



GOLKUNDA



**28th ANNUAL
REPORT**
(2017 - 2018)

GOLKUNDA Diamonds & Jewellery Ltd.

CONTENTS

Corporate Information	1
Statutory Reports	
Notice of Annual General Meeting	2
Directors' Report & Annexure	6
Corporate Governance Report	21
Management Discussion & Analysis Report	30
Financial Statement	
Independent Auditors' Report	32
Balance Sheet	36
Statement of Profit & Loss	37
Statement of Change in Equity	38
Cash Flow Statement	39
Notes to the Financial Statements	40
Proxy Form & Attendance Slip	



GOLKUNDA DIAMONDS & JEWELLERY LIMITED

REGISTERED OFFICE G-30, Gems & Jewellery, Complex - III, SEEPZ, Andheri (East), Mumbai - 400 096
Email ID: admin@golkunda.com, Contact No.: 022-28290155 / 28290156 / 66938470

BOARD OF DIRECTORS

Mr. Kanti Kumar Dadha (DIN: 00283289)	(Chairman & Managing Director)
Mr. Karan Singh Baid (DIN: 00283224)	(Whole Time Director)
Mr. Arvind Dadha (DIN: 00317631)	(Whole Time Director)
Mr. B. K. Ashok (DIN: 00922780)	(Independent Director)
Mr. Gautam Dadha (DIN: 00317378)	(Independent Director) (upto 10.08.2018)
Mr. Mangilal Maloo (DIN: 03041373)	(Independent Director) (upto 10.08.2018)
Mrs. Rajani Poddar (DIN: 07224114)	(Independent Director)
Mr. Vinod Kankariya (DIN: 06886764)	(Independent Director) (w.e.f.10.08.2018)
Mr. Ashish Dadha	(Chief Financial Officer)
Ms. Kopal Jain	(Company Secretary) (w.e.f. 30.05.2017)

BANKERS

State Bank of India

AUDITORS

M/s. Motilal & Associates
Chartered Accountants, Mumbai

WORKS

G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai - 400 096

REGISTRAR

Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai – 400 072.
Tel.: 2851 5606 / 2851 5644
Email : investor@sharexindia.com

DEMATERIALIZATION OF SECURITIES

ISIN-INE798D1015

CORPORATE IDENTITY NUMBER:

CIN: L36912MH1990PLC058729

WEBSITE

www.golkunda.com



NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the members of Gokunda Diamonds & Jewellery Limited ('the Company'), will be held at Suncity Residency Hotel, Eden Hall-1, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (East), Mumbai - 400 093 on Tuesday, 25th September, 2018 at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss for the year ended on that date together with report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Karan Singh Baid (Holding DIN: 00283224) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Approval for fees to be charged for Service of documents under Section 20 of the Companies Act, 2013:**

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

"RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 read with applicable rules made thereunder including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force and subject to such other laws, Rules, Regulations, etc. as may be applicable, whereby a document: may be served on any Member by the Company by sending it to him/her by post or by registered post or by speed post or by courier or by delivery at his/her office or address as recorded in the Register of Members maintained by the Company/Registrar and Share transfer agent or by such electronic or other mode as may be prescribed, the consent of the Members be and are hereby accorded to charge from the said Member(s), a fee in advance equivalent to the estimated actual expenses of delivery of the documents pursuant to any request made by the Member for delivery of such document to him/her through a particular mode of service mentioned above provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and are hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto."

4. **Appointment of Mr. Vinod Kankariya as a Non Executive Independent Director (DIN: 06886764) of the Company to hold office for a period of five years.**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013("the Act") and the Companies (Appointment and Qualification of Directors)Rules, 2014 and Regulation 17(1) of SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, (including any statutory modification(s) or re-enactment thereof, for their time being any in force , Mr. Vinod Kankariya (DIN:06886764) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby approved and confirmed as Non-Executive Independent Director of the Company w.e.f. 10.08.2018, for a period of five consecutive years and whose office shall not, be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and are hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this Resolution and matters incidental thereto."

REGISTERED OFFICE:

G-30, Gems & Jewellery Complex III,
SEEPZ, Andheri (East),
Mumbai-400 096

By and on behalf of
THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS & JEWELLERY LTD.

KANTI KUMAR DADHA
(Chairman & Managing Director)

Date: 10.08.2018

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy form duly completed should be deposited at the registered office of the Company not less than Forty-Eight hours (48 hours) before the scheduled time of the Annual General Meeting. Blank Proxy Form is enclosed.
A person can act as a proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies, in order to be effective, must be deposited at the Registered Office of the Company not less than Forty-Eight hours before the commencement of the Meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution /authority, as applicable.
2. A statement giving details of Director seeking re-appointment/Appointment under item no. 2 and 4, of the accompanying notice as required by Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is annexed herewith.
3. The Register of Members and Share Transfer Books of the Company will be closed from 19.09.2018 to 25.09.2018(Both days inclusive).
4. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the Annual General Meeting is annexed to the Notice.
5. The Register of Directors and Key Managerial personnel and their shareholding maintained under section 170 of the Companies Act, 2013, the Register of Contract and Arrangements in which the Directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company and at the Annual General Meeting.
6. Relevant documents referred to in accompanying Notice and statement are open for the inspection by the members at the Registered Office of the Company on all working day (except Saturday) during business hours up to date of the Annual General Meeting.
7. Corporate members intending to send their authorized representatives at the Annual General Meeting are requested to send a certified true copy of the board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.



8. All the members who have either not received or have not yet encashed their dividend warrant(s) for the financial year March 31, 2011, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 till date are requested to write to the Company's Registrar and Share Transfer Agent at the address mentioned below for obtaining duplicate dividend warrant without further delay.
9. Members are requested note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of IEPF Authority. In view of this, Members are requested to claim their dividends from the Company within the stipulated time.
10. Members desirous of getting any information about accounts of the Company are requested to send their queries at the Registered Office of the Company at least 10 days prior to the date of meeting so that the requisite information can be readily made available at the meeting.
11. Members / proxies are requested to bring the copies of annual report and attendance slip duly filled while attending the meeting.
12. All the members are requested to register their e-mail id with Sharex Dynamic (India) Pvt. Ltd., Registrar and share transfer agent for the purpose of service of documents under Section 20 of the Companies Act, 2013 by e-mode instead of physical service of documents.
13. The members holding the shares in physical form can avail of the nomination facility in terms of Section 72 of the Companies Act, 2013, by furnishing Form SH13 (in duplicate) to the Company or the Registrar and Share Transfer Agent of the Company. The said form will be made available on request. In case of shares held in dematerialized form, a nomination form will have to be lodged by the members with their DPs.
14. Members holdings shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agent for assistance in this regards.
15. Members holding shares in the electronic form are advised to inform any changes in address / bank mandate / email ID directly to their Depository Participants.
 The Securities and Exchange Board of India has notified that the shareholders/transferee of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders / transferee of shares (including joint holders) are requested to furnish a self attested copy of their PAN Card to the Company / RTA while transacting in the securities market including transfer, transmission or any other corporate action.
16. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th September, 2018 may follow the same procedure as mentioned below for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your existing password for casting your vote.
17. In case of joint shareholders attending the meeting, the member whose name appear as the first holder in the order of names as per the Register of Member of the Company will be entitled to vote.
18. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with relevant share certificates to the Company's Registrar and Share Transfer Agent.

Route map of the venue of Annual General Meeting is annexed.

19. E-Voting:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rules) Rules, 2014, the Members are provided with the facility to cast their vote electronically, through the remote e- voting services (e-voting from a place other than the venue of AGM) provided by CDSL, on all resolutions set forth in this Notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Saturday, 22.09.2018 at 9.00 A.M. and ends on Monday, 24.09.2018 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18.09.2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members.
- (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.
- (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) * 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.
Dividend Bank Details OR Date of Birth DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v)



- (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 Gokunda Diamonds 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed 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) **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. Apple 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.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to 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 a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed 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.
- (xx) 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.
- (xxi) Ms. Hetal Shah, Practicing Company Secretary (Membership No. FCS 8063), has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxii) The voting rights of Members shall be in proportion to their Equity Shares of the paid – up equity share capital of the Company as on 18th September, 2018.
- (xxiii) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to vote again.
- (xxiv) A member can opt for only one mode of voting i.e. either through remote e-voting or by ballot. If member casts vote by both modes, then voting done through remote e-voting shall prevail and ballot shall be treated as invalid.
- (xxv) The facility for voting through ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the general meeting.
- (xxvi) The Scrutinizer after scrutinizing the votes cast at the Annual General Meeting and through remote e-voting will not later than two days of the conclusion of Annual General Meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman.
- (xxvii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.gokunda.com and on the website of CDSL www.cdslindia.com.

Explanatory Statement

[Pursuant to Section 101(2) of the Companies Act, 2013]

Item No. 3: Approval for fees to be charged for service of documents under Section 20 of the Companies Act, 2013.

Pursuant to the provisions of Section 20 of the Companies Act, 2013, a document may be served by the Company on any member by sending it to him/her by post or by registered post or by speed post or by courier or by delivering at his/her office or at address as recorded in the Register of Members maintained by the Company/RTA, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the company in its Annual General Meeting.

In view of the above provision and in order to enable the Company to determine the fees for the delivery of the documents through requested mode, approval of Members, by way of Ordinary Resolution, is being sought for the amount of fees to be charged for service of documents under Section 20 of the Companies Act, 2013.

The Board of Directors recommends the passing of the Ordinary Resolution as set out in Item No. 3 of the accompanying notice for approval by the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise in the resolution.



Item no. 4: Appointment of Mr. Vinod Kankariya as a Non Executive Independent Director (DIN: 06886764) of the Company to hold office for a period of five years.

The Board of Directors of the Company ('the Board') at the meeting held on 10th August, 2018 on the recommendation of the Nomination & Remuneration Committee and subject to approval of Members, approved the appointment of Mr. Vinod Kankariya having confirmed Director Identification Number 06886764 as an Additional Non-Executive Independent Director of the Company in terms of Section 149, 152, 161 read with Schedule IV of the Companies Act, 2013 ('the Act'), or any amendment thereto or modification thereof.

The Company has received a notice in writing from a shareholder pursuant to Section 160 of the Act, proposing the candidature of Mr. Vinod Kankariya for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Act.

The Company has received from Mr. Vinod Kankariya (i) consent in writing to act as an Independent Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

Accordingly, the Ordinary Resolution proposed at Item No. 4 seek the approval of shareholders for the appointment of Mr. Vinod Kankariya as Independent Director of the Company for a term of 5 (five) consecutive years.

In the opinion of the Board, Mr. Vinod Kankariya fulfill the conditions for appointment as an Independent Director as specified in the Act and the SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015 with the Stock Exchanges and he is independent of the management.

Brief resume of Mr. Vinod Kankariya pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided below.

Given his expertise, knowledge and experience, the Board of Directors considers appointment of Mr. Vinod Kankariya as an Independent Director in the interest of the Company and recommends resolution as set out in the accompanying Notice for approval of Members.

Except the Independent Director (who may be deemed to be interested in the proposed resolutions) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolutions proposed in Item No. 4.

ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT/APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2)

1. Details Of Director Seeking Re-Appointment At The Forthcoming Annual General Meeting

Name of Director	Mr. Karan Singh Baid
Date of Birth	29.08.1948
Nationality	Indian
Date of Appointment on the Board	30.10.1990
Qualification	D.E.E
Expertise	Administration & Production
Number of shares held in the Company	59256
List of Directorships held in other companies	Neverloose Properties & Investment Pvt. Ltd (Resigned on 18.06.2018)
Chairman/ Member of the Committee of the Board of Companies in which he is Director (other than Golkunda Diamonds & Jewellery Limited)	NIL

2. Details Of Director Seeking Appointment At The Forthcoming Annual General Meeting

Name of Director	Mr. Vinod Kankariya
Date of Birth	22.06.1952
Nationality	Indian
Date of Appointment on the Board	10.08.2018
Qualification	B.Com
Expertise	Banking and Financial Services
Number of shares held in the Company	NIL
List of Directorships held in other companies	NIL
Chairman/ Member of the Committee of the Board of Companies in which he is Director (other than Golkunda Diamonds & Jewellery Limited)	NIL



BOARD REPORT

To,
The Members,
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED
Mumbai

Your Directors have pleasure in submitting their 28th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS / STATE OF COMPANY'S AFFAIRS:

The summarized standalone results of your Company are given in the table below:

(Amt. in Rs)

Particulars	Financial Year Ended	
	31/03/2018	*31/03/2017
Net Sales / Income from Business Operations	85,80,78,914	83,74,90,763
Other Income	2,26,139	12,03,169
Total Income	85,83,05,053	83,86,93,932
Provision for Depreciation / Amortization	32,23,860	28,81,148
Profit/(loss) after Depreciation & before Provision for Tax	1,29,11,487	1,26,58,149
Less: Provision for Income Tax (Current Tax)	43,00,000	45,00,000
Less: Deferred Tax	(5,17,442)	(3,36,827)
Less: Prior period tax adjustment	5,28,281	1,86,918
Net Profit/(Loss) After Tax	86,00,648	83,08,058
Amount of Dividend / Provision for Dividend	-	24,37,428
Amount Propose to be transferred to General Reserve	-	25,00,000
Earnings per share (Basic & Diluted)	1.235	1.193

*Previous year's Figures have been regrouped / rearranged wherever necessary

TRANSFER TO RESERVES:

During the year under review, no amount has been transferred to General Reserves.

DIVIDEND:

Though the Company has earned profit during the year under review, however, in order to retain the earnings for business growth, your Company's Board of Directors has decided not to propose dividend on equity shares for the financial year ended 31st March, 2018.

TRANSFER OF UNCLAIMED / UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company does not have any funds as contemplated under Section 125 of the Companies Act, 2013 lying unpaid or unclaimed which were required to be transferred to Investor Education and Protection Fund (IEPF).

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The particulars of loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are disclosed under the respective schedules / notes in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with related parties which may have potential conflict with interest of the company at large. The particulars of such 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 are attached herewith in Annexure I in Form No. AOC-2.

All Related Party transactions were placed before the Audit Committee and the Board for approval.

The Policy of Related party transactions/Disclosures are approved by the Board is posted on the Company's website viz www.golkunda.com.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company and hence no further disclosure is required in this regard.

HOLDING COMPANY:

Neverloose Properties & Investment Private Limited continues to be Holding Company with 57.26% stake in the Company.

CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business during the year under review.

DEPOSITS:



Your Company has neither accepted / renewed any deposits during the year nor has any outstanding deposits in terms of Section 73 to 76 of the Companies Act, 2013.

SHARE CAPITAL:

As on 31st March, 2018, the issued, subscribed and paid up share capital of your Company stood at Rs. 6,96,40,800/- (Rupees Six Crores Ninety Six Lacs Forty Thousand Eight Hundred Only), comprising 69,64,080 (Sixty Nine Lacs Sixty Four Thousand Eighty) Equity shares of Rs. 10/- each.

The Company has neither issued shares with differential voting rights nor granted any stock options or issue any sweat equity or issued any Bonus Shares. Further, the Company has not bought back any of its securities during the year under review and hence no details / information invited in this respect.

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the financial year under review, the Company had 5 (Five) Board meetings on 30.05.2017, 14.08.2017, 14.11.2017, 22.12.2017 and 09.02.2018. The details of attendance of Directors at the Board Meeting are disclosed under Corporate Governance section of Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Article of Association of the Company, Mr. Karan Singh Baid retires at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The details of director being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the company.

Mr. Mangilal Maloo and Mr. Gautam Chand Dadha who were appointed as Independent Director have resigned w.e.f.10.08.2018 due to their pre-occupation with other commitments and inability to devote sufficient time to the affairs of the Company. The Company has appointed Mr. Vinod Kankariya as an Additional Independent Director w.e.f. 10.08.2018. Pursuant to the provisions of 161 read with 149 of the Companies Act, 2013 his appointment needs to be confirmed at the ensuing Annual General Meeting. The Company has received necessary letter under section 160 of the Companies Act, 2013 proposing his candidature as an Independent Director of the Company at the ensuing Annual General Meeting.

Ms. Pooja Sanghavi has resigned as Company Secretary and Compliance Officer of the Company w.e.f. 22.05.2017 and the Company has appointed Ms. Kopal Jain as Company Secretary and Compliance Officer of the Company w.e.f. 30.05.2017.

The tenure of appointment of Mr. Kantikumar Dadha (DIN: 00283289) as Managing Director of the Company expired on 30.09.2017 and the company at its Annual General Meeting held as on 28.09.2017 have reappointed Mr. Kantikumar Dadha as Managing Director of the Company for the period of further Three (3) years with effect from 01.10.2017.

The tenure of appointment of Mr. Karan Singh Baid (DIN: 00283224) and Mr. Arvind Dadha (DIN: 00317631), Whole Time Directors of the company expired on 09.11.2017 and 30.09.2017 respectively and the Company at its Annual General Meeting held as on 28.09.2017 have reappointed Mr. Karan Singh Baid and Mr. Arvind Dadha as Wholetime Directors of the company w.e.f. 10.11.2017 and 01.10.2017 respectively for the further period of (3) Three years

Mr. Ashish Dadha is acting as Chief Financial Officer of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the annual accounts for 2017-18, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 2017-18 and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director as required under section 149(7) of the Companies Act, 2013, that he / she meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION:

Pursuant to provisions of Companies Act, 2013 and Schedule IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also the



evaluation of Individual Directors.

While the individual directors' performance was reviewed by the Chairman and the rest of the Board excluding the Director being evaluated, the Chairman's and Non-independent Directors performance was appraised through feedback from Independent Directors.

AUDIT COMMITTEE:

The Audit Committee consists of the members as detailed below.

The new Chairman of the Audit Committee is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and new members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f.10th August, 2018

Sr. No.	Name	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director

During the year under review, the Board has accepted all the recommendation of the Audit Committee.

The details terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

In compliance with the provisions of section 177(9) of the Companies Act, 2013 and Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Company has adopted a Whistle Blower Policy as a vigil mechanism for directors and employees of the Company.

The Whistle Blower Policy is disclosed on the Company's website www.golkunda.com.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.golkunda.com.

RISK MANAGEMENT:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, the Company has formulated and posted CSR Policy on website of the Company viz; www.golkunda.com.

During the financial year 2017-18, the requirement of contribution of specified amount towards CSR activities is not applicable to the Company and accordingly the Company was not required to and has not incurred any amount of expenditure towards CSR activities.

The details of composition, terms of reference, meetings of CSR committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

NOMINATION & REMUNERATION COMMITTEE

In compliance with the provisions of Companies Act, 2013, your Company has 'Nomination & Remuneration Committee' with scope and functions as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations.

The Nomination & Remuneration Committee consists of the members as detailed below.

The new Chairman of the Nomination & Remuneration Committee is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and new members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f.10th August, 2018.

Sr. No.	Name	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director
3	Mrs Rajani Poddar(Member)	Independent Non- Executive Director

The terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Board has, on recommendation of Nomination & Remuneration Committee, formulated a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

Nomination and Remuneration Policy has been annexed to the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company has 'Stakeholders Relationship Committee' with enhanced scope and functioning.



The Stakeholders Relationship Committee consists of the members as detailed below.

The new Chairman of the Stakeholders Relationship Committee is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and new members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f. 10th August, 2018.

Sr. No.	Name	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director
3	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director

The terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Nilesh Shah & Associates, Company Secretary in Practice, to undertake the Secretarial Audit of the Company for the year ended March 31, 2018.

The Secretarial Audit Report is annexed herewith as an 'Annexure II'.

The Secretarial Audit Report does not contain any material qualification, reservation or adverse remark.

STATUTORY AUDITORS:

M/s. Motilal & Associates, bearing registration No. 106584W, Chartered Accountants, was appointed as the Statutory Auditors of the Company at the 24th Annual General Meeting held on 27.09.2014 to hold office up to the conclusion of 29th Annual General Meeting of the Company.

Further, as per the notified section of the Companies (Amendment Act), 2017, the requirement related to annual ratification of appointment of Auditors by members is dispensed with. Accordingly, the Statutory Auditors shall continue their term upto the conclusion of the 24th AGM of the Company to be held in the year 2019 without seeking annual ratification from members.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The comments by the auditors in their report read along with information and explanation given in notes to accounts are self explanatory and do not call for further explanation.

DETAILS OF FRAUD:

There were no frauds which are reported to have been committed by employees or officers of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no material orders passed by the judicial or quasi Judicial Authority which affects the Going Concern Status of the Company during the year under review.

EXTRACTS OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished 'Annexure III' and is attached to this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down the guidelines and procedure to be followed and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor, and ensure reporting of dealings by employees. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for prevention of insider trading is available on the website of the Company.

LISTING FEES:

The Equity Shares of the Company is listed on BSE Limited and the company has paid the applicable listing fees to the Stock Exchange till date.

INFORMATION UNDER REGULATION 34 (3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company does not have shares lying with the Company in Unclaimed Suspense Account as on March 31, 2018.

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

(A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Conservation of energy:

The Company is engaged in manufacturing of gems and jewellery and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as Installation of capacitors to save power, Installed Thin Film Transistor (TFT) monitors that saves power, LED Lights, Creating environmental awareness by way of distributing the information in electronic form, Minimising air-conditioning usage, Shutting off all the lights when not in use.

Technology absorption:

The Company follows the hybrid model to improve, optimize, cost efficiency, agility and manage costs through usage of infrastructure as



per business cycles and needs. The activities and business of the Company are such that it does not involve use of ultra modern technologies.

(B) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earning: Export at FOB basis:		Rs. 91,69,49,453
Foreign Exchange Outgo: Value of Import on CIF basis		
Raw Material	Rs. 30,08,81,368	
Studded Jewellery	Rs. 3,25,54,162	
Travelling Expenses	Rs.4,84,167	Rs.33,39,19,697

EMPLOYEES:

Information on particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is reported to be nil as there are no employees who are in receipt of remuneration above the prescribed limit.

The details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as 'Annexure IV'.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

There were no instances / complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE:

A separate section covering the Management Discussion and Analysis and Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) is attached herewith and forms a part of this report.

The requisite certificate from the Statutory Auditors of the Company i.e. M/s Motilal & Associates, Chartered Accountants, Mumbai confirming compliance with the conditions of Corporate Governance as stipulated under regulation 34 (3) and schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

The declaration signed by the Managing Director of the Company regarding compliance of Code of Conduct for Board members and Senior Management personnel forms part of this Report.

SECRETARIAL STANDARDS

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. The Company is in compliance with the revised secretarial standards to the extent applicable.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

In line with the 'Green Initiative', the Company has effected electronic delivery of Notice of Annual General Meeting and Annual Report to those Members whose e-mail IDs were registered with the respective depository Participants and downloaded from the depositories viz. National Securities Depository Limited/Central Depository Services (India) Limited. The Companies Act, 2013 and the underlying rules as well as Regulation 36 of the Listing Obligations, permit the dissemination of financial statements and annual report in electronic mode to the members. Your Directors are thankful to the Members for actively participating in the Green Initiative and seek your continued support for implementation of the Green Initiative.

