10/- each		650.00		650.00
		650.00		650.00
Issued, Subscribed & Paid up:				
a) 53,92,200 Equity Shares of Rs.10/- each, fully paid up	539.22		539.22	
Less: Reduction of capital against accumulated losses	(242.65)		0.00	
29,65,710 Equity Shares of Rs.10/- each, fully paid up		296.57		539.22
b) Shares Forfeited Account		2.68		2.68
		299.25		541.90

Additional Notes:

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

Equity shares	31-Mar-17		31-Mar-16	
	No. of shares	Rs. Lakhs	No. of shares	Rs. Lakhs
At the beginning of the year	53,92,200	539.22	53,92,200	539.22
Equity Shares reduction during the year	2,426,490	242.65	-	-
At the end of the year	29,65,710	296.57	53,92,200	539.22

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

3) The High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh vide its order dated 15th September, 2016, has approved the scheme of reduction of share capital on account of which the equity share capital of the Company stands reduced from 53,92,200 equity shares of Rs 10/- each aggregating to Rs 5,39,22,000/- to 29,65,710 equity shares of Rs 10/- each, aggregating to Rs 2,96,57,100/-. Accordingly an amount of Rs 2,42,64,900/- has been reduced from equity share capital by setting it off against the accumulated losses of the Company.

Name of the Shareholder	Financial Year 2016-17		Financial Year 2015-16	
	% of Shareholding	No. of Shares	% of Shareholding	No. of Shares
1. Sanjay Kumar Sanghi	23.85%	707234	23.85%	1285880
2. Ritesh Kumar Sanghi	23.82%	706299	23.82%	1284180

4) Terms /Rights attached to equity shares :The company has one class of equity shares having a par value of Rs10/-per share.

Each shareholder is eligible for one vote per share. The dividend proposed, if any by the board of directors is subject to the approval of shareholders in the ensuing Annual General Meeting In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts,in proportion to their shareholding.

Narbada Gems & Jewellery Limited

NOTE - 2 - RESERVES & SURPLUS

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Profit & Loss Account:				
Opening Balance	(198.20)		(249.30)	
Less: Set off during the year on account of reduction of Capital	242.65		-	
Add: Profit for the year	23.56		51.10	
		68.01		(198.20)
		68.01		(198.20)

NOTE - 3 - DEFERRED TAX LIABILITY

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Deferred Tax Liability:				
Opening Balance		0.07		0.10
Less: During the year		0.13		0.03
		-0.07		0.07

NOTE - 4 : TRADE PAYABLES**(Rs. in lakhs)**

Particulars	Figures for the year ended March 31, 2017		Figures for the year ended March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Outstanding dues of Micro and Small Enterprises				
Other than Micro and Small Enterprises		27.19		153.87
		27.19		153.87
<u>Disclosure relating to Micro and Small Enterprises:</u>				
i) (a) The principal amount remaining unpaid to the supplier as at the end of the year		NIL		NIL
(b) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year		NIL		NIL
ii) The amount of interest paid in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year		NIL		NIL
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		NIL		NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year; and		NIL		NIL
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of interest dues as disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006		NIL		NIL

NOTE - 5 - OTHER CURRENT LIABILITIES**(Rs. in lakhs)**

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Other Payables		7.89		6.37
		7.89		6.37

NOTE - 6 - SHORT TERM PROVISIONS**(Rs. in lakhs)**

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Provision for Income Tax		2.48		6.34
		2.48		6.34

NOTE -7 : FIXED ASSETS

Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at April 1, 2016	Additions during the Year	Sales/ Adjustments during the Year	As at 31.03.2017	For the Year	Sales/ Adjustments during the Year	As at 31.03.2017	As at 31.03.2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer	0.71	-	-	0.71	0.20	-	0.50	0.40
Office equipment	0.62	0.04	-	0.66	0.12	-	0.30	0.44
Furniture & Fixtures	0.38	-	-	0.38	0.04	-	0.08	0.34
Vehicles	11.57	-	-	11.57	1.31	-	5.99	6.89
TOTAL	13.28	0.04	-	13.32	1.67	-	6.88	8.06
(Previous year)	13.28	-	-	13.28	1.67	-	5.21	9.73

NOTE - 8 - LONG TERM LOANS & ADVANCES

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Deposits-Others		2.62		2.62
Other Advances		-		0.05
VAT Receivable		0.22		0.89
		2.83		3.57
Secured, Considered good		-		-
Unsecured, Considered good		2.83		3.57
Doubtful		-		-

NOTE - 9 - INVENTORIES

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Raw Material		-		-
Work-in-Progress		59.69		-
Finished Goods		-		128.61
		59.69		128.61
Inventories are valued at Cost				

NOTE - 10 - TRADE RECEIVABLES

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Outstanding for a period exceeding six months		-		-
Others		334.26		363.53
		334.26		363.53
Notes: <u>Particulars of Trade Receivables:</u>				
Secured, Considered good		-		-
Unsecured, Considered good		334.26		363.53
Doubtful		-		-

NOTE - 11 - CASH AND CASH EQUIVALENTS

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Cash & Cash Equivalents:				
<u>Balances with Banks:</u>				
- In Current Accounts		0.43		5.44
Cash on hand		0.91		1.14
		1.35		6.58

Narbada Gems & Jewellery Limited
NOTE - 12 - OTHER CURRENT ASSETS

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Other short term receipts		0.18		-
		0.18		-

NOTE - 13 - REVENUE FROM OPERATION

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Sale of Products		1163.92		1312.28
Less: Excise Duty		(6.43)		-
Total:		1157.49		1312.28

NOTE - 14 - CHANGE IN INVENTORIES OF RAW MATERIAL, WORK IN PROGRESS & FINISHED GOODS

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Raw Material:				
Balance as at the beginning of the year		-		-
Less: Balance as at the end of the year		-		-
		-		-
Work in Progress:				
Balance as at beginning of the year		-		-
Less: Balance as at the end of the year	(59.69)	-	-	-
		(59.69)		-
Finished Goods:				
Balance as at the beginning of the year	128.61		204.13	
Less: Balance as at the end of the year	-		(128.61)	
		128.61		75.52
Total:		68.92		75.52

NOTE - 15 : EMPLOYEE BENEFIT EXPENSES

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Salaries & Wages		13.81		7.24
Total:		13.81		7.24

NOTE - 16 : OTHER EXPENSES

(Rs. in lakhs)

Particulars	Figures at the end of March 31, 2017		Figures at the end of March 31, 2016	
	Rs.	Rs.	Rs.	Rs.
Advertisement & Publicity		1.82		0.86
Payments to Auditors:				
As Auditors	0.50		0.50	
As Tax Auditors	0.15		0.15	
		0.65		0.65
Bank Charges & Commission		0.08		0.04
Commission & Incentive		-		3.20
Insurance		0.17		0.22
Jobwork Charges		41.10		65.29
Legal & Professional Fees		11.83		7.01
Miscellaneous Expenses		0.31		0.37
Membership Fees		0.10		0.17
Power & Fuel		0.37		0.18
Postage, Telephone & Telex		2.24		0.59
Printing & Stationery		1.05		0.66
Rates & Taxes		0.93		0.81
Rent		3.67		3.67
Repairs & Maintenance		0.22		0.24
Service Tax paid		-		1.05
Total:		64.56		85.00

NOTE: 17

ACCOUNTING POLICIES & NOTES TO ACCOUNTS:

(A) ACCOUNTING POLICIES:

1. Basis of preparation of Accounts:

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

2. System of Accounting:

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

3. Fixed Assets:

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

4. Depreciation:

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

5. Sales:

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

6. Inventories:

Inventories are valued at lower of cost or net realisable value

7. Account for claims:

Claims receivable are accounted on acceptance/receipt.

8. Prior period Adjustments:

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

(B) NOTES TO ACCOUNTS:

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

Narbada Gems & Jewellery Limited

Nature of Transactions	March 31, 2017	March 31, 2016
(a) Transactions during the year		
Purchases:		
Sanghi Jewellers Pvt. Ltd	3,66,39,623/-	3,86,46,930/-
Jobwork Expenses:		
Sanghi Jewellers Pvt. Ltd	41,10,441/-	65,29,472/-
Rent Expenses:		
Sanghi Jewellers Pvt. Ltd	3,67,200/-	3,67,200/-
(b) Balance outstanding as at the year end		
Trade Payables:		
Sanghi Jewellers Pvt Ltd	3,92,313/-	1,49,58,061/-
Rent Payable:		
Sanghi Jewellers Pvt. Ltd	30,600/-	30,600/-

4. Details of Specified Bank Notes (SBNs) held and transacted during the period from 08th November, 2016 to 30th December, 2016:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	49,19,000	4,365	49,23,365
(+) Permitted receipts	0	1,74,000	1,74,000
(-) Permitted payments	0	33,032	33,032
(-) Amount deposited in banks	49,19,000	0	49,19,000
Closing cash in hand as on 30.12.2016	0	1,45,333	1,45,333

5. Previous Year's figures are regrouped wherever necessary.

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

For and on behalf of the Board,

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

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

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

**Place: Hyderabad
Date: 25.05.2017**

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

Narbada Gems & Jewellery Limited
CASH FLOW STATEMENT FOR THE YEAR ENDING 31.03.2017

(Rs. in lakhs)

	2016-17 Rs. (in lakhs)		2015-16 Rs. (in lakhs)	
A) Cash Flow from Operation Activities :				
"Net Profit before taxation and "extraordinary items"	34.41		66.41	
Adjustments for Depreciation & Exp. Written off	1.67		1.67	
Operating Profit before working Capital changes	36.08		68.08	
Changes in Working Capital:				
Trade and Other Receivables	29.27		(174.35)	
Inventories	68.92		75.52	
Loans & Advances	0.73		0.30	
Trade Payables & Other liabilities	(129.03)		31.70	
Other Current Assets	(0.18)			
Operating Profit before tax	5.79		1.24	
Income Tax paid	(10.85)		(15.31)	
Cash Used for Operations	(5.06)		(14.07)	
Cash flow before extraordinary items	(5.06)		(14.07)	
Extraordinary item	-		-	
Net Cash Used for operating activities		(5.06)		(14.07)
B) Cash Flows from Investing Activities				
Purchase of Fixed Assets	(0.04)		-	
Deffered Revenue Expenditure	(0.13)		(0.03)	
Net Cash used in Investing Activities		(0.17)		(0.03)