In order to support the cause, we have been regularly requesting members to register/update their email ids with their Depository Participants so as to enable the Company to send various communication through electronic mode. We believe and endorse the 'Green Initiative' as it would not only rationalize the use of paper but also ensure prompt communication, avoid loss in transit and have reference value of the communication.

CEO / CFO CERTIFICATION:

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance norms, Mr. Kanti Kumar Dadha, Managing Director and Mr. Ashish Dadha, Chief Financial Officer, has certified, inter-alia, on review of financial statements and establishing and maintaining internal controls for the financial year ended 31.03.2018.

ACKNOWLEDGEMENTS:

Your Directors place on record their sincere Thanks to Bankers, Business Associates, Consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors deeply appreciate the committed efforts put in by employees at all levels, whose continued commitment and dedication contributed greatly to achieving the goals set by your Company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED**

Date: 10.08.2018
Place: Mumbai

KANTI KUMAR DADHA
Chairman & Managing Director



Annexure I
Form 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:

There were no contracts or arrangements or transactions entered in during the year ended March 31, 2018, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

a)	Name(s) of the related party and nature of relationship	Mrs. Kusum Dadha, Wife of Mr. Kantikumar Dadha	Mr. Ashish Dadha, CFO & Son of Mr. Kantikumar Dadha	Neverloose Properties & Investment Pvt. Ltd., Holding Company	Tecnova Digital India Private Ltd.	GD Creations (HUF)
b)	Nature of contracts / arrangements / transactions	Rent	Salary	Unsecured Loan Taken	Rent Income	Rent Income
c)	Duration of the contracts/ arrangements/transactions	On going	On going	-	On going	On going
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of rent in respect of property used by the Company's Officers, Rs. 9,37,500/-	Payment of remuneration for acting as a Chief Financial Officer of the Company, Rs. 15,85,800/-	Unsecured Loans of Rs. 25,37,171	Receipt of rent income in respect of property used by the entity, Rs. 60,000	Receipt of rent income in respect of property used by the entity, Rs. 60,000
e)	Date(s) of approval by the Board	N.A.	13.11.2014	22.12.2017	30.05.2017	30.05.2017
f)	Amount paid as advances, if any:	NIL	NIL	NIL	NIL	NIL

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED

Date: 10.08.2018
Place: Mumbai

KANTI KUMAR DADHA
Chairman & Managing Director



Annexure-II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To
The Members,
Golkunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery, Complex III,
SEEPZ, Andheri (East),
Mumbai-400 096

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Golkunda Diamonds & Jewellery Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed with regulatory authorities 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, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2018, according to the provisions of:

- (i) The Companies Act, 2013 and the rules made there under; (including the statutory Books maintained by Company in terms of Provisions of Companies Act, 1956 and in force, during our Audit Period).
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- (v) We have been given to understand that considering activities of the Company, there is no specific regulator / law subject to whose approval Company can carry on / continue business operation and hence no comment is invited in respect of the same. The Company is situated under SEEPZ jurisdiction and subjected to the Compliance of SEEPZ Rules and Regulations. We have also in-principally verified systems and mechanism which is in place and followed by the Company to ensure Compliance of other applicable Laws like Labour Laws, Environmental Law, Regulation prescribed by SEEPZ Authorities, etc. (in addition to the above mentioned Laws (i to iv) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found the satisfactory operation of the of the same.

We have also examined compliance with the applicable clauses of:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (b) The Listing Agreements entered into by the Company with Stock Exchange.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) Foreign Exchange Management Act, 1999 and the rules and regulations made there under in respect of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



Based on the above said information provided by the Company, we report that during the financial year under report, the Company has substantially complied with the provisions of the above mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above save and except belated filing of Form CHG 1 in respect of modification of charge, which was filed on 17th August, 2018.

Recommendations as a matter of best practice:

In the course of our audit, we have made certain suggestions and recommendations for good corporate practices including timely intimation to Regulatory authorities of statutory disclosure /information, for its necessary consideration and implementation by the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was 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 reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officer, we herewith report that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we 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.

We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's statutory compliance and affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Note: This Report is to be read along with attached Letter provided as "Annexure - A".

Date:18.08.2018
Place:- Mumbai

Signature:-
Name:- Nilesh Shah
For:- Nilesh Shah & Associates
FCS : 4554
C.P. : 2631

'ANNEXURE A'

To
The Members,
Gokunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery, Complex III,
SEEPZ, Andheri (East),
Mumbai-400 096

Dear Sir / Madam,

SUB: Our Report of even date is to be read along with this letter.

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 (by verifying records as was made available to us) 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 and we rely on Auditors Independent Assessment on the same.
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 process followed by Company to ensure adequate Compliance.
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.

Date:18.08.2018
Place:- Mumbai

Signature:-
Name:- Nilesh Shah
For:- Nilesh Shah & Associates
FCS : 4554
C.P. : 2631



Annexure- III
Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS	Annexure – A
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY All Business activities of the Company contributing 10% or more of the total Turnover of the Company.	Annexure – B
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	Annexure –C
IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) i) Category wise Share Holding ii) Share Holding of Promoters iii) Change in Promoters Shareholding iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) v) Shareholding of Directors and Key Managerial Personnel	Annexure – D Annexure – E Annexure – F Annexure – G Annexure – H
V. INDEBTEDNESS	Annexure – I
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL i) Remuneration to Managing Director, Whole-time Directors, Executive Director and/or Manager ii) Remuneration to other directors iii) Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD	Annexure – J Annexure – K Annexure – L
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES	Not Applicable



ANNEXURE – A

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L36912MH1990PLC058729
2.	Registration Date	30.10.1990
3.	Name of the Company	Golkunda Diamonds and Jewellery Limited
4.	Category / Sub-Category of the Company	Public Company/Limited by shares
5.	Address of the Registered office and contact details	G-30, Gems & Jewellery, Complex III, Seepz, Andheri (East), Mumbai – 400096 Phone:022- 28290155/28290156 FAX No. 28290373 Email ID: admin@golkunda.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Private Limited Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai -400 072 Phone: 022-2851 5606 / 5644 / 6388 Fax: 022-2851 2885 Email ID: sharexindia@vsnl.com

ANNEXURE – B

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Gold Jewellery studded with Diamonds and other stones	3211	100%

ANNEXURE – C

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled]: 1

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Neverloose Properties & Investment Private Limited 133, Canning Street, 1st Floor, Room No. 8, Kolkata, WB - 700001	U70109WB1993PTC058194	Holding	57.26%	2(46)



ANNEXURE – D

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	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.	Promoter's									
(1)	Indian									
a)	Individual/ HUF	11,15,464	0	11,15,464	16.017%	11,15,464	0	11,15,464	16.017%	0%
b)	Central Govt.	0	0	0	0%	0	0	0	0%	0%
c)	State Govt.(s)	0	0	0	0%	0	0	0	0%	0%
d)	Bodies Corp.	39,68,752	0	39,68,752	56.989%	39,87,699	0	39,87,699	57.261%	0.272%
e)	Banks / FI	0	0	0	0%	0	0	0	0%	0%
f)	Any other	0	0	0	0%	0	0	0	0%	0%
	Sub-total (A) (1):	50,84,216	0	50,84,216	73.006%	51,03,163	0	51,03,163	73.278%	0.272%
(2)	Foreign									
a)	NRI's- Individuals	0	0	0	0%	0	0	0	0%	0%
b)	Other-Individuals	0	0	0	0%	0	0	0	0%	0%
c)	Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
d)	Banks / FI	0	0	0	0%	0	0	0	0%	0%
e)	Any Other	0	0	0	0%	0	0	0	0%	0%
	Sub-total (A) (2):	0	0	0	0%	0	0	0	0%	0%
	Total Shareholding Promoter (A) = (A)(1) + (A)(2)	50,84,216	0	50,84,216	73.006%	51,03,163	0	51,03,163	73.278%	0.272%
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b)	Banks / FI	100	0	100	0.001%	100	0	100	0.001%	0%
c)	Central Govt. (s)	0	0	0	0%	0	0	0	0%	0%
d)	State Govt	0	0	0	0%	0	0	0	0%	0%
e)	Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
f)	Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g)	FII's	0	0	0	0%	0	0	0	0%	0%
h)	Foreign Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
i)	Others (specify)	0	0	0	0%	0	0	0	0%	0%
	Sub-total (B)(1):	100	0	100	0.001%	100	0	100	0.001%	0%
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	63,186	14,700	77,886	1.118%	38,703	14,600	53,303	0.765%	-0.353%
ii)	Overseas	0	0	0	0%	0	0	0	0%	0%
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	642,150	9,96,595	16,38,745	23.531%	6,58,688	9,85,795	16,44,483	23.614%	0.083%
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,59,479	0	1,59,479	2.290%	1,60,479	0	1,60,479	2.304%	0.014%
c)	Others (specify)									
i)	Non Resident Indian	1,843	0	1,843	0.026%	1,491	0	1,491	0.021%	-0.005%
ii)	Clearing Members	1,811	0	1,811	0.026%	1,061	0	1,061	0.015%	-0.011%
	Sub-total (B)(2):	8,68,469	10,11,295	18,79,764	26.991%	8,60,422	10,00,395	18,60,817	26.719%	-0.272%
	Total Public Shareholding (B) = (B)(1)+ (B)(2)	8,68,569	10,11,295	18,79,864	26.992%	8,60,522	10,00,395	18,60,917	26.720%	-0.272%
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0%	0	0	0	0%	0%
	Grand Total (A+B+C)	59,52,785	10,11,295	69,64,080	100%	59,63,685	10,00,395	69,64,080	100%	0%



ANNEXURE – E

ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kantikumar Dadha	2,95,558	4.244%	0	2,97,558	4.273%	0	0.029 %
2	Karan Singh Baid	1,85,156	2.659%	0	59,256	0.851%	0	-1.808%
3	Arvind Dadha	3,44,435	4.946%	0	3,46,635	4.977%	0	0.031%
4	Sushila Baid	3,000	0.043%	0	3,000	0.043%	0	0
5	Mayank Baid	38,100	0.547%	0	38,100	0.547%	0	0
6	Kusum Dadha	93,320	1.340%	0	1,03,320	1.484%	0	0.144%
7	Ashish Dadha	1,55,895	2.239%	0	1,58,095	2.27%	0	0.031%
8	Neverloose Properties & Investment Pvt. Ltd	39,68,752	56.989%	0	39,87,699	57.261%	0	0.272%
9.	Kantikumar Dadha HUF	0	0	0	20,000	0.287%	0	0.287%
10	Hemsingh Dadha HUF	0	0	0	20,000	0.287%	0	0.287%
11.	Ashish Kantikumar Dadha HUF	0	0	0	20,000	0.287%	0	0.287%
12.	Arvind Kantikumar Dadha HUF	0	0	0	19,500	0.280%	0	0.280%
13.	Pooja Ashish Dadha	0	0	0	15,000	0.215%	0	0.215%
14.	Diti Dadha	0	0	0	15,000	0.215%	0	0.215%
	Total	50,84,216	73.007%	0	51,03,163	73.278%	0	0.271%