Narbada Gems & Jewellery Limited

C) Cash Flow from Financing Activities		-		-
Net Increase in cash and cash equivalents (A+B+C)		(5.24)		(14.10)
Cash and Cash equivalents as at 31.03.2016 (Opening Balance)		6.58		20.68
Cash and Cash equivalents as at 31.03.2017 (Closing Balance)		1.35		6.58

For Narbada Gems and Jewellery Ltd.,

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

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

**Place : Hyderabad
Date : 25.05.2017**

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

AUDITOR'S CERTIFICATE

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

**For Venugopal & Chenoy
Chartered Accountants
(FRN- 004671S)**

**Place: Hyderabad
Date :25.05.2017**

**Sd/-
P.V. SRIHARI
Partner, M.No. 21961**

Narbada Gems & Jewellery Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. REGISTRATION DETAILS

Registration No	14173
Balance Sheet	31-03-2017

II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. LAKHS)

Public Issue	Nil	Preferential Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RS. LAKHS)

Total Liabilities	404.75	Total Assets	404.75
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SOURCES OF FUNDS

Paid-up Capital	299.25	Reserves & Surplus	68.01
Secured Loans	Nil	Unsecured Loans	Nil

APPLICATION OF FUNDS

Net Fixed Assets	06.44	Investments	Nil
Net Current Assets	395.48	Misc. Expenditure	64.56
Accumulated Losses	198.20		

IV. PERFORMANCE OF THE COMPANY (AMOUNT IN RS. LAKHS)

Turnover	1157.49	Total Expenditure	1123.08
Profit/ (Loss) before tax	34.41	Profit/ (Loss) after tax	10.85
Earning Per Share (Rs.)	0.79	Dividend Rate %	Nil

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Product description: Gems & Jewellery

ROUTE MAP FOR THE 25TH ANNUAL GENERAL MEETING- 16.11.2017

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







Gems & Jewellery Limited

ATTENDANCE SLIP

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

I hereby record my presence at the Annual General Meeting of the Company held on , 16th November, 2017 at 12:30 P.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001

Full name of the member (In BLOCK LETTERS)

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

Full name of Proxy (In BLOCK LETTERS):

Member/ Proxy(s) Signature:

****tear here****

FORM NO. MGT-11

PROXY FORM

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

CIN: L01222TG1992PLC014173

Name of the Company: Narbada Gems and Jewellery Limited

Registered Office: 3-6-290/18, Sadana Building, Hyderguda, Hyderabad - 500029

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

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

1. Name: Address:

E-mail ID: Signature: Or failing

2. Name: Address:

E-mail ID: Signature: Or failing

3. Name: Address:

E-mail ID: Signature: Or failing

Narbada Gems & Jewellery Limited

As my our proxy to attend and vote (on a poll) for me/ us on my/ our behalf at the Annual General Meeting of the Company, to be held on the 16th November, 2017 at 12:30 P.M. at Hotel Royalton, 5-9-208, Chappel Road, Abids, Hyderabad- 500001 and at any adjournment thereof in respect of such resolution(s) as are indicated below

Item No.	Resolution	For	Against
Ordinary Business			
1.	To consider and adopt the Audited Financial Statements as at 31 st March, 2017, Reports of the Board of Directors and Auditors.		
2.	For Re-appointment of Mrs Bhavna Sanghi, who retires by rotation		
3.	To appoint M/s D.V Aditya & Co., Chartered Accountants, as the Statutory Auditors of the Company		
Special Business:			
4.	To reappoint of Mr. Sanjay Kumar Sanghi as the Managing Director of the Company		
5.	Increase in Authorized Share Capital of the Company		
6.	Alteration of Capital Clause of the Memorandum of Association of the Company		
7.	Adoption of new set of Memorandum of Association as per Table A, Schedule I of the Companies Act, 2013		
8.	Adoption of new set of Articles of Association as per Table F, Schedule I of the Companies Act, 2013		
9.	Preferential Allotment of Equity Warrants of the Company to Promoter/ Promoter Group/ Non Promoter Individuals convertible into equity shares in one or more tranches.		
10.	Preferential Allotment of Equity Warrants of the Company to Non Promoter Group convertible into equity shares in single tranche.		

Signed this day of 2017

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

Note:

Affix
Revenue
Stamp

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



Exclusively handcrafted flat diamond jewellery

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NARBADA GEMS AND JEWELLERY LIMITED

3-6-290/18, 1st Floor, Sadana Building, Hyderguda,
Hyderabad - 500 029

Tel: +91-40-3192 8411, E-mail: comsec@narbadajewellery.com