ANNEXURE – F

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

Particulars	Shareholding at the beginning of the year		Date	Increase			Decrease		Cumulative Shareholding during the year		At the end of the year	
	No. of shares	% of total shares of the co.		Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of total shares of the co.	No. of shares	% of total shares of the co.
1. Neverloose Properties & Investment Pvt. Ltd	39,68,752	56.989%	02.03.2018	-	199	-	-	-	39,68,951	56.922%	39,68,951	56.922%
			16.03.2018	-	18,748	-	-	-	39,87,699	57.261%	39,87,699	57.261%
2. Arvind Dadha	3,44,435	4.946%	28.04.2017	-	2,200	-	-	-	3,46,635	4.977%	3,46,635	4.977%
3. Kantikumar Dadha	2,95,558	4.244%	28.04.2017	-	2,000	-	-	-	2,97,558	4.273%	2,97,558	4.273%
4. Ashish Dadha	1,55,895	2.239%	28.04.2017	-	2,200	-	-	-	1,58,095	2.27%	1,58,095	2.270%
5. Kusum Dadha	93,320	1.340%	28.04.2017	-	10,000	-	-	-	1,03,320	1.484%	1,03,320	1.484%
6. Karansingh Baid	1,85,156	2.659%	28.04.2017	-	-	-	46,400	-	1,38,756	1.992%	1,38,756	1.992%
			01.09.2017	-	-	-	20,000	-	1,18,756	1.705%	1,18,756	1.705%
			08.09.2017	-	-	-	20,000	-	98,756	1.418%	98,756	1.418%
			15.12.2017	-	-	-	20,000	-	78,756	1.131%	78,756	1.131%
			16.03.2018	-	-	-	19,500	-	59,256	0.851%	59,256	0.851%
7. Kantikumar Dadha HUF	0	0	01.09.2017	-	20,000	-	-	20,000	0.287%	20,000	0.287%	
8 Hemsingh Dadha HUF	0	0	08.09.2017	-	20,000	-	-	20,000	0.287%	20,000	0.287%	
9. Ashish Kantikumar Dadha HUF	0	0	15.12.2017	-	20,000	-	-	20,000	0.287%	20,000	0.287%	
10. Arvind Kantikumar Dadha HUF	0	0	16.03.2018	-	19,500	-	-	19,500	0.280%	19,500	0.280%	
11. Pooja Ashish Dadha	0	0	28.04.2017	-	15,000	-	-	15,000	0.215%	15,000	0.215%	
12. Diti Dadha	0	0	28.04.2017	-	15,000	-	-	15,000	0.215%	15,000	0.215%	

ANNEXURE – G

iv) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase			Decrease		Cumulative Shareholding during the year		At the end of the year	
	No. of shares	% of total shares of the co.		Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of total shares of the co.	No. of shares	% of total shares of the co.
1 Meena Devi	64,000	0.919%	-	-	-	-	-	-	-	-	64,000	0.919%
2 Nanda Nahar	29935	0.430%	-	-	-	-	-	-	-	-	29935	0.430%
3 Religare Finvest Ltd	28,500	0.409%	08.12.2017	-	-	-	3438	-	25062	0.360%	25062	0.360%



			12.01.2018	-	-	-	62	-	25000	0.359%	25000	0.359%
			16.03.2018	-	-	-	2000	-	23000	0.330%	23000	0.330%
4	Mahesh Kumar Dadha	18,933	0.272%	-	-	-	-	-	18933	0.272%	18933	0.272%
5	Shiv Kumar Baid	17400	0.25%	-	-	-	-	-	17400	0.250%	17400	0.250%
6	Dinesh Kumar Bajaj	14674	0.211%	26.01.2018	-	500	-	-	15174	0.218%	15174	0.218%
7	Vandana Bajaj	14537	0.209%	09.06.2017	-	500	-	-	15037	0.216%	15037	0.216%
9	Rajkumar Ojha	5093	0.703%	21.04.2017	-	400	-	-	5493	0.079%	5493	0.079%
			28.04.2017	-	65	-	-	-	5558	0.080%	5558	0.080%
			12.05.2017	-	200	-	-	-	5758	0.083%	5758	0.083%
			09.06.2017	-	400	-	-	-	6158	0.088%	6158	0.088%
			16.06.2017	-	458	-	-	-	6616	0.095%	6616	0.095%
			23.06.2017	-	404	-	-	-	7020	0.101%	7020	0.101%
			27.07.2017	-	100	-	-	-	7120	0.102%	7120	0.102%
			28.07.2017	-	450	-	-	-	7570	0.108%	7570	0.108%
			06.10.2017	-	500	-	-	-	8070	0.116%	8070	0.116%
			13.10.2017	-	100	-	-	-	8170	0.117%	8170	0.117%
			20.10.2017	-	25	-	-	-	8195	0.118%	8195	0.118%
			27.10.2017	-	201	-	-	-	8396	0.121%	8396	0.121%
			03.11.2017	-	100	-	-	-	8496	0.122%	8496	0.122%
			22.12.2017	-	100	-	-	-	8596	0.123%	8596	0.123%
			19.01.2018	-	100	-	-	-	8696	0.125%	8696	0.125%
			26.01.2018	-	200	-	-	-	8896	0.128%	8896	0.128%
			29.01.2018	-	370	-	-	-	9266	0.133%	9266	0.133%
			23.03.2018	-	100	-	-	-	9366	0.134%	9366	0.134%
8.	Padmini Khanvilkar	8534	0.123%	28.04.2017	-	-	-	50	8484	0.122%	8484	0.122%
			23.02.2018	-	-	-	-	50	8434	0.121%	8434	0.121%
10.	Usha Devi Agrawal	8400	0.121%	-	-	-	-	-	8400	0.121%	8400	0.121%
11.	VSL Securities Pvt. Ltd.	22049	0.317%	14.07.2017	-	-	-	2125	19924	0.286%	19924	0.286%
			06.10.2017	-	-	-	-	3662	16262	0.234%	16262	0.234%
			13.10.2017	-	-	-	-	2521	13741	0.197%	13741	0.197%
			20.10.2017	-	-	-	-	23	13718	0.197%	13718	0.197%
			27.10.2017	-	-	-	-	8	13710	0.197%	13710	0.197%
			29.12.2017	-	-	-	-	3801	9909	0.142%	9909	0.142%
			05.01.2018	-	-	-	-	1244	8665	0.124%	8665	0.124%
			19.01.2018	-	-	-	-	1403	7262	0.104%	7262	0.104%
			26.01.2018	-	-	-	-	100	7162	0.103%	7162	0.103%

ANNEXURE – H

v) Shareholding of Directors and Key Managerial Personnel:

Form each of Directors and KMP	Shareholding at the beginning of the year		Date Debit/Credit	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year		At the end of the year	
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Kanti Kumar Dadha	2,95,558	4.244%	28.04.2017	2000	Transfer	2,97,558	4.273%	2,97,558	4.273%
Mr. Karan Singh Baid	1,85,156	2.659%	28.04.2017	(46,400)	Transfer	1,38,756	1.992%	1,38,756	1.992%
			01.09.2017	(20,000)	Transfer	1,18,756	1.705%	1,18,756	1.705%
			08.09.2017	(20,000)	Transfer	98,756	1.418%	98,756	1.418%
			15.12.2017	(20,000)	Transfer	78,756	1.131%	78,756	1.131%
			16.03.2018	(19,500)	Transfer	59,256	0.851%	59,256	0.851%
Mr. Arvind Kumar Dadha	3,44,435	4.946%	28.04.2017	2200	Transfer	3,46,635	4.977%	3,46,635	4.977%
Mr. Gautam Dadha	NIL	NIL	-	-	-	-	-	NIL	NIL
Mr. Mangilal Maloo	NIL	NIL	-	-	-	-	-	NIL	NIL
Mr. Ashok Kumar K. Bekal	NIL	NIL	-	-	-	-	-	NIL	NIL
Mr. Ashish Dadha	1,55,895	2.239%	28.04.2017	2200	Transfer	1,58,095	2.270%	1,58,095	2.270%
Mrs. Rajani Poddar	NIL	NIL	-	-	-	-	-	NIL	NIL
Ms. Kopal Jain	NIL	NIL	-	-	-	-	-	NIL	NIL

ANNEXURE – I

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	34,94,17,065	-	-	34,94,17,065
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	34,94,17,065	-	-	34,94,17,065
Change in Indebtedness during the financial year					
i)	Addition	-	25,00,000	-	25,00,000
ii)	Reduction	(92,32,573)	-	-	(92,32,573)
	Net Change	(92,32,573)	25,00,000	-	(67,32,573)
Indebtedness at the end of the financial year					
i)	Principal Amount	34,01,84,492	25,00,000	-	34,26,84,492
ii)	Interest due but not paid	-	37,171	-	37,171
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	34,01,84,492	25,37,171	-	34,27,21,663



ANNEXURE – J

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr.No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Kanti Kumar Dadha (Managing Director)	Mr. Karan Singh Baid (Whole Time Director)	Mr. Arvind Dadha (Whole Time Director)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19,88,800	18,12,200	18,12,200	56,13,200
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	3,72,150	24,860	61,285	4,58,295
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option	—	—	—	—
3	Sweat Equity	—	—	—	—
4	Commission				
	- as % of profit				
	- others, specify...	—	—	—	—
5	Others, please specify	—	—	—	—
	Total (A)	23,60,950	18,37,060	18,73,485	60,71,495
	Ceiling as per the Act	30,00,000	30,00,000	30,00,000	90,00,000

ANNEXURE – K

B. Remuneration to other directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Mangilal Maloo	Mr. Gautam Chand Dadha	Mr. Ashok Kumar K. Bekal	Mrs. Rajani Poddar	
1	Independent Directors					
(a)	Fee for attending board /committee meetings	20,000	20,000	—	20,000	60,000
(b)	Commission	—	—	—	—	—
(c)	Others, please specify	—	—	—	—	—
	Total (1)	20,000	20,000	—	20,000	60,000
2	Other Non-Executive Directors					
(a)	Fee for attending board committee meetings	—	—	—	—	—
(b)	Commission	—	—	—	—	—
(c)	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	—
	Total (B)=(1+2)	20,000	20,000	—	20,000	60,000
	Total Managerial Remuneration	20,000	20,000	—	20,000	60,000
	Overall Ceiling as per the Act (per Board Meeting)	1,00,000	1,00,000	—	1,00,000	—

ANNEXURE – L

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

Sr. No.	Particulars of Remuneration Key Managerial Personnel	Key Managerial Personnel			Total
		CFO Mr. Ashish Dadha	CS Ms. Pooja Sanghavi (upto 22.05.2017)	CS Ms. Kopal Jain (w.e.f. 30.05.2017)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,85,800	30,100	2,85,019	19,00,919
(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	15,85,800	30,100	2,85,019	19,00,919



Annexure- IV

The details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for the F.Y. 2017-18	% increase in Remuneration in the F.Y. 2017-18	Ratio of remuneration of each Director/ KMP to median remuneration of employees
Mr. Kantikumar Dadha (Managing Director & KMP)	Rs. 23,60,950/-	12.91%	11.74:1
Mr. Karan Singh Baid (Whole Time Director)	Rs. 18,37,060/-	9.94%	9.14:1
Mr. Arvind Dadha (Whole Time Director)	Rs. 18,73,485/-	11.16%	9.32:1
Mr. Ashish Dadha (Chief Financial Officer- KMP)	Rs. 15,85,800/-	10.14%	7.89:1
Ms. Pooja Sanghavi (Upto (Company Secretary- KMP) (upto 22.05.2017)	Rs. 30,100/-	-	0.15:1
Ms. Kopal Jain (Company Secretary–KMP)(w.e.f. 30.05.2017)	Rs.2,85,019/-	N.A.	1.42:1

2. The median remuneration of employees of the Company during the financial year was Rs. 2,01,092/-. In the Financial Year 2017-18, there was an increase of 9.94% in the median remuneration of employees;
3. There were 47 number of employees on the rolls of the Company as on 31st March, 2018;
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18, and comparison with the increase in the managerial remuneration for the same financial year.

Remuneration paid to employees excluding managerial personnel for the FY 2016-17	Remuneration paid to employees excluding managerial personnel for the FY 2017-18	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY 2016-17	Remuneration paid to managerial personnel for the FY 2017-18	(%) change in remuneration paid to managerial personnel
1,07,34,871	1,24,44,637	15.93%	70,67,620	79,72,414	12.80%

There were no exceptional circumstances for increase in Managerial Remuneration.

5. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
For GOLKUNDA DIAMONDS & JEWELLERY LIMITED

KANTI KUMAR DADHA
CHAIRMAN AND MANAGING DIRECTOR

DATE: 10.08.2018
PLACE: MUMBAI



CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Corporate Governance Report, as applicable for the year ended March 31, 2018 is set out below for the information of shareholders, investors and other stakeholders of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** ("Company").

1. **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance heavily leans on the fact of its willingness to incorporate fairness and transparency as a second nature of operations in the Company. The Company aims at achieving an optimum balance between rewards to management and returns to shareholders, clearly understanding that while the management risks its efforts; shareholders risk their hard earned funds.

The Company believes that the essence of good Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across the organization.

2. **BOARD OF DIRECTORS**

a) **Composition:**

The Board of Directors of a Company has an optimum combination of Executive and Non-Executive Directors.

1) The Board of Directors of your Company comprises of an Executive Chairman and Managing Director, 2 Whole Time Executive Directors and 3 Non-Executive Independent Directors (including a One Woman Director).

2) All Directors other than Mr. Kanti Kumar Dadha, Mr. Karan Singh Baid and Mr. Arvind Kumar Dadha are Non-Executive Independent Directors.

b) **Attendance of Each Director at the Board Meeting and Last Annual General Meeting**

Name	Category	Attendance Particulars		
		Number of Board Meetings		Last AGM held On 28th Sept. 2017
		Held during tenure	Attended	
Mr. Kanti Kumar Dadha	Chairman & Managing Director (Promoter)	5	5	Yes
Mr. Karan Singh Baid	Whole Time Executive Director (Promoter)	5	5	Yes
Mr. Arvind Kumar Dadha	Whole Time Executive Director (Promoter)	5	5	Yes
Mr. Ashok Kumar K. Bekal	Independent Non-Executive Director	5	4	Yes
Mr. Gautam Chand Dadha	Independent Non-Executive Director	5	4	No
Mr. Mangilal Maloo	Independent Non-Executive Director	5	4	No
Mrs. Rajani Poddar	Independent Non-Executive Director	5	4	Yes

c) **Number of other Boards or Board Committees in which he/she is a Member or Chairperson.**

Name	Category	No. of Directorships and Committee Chairmanship / Membership (including this Company)			
		Director ship	Director ship in Listed companies	Committee Chairmanship	Committee Membership
Mr. Kanti Kumar Dadha	Chairman & Managing Director (Promoter)	1	1	0	0
Mr. Karan Singh Baid	Whole Time Executive Director (Promoter)	1	1	0	0
Mr. Arvind Kumar Dadha	Whole Time Executive Director (Promoter)	1	1	0	0
Mr. Ashok Kumar K. Bekal	Independent Non-Executive Director	1	1	0	2
Mr. Gautam Chand Dadha	Independent Non-Executive Director	1	1	0	2
Mr. Mangilal Maloo	Independent Non-Executive Director	1	1	2	2
Mrs. Rajani Poddar	Independent Non-Executive Director	1	1	0	0

d) **Number of Board Meetings Held and Dates on which held:**

Dates on which Board Meetings were Held	Total Strength of the Board	No. of Directors Present
30th May, 2017	7	6
14th August, 2017	7	7
14th November, 2017	7	7
22nd December, 2017	7	4
09th February, 2018	7	7

Notes:

- As detailed above, none of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors, nor as Chairman of more than five such committees.
- Only directorship in public limited Companies (listed or unlisted) has been considered.
- Membership/ Chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered.



e) **Disclosure of Relationships between Directors Inter-se:**

Name	Relation with Golkunda	Inter-se Relation
Mr. Kanti Kumar Dadha	Chairman and Managing Director	Father of Mr. Arvind Dadha
Mr. Arvind Kumar Dadha	Whole Time Director	Son of Mr. Kanti Kumar Dadha

There is no inter-se relationship between other directors.

f) **Disclosure of Shareholding by Non – Executive Directors:**

Sr. No	Name of Director	No. of Shares Held
1	Mr. Ashok Kumar K. Bekal	NIL
2	Mr. Gautam Chand Dadha	NIL
3	Mr. Mangilal Maloo	NIL
4.	Mrs. Rajani Poddar	NIL

g) **Board Procedure:**

The Board of Directors is presented with all the relevant information on vital matters that affect working of the Company. It is ensured that information as required under Part – A of Schedule II of Regulation 17 (7) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 is made available to the Board of Directors to enable them to discharge their function affectively.

h) **Code of conduct:**

- * The Board of Directors adopted the Code of Conduct for Board Members and senior management personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said Code. The Code adopted is posted on the Company's website www.golkunda.com.
- * Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for fair disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.
- * All Directors and the designated employees have confirmed compliance with the Code.
- * A certificate from Mr. Kantikumar Dadha, Managing Director & Mr. Ashish Dadha, CFO in terms of Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with /Stock Exchanges for the financial year ended March 31, 2018 was placed before the Board of Directors of the Company in their meeting held on August 10, 2018 and is annexed to this Report.

i) **INDEPENDENT DIRECTORS:**

The Independent Directors Mr. Ashok Kumar K. Bekal, Mr. Gautam Chand Dadha & Mr. Mangilal Maloo were appointed for a period of 5 years w.e.f. 27th September, 2014 by the shareholders at the Twenty Forth Annual General Meeting of the Company and Mrs. Rajani Poddar was appointed for a period of 5 years w.e.f. 12th August, 2016 by the shareholders at the Twenty Sixth Annual General Meeting of the Company held as on 21st September, 2016.

Mr. Mangilal Maloo and Mr. Gautam Chand Dadha have resigned w.e.f.10.08.2018 due to their pre occupation with other commitments and inability to devote sufficient time to the affairs of the Company.

The Company has appointed Mr. Vinod Kankariya as an Additional Independent Director w.e.f. 10.08.2018. Pursuant to the provisions of 161 read with 149 of the Companies Act, 2013, his appointment needs to be confirmed by the members at the ensuing Annual General Meeting.

The Company has issued a formal letter of appointment containing their duties, terms and conditions of appointment. The Terms & Conditions of the Independent Directors is also disclosed on the website of the Company i.e. www.golkunda.com. The Independent Directors have confirmed about their independence and eligibility as required under Section 149(7) of the Companies Act, 2013.

> **Role of Independent Directors:**

The Independent Directors plays an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is applicable w.e.f. December 01, 2015 and the Companies Act, 2013. They perform the duties as stipulated in the Companies Act, 2013.

> **Familiarization Programme for independent directors:**

The Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.golkunda.com.

> **Separate meetings of the independent directors:**

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company was held on 09th February, 2018, inter alia, to discuss the following:

- * To review the performance of non-independent directors and the Board as a whole;
- * To review the performance of the Chairman of the Company;
- * To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors have expressed their satisfaction over the performance of the other directors and the Board as whole.

3. **AUDIT COMMITTEE**

a) **Composition:**

The Audit Committee of the Company was formed on 15th October, 2003 and comprises of 3 Independent Non-Executive Directors as follows:

The Audit Committee consists of the members as detailed below.

The new Chairman of the Audit Committee is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f.10th August, 2018.

Sr. No.	Name of the Member	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director
3	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director

The Committee's Composition met with requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

The Company Secretary acts as the Secretary to the Committee.



b) **Meetings of Audit Committee and Attendance during the Year:**

The Committee met 4 (Four) times during the year on the following dates viz. 30.05.2017, 14.08.2017, 14.11.2017 and 09.02.2018.

Mr. Karan Sign Baid, Whole Time Director is a Permanent Invitee to the Audit Committee meetings. The Chief Financial Officer, the Internal Auditors, the Statutory Auditors are also invited to the committee meetings as and when necessary. The attendance of each Audit Committee member in the above meetings is given hereunder:-

Sr. No.	Name of Member	Audit Committee meetings (Financial Year 2017-2018)	
		Held during tenure	Attended
1.	Mr. Mangi Lal Maloo	4	4
2.	Mr. Gautam Chand Dadha	4	4
3.	Mr. Ashok Kumar K. Bekal	4	4

Sr. No.	Dates on which Audit Committee Meetings were Held	Total Strength of the Committee	No of Members Present
1	30th May, 2017	3	3
2	14th August, 2017	3	3
3	14th November, 2017	3	3
4	09th February, 2018	3	3

c) **Brief Description of Terms of Reference:**

The Company has an Audit Committee with scope of activities as set out in Part C of Schedule II with reference to the Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. The Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors of the Company. The broad terms of reference of the Audit Committee are as under

- > Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- > Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- > Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- > Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - o Changes, if any, in accounting policies and practices and reasons for the same.
 - o Major accounting entries involving estimates based on the exercise of judgment by management
 - o Significant adjustments made in the financial statements arising out of audit findings
 - o Compliance with listing and other legal requirements relating to financial statements
 - o Disclosure of any related party transactions.
 - o Qualifications in the draft audit report.
- > Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- > Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- > Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- > Approval or any subsequent modification of transactions 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;
- > Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- > Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- > Discussion with internal auditors of any significant findings and follow up there on;
- > Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- > Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- > To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- > To review the functioning of the Whistle Blower mechanism;
- > Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- > Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



d) Review of information by Audit Committee:

The following information is reviewed by the Audit Committee on mandatory basis:

- * Management discussion and analysis of financial condition and results of operations;
- * Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- * Management letters / letters of internal control weaknesses issued by the statutory auditors;
- * Internal audit reports relating to internal control weaknesses; and
- * The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors at its meeting held on 26th May, 2014 approved constitution of "Nomination and Remuneration Committee" (by renaming existing Remuneration Committee) under the Companies Act, 2013.

a) Composition:

The Nomination & Remuneration Committee consists of the members as detailed below.

The new Chairman of the Nomination & Remuneration Committee. is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f.10th August, 2018

Sr. No.	Name of the Member	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mr. Rajani Poddar(Member)	Independent Non- Executive Director
3	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director

b) Meetings of Nomination and Remuneration Committee:

During the financial year 2017-2018, the Nomination and Remuneration Committee (formerly known as Remuneration Committee) met one time on 30th May, 2017. The attendance of each Committee member in the meeting during the financial year ended March 31, 2018 is given below:

Sr. No.	Name of member	Nomination and Remuneration Committee meetings (Financial Year 2017-2018)	
		Held during tenure	Attended
1	Mr. Mangi Lal Maloo	1	1
2	Mr. Gautam Chand Dadha	1	1
3	Mr. Ashok Kumar K. Bekal	1	1

Sr. No.	Dates on which Nomination and Remuneration Committee Meetings were Held	Total Strength of the Committee	No of Members Present
1	30th May, 2017	3	3

c) Brief Description of Terms of Reference:

The terms of reference of the 'Nomination and Remuneration Committee' inter-alia includes the following:

- * To review, assess and recommend the appointment and remuneration of executive directors.
- * To review the remuneration packages payable to executive directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors of the Company.
- * To recommend the commission payable to the non-executive director(s) in accordance with and upto the limits laid down under the Companies Act, 2013.
- * To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down.
- * To recommend to the Board the appointment and removal of the director and shall carry out evaluation of every director performance.
- * To formulate criteria for determining qualifications, positive attributes and independence of the director.
- * To recommend to the Board of a 'policy' relating to the remuneration of Directors, Key Managerial Personnel and other employees.
- * To devise a policy on Board diversity;
- * To carry out such other functions as delegated by the Board from time to time.

d) Nomination and Remuneration Policy:

The Board of Directors of the Company has approved Nomination & Remuneration Policy of the Company, which sets out the guiding principles for appointment & remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

I. Appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management:

1. Appointment Criteria and Qualifications:

- a) A person being appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.
- b) Independent Director:
 - i) Qualifications of Independent Director:

An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.
 - ii) Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.



2. 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.

3. 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.

II. Remuneration:

1. Directors:

a) Executive Directors (Managing Director, Manager or Whole Time Director):

- i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration (N&R) Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.
- ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.
- iii) The remuneration of the Manager/ CEO/ Managing Director/ Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:
 - * the relationship of remuneration and performance benchmark;
 - * balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - * responsibility required to be shouldered, the industry benchmarks and the current trends;
 - * The Company's performance vis-a-vis the annual budget achievement and individual performance.

b) Non-Executive Director:

- * The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- * A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.
- * The Committee may recommend to the Board, the payment of commission, to reinforce the principles of collective responsibility of the Board.
- * In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.
- * The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- * The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

2. KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- * maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- * compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- * Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance versus overall performance of the Company;
- * Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

e) Board Evaluation:

Pursuant to provisions of the Companies Act, 2013, Schedule IV and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also evaluation of Individual Directors. The self-assessment format considered performance effectiveness with regard to the Board composition, expertise, dynamics, strategic oversight, risk management and internal control, succession planning and leadership.

While the individual directors' performance was reviewed by the Chairman and the rest of the Board, the Chairman's and Non-Independent Directors performance were appraised through feedback from Independent Directors.

5. REMUNERATION OF DIRECTORS:

a) Details of Remuneration / Compensation Paid to the Non- Executive / Independent Director during the Year Ended 31.03.2018:

Name of Director	No. of Board Meetings Attended	Sitting Fees Paid (in Rs.)
Mr. Mangilal Maloo	4	20,000/-
Mr. Gautam Chand Dadha	4	20,000/-
Mr. Ashok Kumar K. Bekal **	4	NIL
Mrs. Rajani Poddar	4	20,000/-

** Mr. Ashok Kumar K. Bekal has waived his sitting fees for attending the meeting of Board of Directors.



None of the Non-executive Directors are holding any shares in the Company.

There are no pecuniary relationships or transaction of the Non-Executive Directors with the Company.

b) Criteria for Making Payments to Non-Executive Directors:

The Company pays sitting fees to Non Executive Directors of the Company for attending the Meeting of the Board of Directors @ Rs. 5,000/- (Rupees Five Thousand Only) per Board Meeting. The Criteria for making payment to Non-executive Directors is disclosed on the website of the Company i.e. www.gokunda.com.

c) Details of remuneration paid to the Executive Directors during the year ended 31.03.2018 are as follows:

Name	Relation with Gokunda	Salary	Stock Option	Commission	Contribution to Provident Fund and other funds	Perquisites	Total
Mr. Kanti Kumar Dadha	Chairman and Managing Director	19,88,800	—	—	21,600	3,72,150	23,82,550
Mr. Karan Singh Baid	Whole Time Director	18,12,200	—	—	21,600	24,860	18,58,660
Mr. Arvind Kumar Dadha	Whole Time Director	18,12,200	—	—	21,600	61,285	18,95,085

Notes:

- * Mr. Kanti Kumar Dadha (DIN: 00283289) was re-appointed as Chairman and Managing Director for the further period of three years at Annual General Meeting held on 28.09.2017 with effect from 1st October, 2017.
- * Mr. Arvind Dadha (DIN: 00317631) was re-appointed as Whole Time Director of the Company for the period of Three years at Annual General meeting held on 28.09.2017 with effect from 1st October, 2017.
- * Mr. Karan Singh Baid (DIN: 00283224) was re-appointed as Whole Time Director of the Company for the period of Three years at Annual General Meeting held on 28.09.2017 with effect from 10th November, 2017.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition, role and powers of the Stakeholders Relationship Committee (formerly known as Shareholders' and Investors' Grievance Committee) meet the requirements of Part D of Schedule II with reference to Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 (5) of the Companies Act, 2013.

a) Composition of Committee:

Composition of Stakeholders' Relationship Committee is as follows.

The Stakeholders Relationship Committee consists of the members as detailed below.

The new Chairman of Stakeholders' Relationship Committee. is Mr. Ashokkumar Bekal w.e.f. 29th May, 2018 and members are Mrs. Rajani Poddar and Mr. Vinod Kankariya w.e.f.10th August, 2018

Sr. No.	Name	Category
1	Mr. Askokkumar Bekal (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Vinod Kankariya (Member)	Independent Non- Executive Director

b) Terms of Reference of Committee:

The Stakeholders Relationship Committee approves and monitors transfers and transmission of shares and replacement, split and consolidation of share certificates. The Committee also monitors redressal of complaints received from the shareholders relating to transfers/transmission of shares, non-receipt of annual reports and transfer of credit of shares to demat accounts, dividend and other investor-related matters.

c) Meetings of Stakeholders Relationship Committee and Attendance during the Year:

The Committee met 4 (Four) times during the year on the following dates viz. 30.05.2017, 14.08.2017, 14.11.2017 and 09.02.2018.

Sr. No.	Name	Stakeholders Relationship Committee meetings	
		Held during Tenure	Attended
1	Mr. Mangi Lal Maloo	4	4
2	Mr. Gautam Chand Dadha	4	4
3	Mr. Ashok Kumar K. Bekal	4	4

Sr. No.	Dates on which Stakeholders Relationship Committee Meetings were held	Total Strength of the Committee	Number of Members Present
1	30th May, 2017	3	3
2	14th August, 2017	3	3
3	14th November, 2017	3	3
4	09th February, 2018	3	3

d) Name and Designation of Compliance Officer:

Ms. Pooja Sanghavi has resigned as a Company Secretary and Compliance officer of the Company w.e.f. 22.05.2017. After appointment of Ms. Kopal Jain as Company Secretary, she is acting as Compliance Officer w.e.f. 30.05.2017.

e) Detail of Shareholders Complaints Received, Solved, Not Solved and Pending Share Transfers During the Year:

Number of Shareholders Complaints received	2
Number resolved to the satisfaction of shareholders	2
Number of pending Complaints	0



7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:-

In terms of Section 135 of the Companies Act, 2013 rules made there under, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company was constituted on September 27, 2014 and Mr. Vinod Kankariya is appointed as new Chairman of the Corporate Social Responsibility (CSR) Committee w.e.f. 10th August, 2018.

i. Composition:

Sr. No.	Name of the Member	Designation	Category
1	Mr. Vinod Kankariya	Chairman	Independent Non-Executive Director
2	Mr. Kantikumar Dadha	Member	Managing Director
3	Mr. Karan Singh Baid	Member	Whole Time Director

The Committee met once during the year i.e. as on 30th May, 2017 were all the Committee members were present.

ii. The Terms of Reference of Corporate Social Responsibility Committee (CSR):

The terms of reference of Corporate Social Responsibility Committee (CSR) is mentioned below:

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII in the Act or any amendment made there to including provisions contained in the rules framed under Companies Act, 2013 related thereto;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) monitor the Corporate Social Responsibility Policy of the Company from time to time and to make suitable amendment from time to time as and when necessitated; and
- (d) to carry out such other activities as may be authorised by the Companies Act, 2013 and rules made there under.

8. GENERAL BODY MEETINGS:

a) Location and Time Where Last Three Annual General Meetings (AGM) were Held:

Year	Date	Time	Venue
2017	28th September, 2017	3.00 P.M.	"Suncity Residency Hotel, Eden – Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093"
2016	21st September, 2016	3.00 P.M.	"Suncity Residency Hotel, Eden – Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093"
2015	28th September, 2015	3.00 P.M.	"Suncity Residency Hotel, Eden – Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093"

b) Details of Special Resolutions Passed during the Last 3 A.G.M./E.G.M. or any Special Resolution Passed through Postal Ballot:

- > No special resolutions were passed at the Annual General Meeting held on 21.09.2016 and 28.09.2015.
 - > The Company has passed three Special Resolutions at the Annual General Meeting held on 28.09.2017 in respect of:
 - * Re-appointment of Mr. Kantikumar Dadha as Managing Director for the period of three years w.e.f. 01.10.2017
 - * Re-appointment of Mr. Arvind Dadha as a Whole Time Director for the period of three years w.e.f. 01.10.2017.
 - * Re-appointment of Mr. Karan Singh Baid as a Whole Time Director for the period of three years w.e.f. 10.11.2017.
 - > The Company has not passed any resolution through postal Ballot in the previous financial year.
- c) As on the date, the Company do not proposes to pass any special resolution through Postal Ballot. The Company may have to conduct the process of postal ballot in view of the requirements of the new Companies Act, 2013.

9. MEANS OF COMMUNICATION:

- a) The Unaudited quarterly/half yearly results are announced within forty-five days from the close of the quarter. The audited annual results are announced within sixty days from the closure of financial year as per the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.
- b) The approved financial results are forthwith sent to the Stock Exchanges and are published in English Newspaper and a newspaper published in a regional language within forty-eight hours of the approval thereof.
- c) The Company's financial results and official press releases are displayed on the Company's website www.golkunda.com under the investors section.
- d) Management Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
- e) The quarterly results, shareholding pattern, quarterly compliances, contact information of designated employees who are responsible for assisting and handling the investors grievance and all other corporate communication to the Stock Exchanges viz, The BSE Limited are filed electronically. The Company has complied with filing submission through BSE's BSE Listing Centre. The same information is updated on the website viz. www.golkunda.com within the prescribed time limit.

10. GENERAL SHAREHOLDER INFORMATION:

1.	Date, time and the venue of 28th AGM	25th September, 2018 at 3.00 p.m. Suncity Residency Hotel, Eden Hall-1, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (East), Mumbai - 400 093
2.	Financial Calendar	April 01, 2017 to March 31, 2018
3.	Date of Book Closure	19th September, 2018 to 25th September, 2018 (both days inclusive)
4.	Listed on Stock Exchange	Bombay Stock Exchange
5.	Annual Listing Fees	The company has paid annual listing fees to stock exchange.
6.	BSE Stock code	523676



7. Stock market price data for the last financial year ended March 31, 2018 on The Stock Exchange, Mumbai is as under:					
Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares
April 2017	17.60	25.80	16.75	20.15	13233
May 2017	20.55	26.40	20.05	23.70	5522
June 2017	24.75	24.75	16.50	16.50	5090
July 2017	16.50	22.65	16.00	18.85	11079
August 2017	18.85	18.95	15.85	18.25	6629
September 2017	19.15	21.60	17.55	21.10	3483
October 2017	22.00	22.00	18.50	20.25	14337
November 2017	21.20	21.20	17.30	19.25	4851
December 2017	19.40	22.05	17.10	20.50	15143
January 2018	21.45	21.45	18.05	18.05	13309
February 2018	18.00	20.20	15.20	20.20	5747
March 2018	21.00	21.60	18.85	19.00	17388
8. Registrar & Share Transfer Agent		Sharex Dynamic (India) Private Limited (formerly known as M/s. Sharex (India) Pvt. Ltd.) Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072.			
9. Share Transfer System.		The Company's shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.			
10. Distribution of shareholding as on March 31, 2018					
No. of Shares Nominal Value	No. of Shareholders	% of Shareholders	Total Amount	% of Amount	
1 to 5000	8884	96.05	11649780	16.73	
5001 to 10000	229	2.48	1954640	2.81	
10001 to 20000	61	0.66	967010	1.39	
20001 to 30000	22	0.24	529690	0.76	
30001 to 40000	12	0.13	428970	0.62	
40001 to 50000	9	0.10	410150	0.59	
50001 to 100000	12	0.13	864140	1.24	
100001 and above	20	0.22	52836420	75.87	
TOTAL	9249	100	69640800	100.00	
11. Shareholding pattern as on March 31, 2018					
Category	No. of Shares	% of total			
Promoter's holding	5103163	73.278			
Mutual Funds and UTI	0	0			
Financial Institution / Banks	100	0.001			
Foreign Institutional Investors	0	0			
NRIs / OCBs	1491	0.021			
Companies / Bodies Corporate	53303	0.765			
Clearing Members	1061	0.015			
General Public	1804962	25.918			
Total	6964080	100.00			
12. Dematerialization of Shares and liquidity		As on 31.03.2018, 85.63% of the Company's Equity Shares representing 59,63,685 Equity Shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).			
13. Outstanding GDR's / ADR's / Warrants or any Convertible Instruments		The Company does not have outstanding GDRS / ADRS/ Warrants or any Convertible instruments.			
14. Plant Location (Development Centre)		G-30, Gems & Jewellery, Complex III, SEEPZ, Andheri (E), Mumbai- 400 096			
15. Address for Correspondence (for dematerialization/ transfer of shares, payment of dividend on shares, and any other query relating to the shares of the Company For any other queries		Sharex Dynamic (India) Private Limited (Formerly known as Sharex (India) Pvt. Ltd.) Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072 G-30, Gems & Jewellery, Complex III, SEEPZ, Andheri (E), Mumbai- 400096			



16. Reconciliation of Share Capital Audit	A qualified practicing Company Secretary carry out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
17. Compliance Officer	Ms. Kopal Jain (Company Secretary) (w.e.f. 30.05.2017) G-30, Gems & Jewellery, Complex III, SEEPZ, Andheri (E), Mumbai 400096 Tel No. 022-28290155/56 Fax 022-28290373 Email ID: admin@golkunda.com
18 Investor Correspondence	Any query relating to shares and request for transactions such as transfer, transmission and nomination facilities, duplicate share certificates, change of address, non-receipt of dividend/ and/or Annual Report, and also regarding dematerialization/ rematerialisation of shares may be taken up with the Registrar and Transfer Agent. Sharex Dynamic (India) Pvt. Ltd. (Formerly known as M/s. Sharex (India) Pvt. Ltd.) Unit – 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400 072

11. **COMPLIANCE CERTIFICATE BY AUDITORS:** The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (LODR) Regulations which is annexed herewith.

12. **OTHER DISCLOSURES:**

a) There were no materially significant related party transactions during the year having conflict with the interests of the Company:

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/ Board/Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All contracts executed by the Company during the financial year with related parties were under the ordinary course of business and on arm's length basis.

The Related Party transactions policy is posted on the Company's website www.golkunda.com.

b) There has been no material non-compliance by the Company or penalty or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.

c) In Compliance of the Companies Act, 2013 and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee. The Whistle Blower policy is posted on the Company's website www.golkunda.com

d) The Company has duly complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR).

e) In compliance with the discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Company has financial statements with unmodified audit opinion, and the internal auditors are directly reporting to the Audit Committee.

f) The Company has complied with the corporate governance requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

FOR AND ON BEHALF OF BOARD
FOR GOLKUNDA DIAMONDS & JEWELLERY LTD.

(KANTI KUMAR DADHA)
CHAIRMAN AND MANAGING DIRECTOR

PLACE: MUMBAI
DATE: 10.08.2018

Details of Directors Seeking Re-election:

Mr. Karansingh Baid retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re – election.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Additional information and experience relating to the Directors who are getting appointed / re-appointed is furnished in the Annual Report.



MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments:

The Company is a part of an Industry, which largely operates through unorganized constituents. However, unlike the industry, the Company has attempted to operate through as systematic and organized manner as possible. However, since Diamonds and Jewellery is one industry, in which India holds, commendable position in the world, akin to the software industry, one can look forward to more international involvement coming up in this industry.

Opportunities and Threats:

Following can be termed as the opportunities / strengths of the Company:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.
- More and more benefits and exemptions are likely to come in the way of exports and Special Economic Zones and the Company, having commendable exports and being situated in SEEPZ - SEZ, is likely to receive the advantage of the same.
- Some of the world retail majors have decided some time back to source part of their requirements from India. This shall further the growth of the Diamond industry in India.
- The unfavorable government policies cut throat competition amongst manufacturers and exporters remains major concerns for the Gems and Jewellery Business.

Outlook:

The Company has done reasonable in the current year and expects to achieve a really good percentage of market share in the Diamond manufacturing and Jewellery marketing fields. The outlook for the Company can therefore be termed as optimistic and expects higher growth than inflation and average growth in the industry.

Growth of the Gems and Jewellery Industry is expected to be moderate to better in the years to come depending on the policies of the Government. However Gems and Jewellery Industry is seeing robust growth in the years to come. The Growth rate of the Gems and Jewellery Industry is closely related to the growth of the other Sector and hence movements and developments in the other sectors would also indirectly affect the future of Gems and Jewellery Industry.

Risks and Concerns:

Following can be some of the risks and concerns the Company needs to be wary of:

- The largely unorganized structure of the market can affect the systematic functioning of the Company.
- Political instability, which has a tremendous impact on the capital markets.
- Likely opening up of the economy, which can be a double-edged sword.
- The Diamond market in India is heavily influenced by the US Markets.
- The major income component of the Company being exports, changes in economies or government policies of the countries to which the Company is exporting may also affect the operations of the Company.
- Increasing competition among the Indian Exporters in this industry.

Internal Control Systems and their Adequacy:

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials, components, plant and machinery, equipment and other assets, and for the sale of goods.

The Company also has in place an Audit Committee to have a periodic over view of the internal control procedures of the Company. The Audit committee is accessible at all times to the employees of the Company for any improvement to be recommended in the procedures in place.

Discussion on Financial Performance of the Company:

The financial performance of the Company has declined in the year under review.

The sales were Rs. 85,80,78,914/- as compared to Rs. 83,74,90,763/- in the previous year. The Profit after tax in the current year were Rs. 86,00,648/- as compared to Rs. 83,08,058/- in the previous year.

Export performance and Foreign Exchange earnings:

The Company is making contribution to the foreign exchange earnings by the Country in view of the fact that the Export and Foreign exchange earnings stood at Rs. 91,69,49,453/- during the financial year under review.

Industrial Relations and Human Resources:

The Company considers that its relationship with its employees is vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employee can put his best efforts and maximize his contribution.

The Company ensures that all its employees remain competent through education, skills, training and experience as necessary. The Company has had cordial relations between the management and employees and an atmosphere of harmonious working to achieve the business objectives of the Company throughout the year. The Company is poised to motivate each of its employees to perform to the fullest extent possible and to appropriately reward their excellence.

Cautionary Note:

Statements in this report and Corporate Governance Report read together with the Directors' Report and financial statement describing the Company's objectives, projections, estimates, expectations and predictions, may be "forward looking statements". Actual results may differ from those expressed or implied due to variations in prices of raw materials, seasonal demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and other incidental factors.



MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors,
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
Mumbai

We, Kantikumar Dadha, Managing Director and Ashish Dadha, Chief Financial Officer of Golkunda Diamonds & Jewellery Limited, to the best of our knowledge and belief certify that:

- (1) We have reviewed the financial statements and the cash flow statement of Golkunda Diamonds & Jewellery Limited for the year ended March 31, 2018 and that to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (3) We accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, Deficiencies in the design or operation of internal controls, if any, of which they have taken or propose to take to rectify these deficiencies.
- (4) We have indicated to the Auditors and the Audit Committee except changes in the position of members of the Committee:
 - (a) There are no significant changes in internal control during the year;
 - (b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to Financial Statements; and
 - (c) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems.

Kanitkumar Dadha
Managing Director

Ashish Dadha
Chief Financial Officer

Date: 10.08.2018

To,
The members of
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
Mumbai

DECLARATION REGARDING CODE OF CONDUCT

I, Kantikumar Dadha, Chairman & Managing Director of GOKKUNDA DIAMONDS & JEWELLERY LIMITED, to the best of my knowledge and belief, declare that all the members of Board of Directors, Senior Management Personnel, and Designated Employees have affirmed Compliance with the Code of Conduct for the year ended 31st March 2018.

Place: Mumbai

Date: 10.08.2018

FOR GOKKUNDADIAMONDS & JEWELLERY LIMITED

KANTIKUMAR DADHA
(Chairman & Managing Director)
DIN: 00283289

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015)

TO THE MEMBERS OF
GOLKUNDA DIAMONDS & JEWELLERY LTD.

We have examined the compliance of the conditions of corporate governance by **Golkunda Diamonds & Jewellery Ltd** for the year ended 31st March, 2018 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligation and Disclosure requirement) Regulations, 2015.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS
(FRNo.106584W)

(CA M.P. MODY)
PARTNER

Membership No. 042975

Mumbai, 29th May, 2018.



INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED
REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive income), cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

AUDITORS' RESPONSIBILITY

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

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 financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act:

- a) in the case of the Balance Sheet, of the state of affairs (financial position) of the Company as at March 31, 2018;
- b) in the case of the Statement of Profit and Loss, of the profit (financial performance including other comprehensive income) of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- d) in the case of the Statement of changes in equity, of the changes in equity of the Company for the year ended on that date.

OTHER MATTER

The Company had prepared separate set of financial statements for the year ended 31st March 2017 and 31st March 2016 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014 (as amended) on which we issued Auditor's Report to the shareholders of the company dated 30th May 2017 and 26th May 2016 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comments in Annexure A, 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 relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.



- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued thereunder;
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (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) The Company, as detailed in Note No. 26 to the financial statements, has disclosed the impact of its pending litigation on its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For MOTILAL & ASSOCIATES
Chartered Accountants
(Firm Registration No.106584W)

CA MUKESH P.MODY
Partner
Membership No 042975

Mumbai, 29th May, 2018

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended on 31st March 2018. We report that:

- (1) In Respect of its fixed assets:
- (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management at reasonable intervals. No material discrepancies between the book records and the physical inventory have been noticed.
- (c) All the title deeds of immovable properties are held in the name of the company.
- (2) In respect of its inventories:
- (a) As explained to us the inventory has been physically verified by the management at reasonable intervals.
- (b) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (3) According to the information and explanation given to us, the company has not granted unsecured loan to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clauses 3 (iii) (a) and 3(iii) (b) of the Order are not applicable.
- (4) In Our opinion and according to the information and explanations given to us during the course of the audit, the company has not entered in any transaction that attract the provisions of section 185 and 186 of the Companies Act, 2013.
- (5) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year and hence reporting under paragraph 3 (v) of the Order is .not applicable to the Company.
- (6) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly the provisions of clause 3 (vi) of the Order are not applicable.
- (7) In respect of statutory dues:
- (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax on account of any dispute are as follows:

Name of the Statute	Nature of Dues	Amounts involved Rs.	Assessment Year to which the amount relates	Forum where dispute is pending
The Income Tax Act.	Income Tax	1,56,000	2009-10	C.I.T.(A), Mumbai
		55,000	2011-12	C.I.T.(A), Mumbai
		5,91,773	2014-15	ITO, Mumbai



- (8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to bank.
- (9) According to the information and explanations given to us the Company has not raised any money by way of initial public offer (including debt instruments) or term loans during the year and hence reporting under paragraph 3 (ix) of the Order is not applicable to the Company.
- (10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (11) As per the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
- (12) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (13) In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements etc., as required by the applicable Ind AS;
- (14) Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and hence reporting under paragraph 3 (xiv) of the Order is not applicable to the company.
- (15) In our opinion and according to the information and explanations given to us Company has not entered into any non-cash transactions with directors or persons connected with him. Thus the provisions of section 192 of Companies Act, 2013 are not applicable to the company;
- (16) In our opinion and according to the information and explanations given to us Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For MOTILAL & ASSOCIATES
Chartered Accountants
(Firm Registration No.106584W)

CA MUKESH P.MODY
Partner
Membership No 042975

Mumbai, 29th May, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED

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

1. In conjunction with our audit of the financial statements of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** (the 'Company') as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. 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. 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

3. 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and 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.



4. 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.
5. 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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
 - a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b. 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
 - c. 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

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

Opinion

8. In our opinion, to the best of our Information and according to the explanations given to us, 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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Motilal & Associates
Chartered Accountants
(Firm Registration No. 106584W)

CA Mukesh P. Mody
Partner
Membership No. 042975

Mumbai, 29thMay, 2018



Balance Sheet As at 31st March, 2018

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non - Current Assets				
Property, Plant and Equipment	2 (a)	24,605,621	26,610,485	26,559,189
Intangible Assets	2 (b)	-	6,959	33,691
Financial Assets :				
Other Financial Assets	3	4,519,424	12,389,656	7,076,124
Deferred tax asset (net)	4	785,281	304,287	-
Other non-current assets	5	-	-	1,902,066
Sub Total - Non - Current Assets		29,910,326	39,311,387	35,571,070
Current Assets				
Inventories	6	149,405,532	173,822,687	151,767,791
Financial Assets				
Trade receivables	7	432,356,577	407,879,560	422,479,469
Cash and cash equivalents	8	10,668,735	9,388,725	5,085,124
Other bank balances	9	36,242,539	23,603,261	21,896,985
Other Financial Assets (MTM)		110,239	-	-
Other current assets	10	15,983,580	21,376,000	11,715,934
Sub Total - Current Assets		644,767,202	636,070,233	612,945,303
TOTAL - ASSETS		674,677,528	675,381,620	648,516,373
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	11	69,640,800	69,640,800	69,640,800
Other Equity	12	186,905,537	181,164,729	177,885,753
Total Equity		256,546,337	250,805,529	247,526,553
Liabilities				
Non - Current Liabilities				
Financial Liabilities				
Borrowings	13	1,006,953	1,585,134	2,106,592
Provisions (Gratuity)		7,717,851	6,562,338	5,501,455
Deferred tax liabilities (Net)	4	-	-	32,540
Total - Non - Current Liabilities		8,724,804	8,147,472	7,640,587
Current Liabilities				
Financial Liabilities				
Borrowings	14	341,714,710	347,831,932	341,123,502
Trade Payables	15	59,048,571	59,594,163	37,030,413
Other Current liabilities	16	4,343,106	4,502,524	4,094,938
Provisions	17	4,300,000	4,500,000	11,100,380
Total - Current Liabilities		409,406,387	416,428,619	393,349,233
TOTAL - EQUITIES AND LIABILITIES		674,677,528	675,381,620	648,516,373
Significant accounting policies	1			
Contingent liabilities and commitments	26			

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants
FRN.: 106584W

For and on behalf of Board of Directors

(CA MUKESH P. MODY)
Partner
Membership No.: FCA 042975

ASHISH DADHA
Chief Financial Officer

KANTIKUMAR DADHA
Chairman & Managing Director
DIN-00283289

(CS KOPAL JAIN)
Company Secretary
ACS-50718

KARANSINGH BAID
Whole Time Director
DIN-00283224

ARVIND DADHA
Whole Time Director
DIN-00317631

MUMBAI , 29th May, 2018



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

Particulars	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue			
Revenue from Operations (Gross of excise duty)	18	858,078,914	837,490,763
Other income	19	226,139	1,203,169
Total Revenue		858,305,053	838,693,932
Expenses			
Cost of materials consumed	20	744,776,646	743,787,405
Employee benefits expense	21	36,564,207	27,042,331
Finance costs	22	25,215,121	22,991,997
Depreciation	2	3,223,860	2,881,148
Other expenses	23	35,613,732	29,332,902
Total Expenses		845,393,566	826,035,783
Profit Before Tax		12,911,487	12,658,149
Tax expense:			
Current Tax		4,300,000	4,500,000
Deferred Tax		(517,442)	(336,827)
Taxes of earlier years		528,281	186,918
		4,310,839	4,350,091
Profit/(Loss) for the year		8,600,648	8,308,058
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
MTM (Gain)/Loss on derivative instruments (Net)		73,790	-
Total Comprehensive Income for the year (IX+X)		8,674,438	8,308,058
Earnings per equity share (Face value of Rs.10 each)	24		
Basic		1.235	1.193
Diluted		1.235	1.193
Significant Accounting Policies	1		

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants
FRN.: 106584W

For and on behalf of Board of Directors

ASHISH DADHA
Chief Financial Officer

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MUMBAI, 29th May, 2018



Statement of changes in Equity for the year ended 31st Mar, 2018

A Equity share capital:

Particulars	Note	No. of shares	Amount
Issued, subscribed and fully paid up			
Equity shares of Rs.10 each			
Balance as at 1 April 2016	11	6,964,080	69,640,800
Changes in equity share capital during the year		-	-
Balance as at 31 March 2017	11	6,964,080	69,640,800
Changes in equity share capital during the year		-	-
Balance as at 31 March 2018	11	6,964,080	69,640,800

B Other Equity:

Particulars		Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at 1 April 2016	12	2,800,000	9,916,915	165,168,838	177,885,753
Profit for the year		-	-	8,308,058	8,308,058
Other comprehensive income		-	-	-	-
Total comprehensive income		2,800,000	9,916,915	173,476,896	186,193,811
Transactions with owners in their capacity as owners:					
Dividends distributed to equity shareholders		-	-	4,178,448	4,178,448
Corporate dividend tax on dividend paid		-	-	850,634	850,634
Transfer to General Reserve		-	2,500,000	(2,500,000)	-
Balance as at 31st Mar'2017	12	2,800,000	7,416,915	165,947,814	181,164,729
Profit for the year		-	-	8,600,648	8,600,648
Other comprehensive income		-	-	73,790	73,790
Total comprehensive income		2,800,000	7,416,915	174,622,253	189,839,168
Transactions with owners in their capacity as owners:					
Dividends distributed to equity shareholders		-	-	2,437,428	2,437,428
Corporate dividend tax on dividend paid		-	-	496,203	496,203
Balance as at 31st Mar'2018	12	2,800,000	7,416,915	171,688,622	186,905,537

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants
FRN.: 106584W

For and on behalf of Board of Directors

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MUMBAI, 29th May, 2018



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	Rs.	2017-18 Rs.	Rs.	2016-17 Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-ordinary Items		12,911,487		12,658,149
Adjustments for -				
Depreciation	3,223,860		2,881,148	
Interest Charged	21,449,689		18,168,843	
Foreign Exchange Rate Difference	1,661,982	26,335,531	(16,910,739)	4,139,252
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		39,247,018		16,797,401
Adjustments for :				
Trade & Other Receivable	(19,980,824)		4,939,843	
Inventories	24,417,155		(22,054,896)	
Liabilities	450,503	4,886,834	24,032,219	6,917,166
Cash Generated from Operations		44,133,852		23,714,568
Direct Tax Paid		(4,132,054)		(9,385,233)
Cash Flow Before Extra-Ordinary Items		40,001,798		14,329,335
NET CASH FROM OPERATING ACTIVITIES	A	40,001,798		14,329,335
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchases of Fixed Assets	(1,212,037)		(2,905,711)	
Change in Other Bank Balance and cash not available for immediate use	(4,769,046)		(7,019,808)	
NET CASH USED IN INVESTING ACTIVITIES	B	(5,981,083)		(9,925,519)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	(6,695,402)		6,186,972	
Dividend paid	(2,437,428)		(4,178,448)	
Tax on dividend paid	(496,203)		(850,634)	
Interest Paid	(21,449,689)		(18,168,843)	
NET CASH USED IN FINANCE ACTIVITIES	C	(31,078,722)		(17,010,953)
C FOREIGN EXCHANGE RATE DIFFERENCE	D	(1,661,982)		16,910,739
Net Decrease in Cash and Cash Equivalents (A+B+C+D)		1,280,010		4,303,601
Opening Balance of Cash & Cash Equivalents		9,388,725		5,085,124
D Closing Balance of Cash & Cash Equivalents		10,668,735		9,388,725

Notes :

- Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Cash and cash equivalents included in the Statement of cash flows comprise the following :

	2017-18	2016-17
a) Cash and cash equivalents disclosed under current assets (Note 8)	10,668,735	9,388,725
b) Other bank balances disclosed under current assets (Note 9)	36,242,539	23,603,261
c) Cash and cash equivalents disclosed under non-current assets (Note 3)	4,519,424	12,389,656
Total cash and cash equivalents as per Balance Sheet	51,430,698	45,381,642
Less : Other bank balances disclosed under current assets (Note 9)	36,242,539	23,603,261
Less : Cash and cash equivalents disclosed under non-current assets (Note 3)	4,519,424	12,389,656
Total cash and cash equivalents as per Statement of Cash Flows	10,668,735	9,388,725

- Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants
FRN.: 106584W

For and on behalf of Board of Directors

ASHISH DADHA
Chief Financial Officer

KANTIKUMAR DADHA
Chairman & Managing Director
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Whole Time Director
DIN-00283224

ARVIND DADHA
Whole Time Director
DIN-00317631

MUMBAI , 29th May, 2018



Notes to Accounts

Note: 1 - Significant Accounting Policies:

1 Statement of Compliance :

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") to comply with section 133 of the Companies Act 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act. For the period upto and for the year ended 31 March 2017, the company has prepared its financial statements in accordance with Accounting Standard notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are Company's first Ind AS financial statements and are covered by Ind AS 101, first time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS have been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for the purpose of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's equity and its net profit is provided in Note 34.

2 Basis of Accounting :

All financial items of Income and Expenditure having a material bearing on the financial statement are recognised on accrual basis, except income by way of dividend and Expense by way of leave encashment which is accounted on cash basis.

3 Presentation of financial statements :

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III of the Companies Act, 2013 (the "Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

4 Sales :

Sales exclude Sales Tax/GST, Transportation, Insurance, discount, penalty/late delivery charges and include Sales Returns and Discount.

5 Use of Estimates :

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

6 Property, Plant & Equipment :

i) All fixed assets are valued at cost less depreciation. The cost is inclusive of incidental expenses related to acquisition and put to use.

Pre-operative expenses including trial run expenses (net of revenue) are capitalised. Interest on borrowings and financing costs during the period of construction is added to cost of fixed assets.

ii) Impairment loss, if any is recognised in the year in which impairment takes place.

iii) Depreciation on Fixed Assets is provided on Straight Line Value Method at the rate and in the manner specified in Schedule II of the Companies Act, 2013.

iv) Depreciation on additions / disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are put to use.

7 Intangible Assets :

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

8 Expenditure during the Construction Period :

The expenditure incidental to the expansion / new projects are allocated to Fixed Assets in the year of commencement of the commercial production.

9 Operating cycle for current and non-current classification

Operating cycle for the business activities of the company covers the duration of the specific project/contract/product line/service including the defect liability period wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

10 Inventories :

Raw Materials, Stores & Spare Parts and Finished Goods are valued at lower of cost and net realisable value.

11 Cash and Bank Balances

Cash and cash equivalent in balance sheet comprise cash at banks, cash on hand and short term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and short term deposits.

12 Revenue Recognition :

i) Revenue from Sale of goods is recognised when significant risks and rewards of ownership of the goods have been passed to the buyer.



- ii) Service income is recognised as per the terms of contracts with the customers when the related services are performed or the agreed milestones are achieved and are net of service tax wherever applicable.
- iii) Dividend income is recognised when the unconditional right to receive the income is established.
- iii) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

13 Foreign Currency Transactions :

Monetary assets & liabilities related to foreign currency transaction are settled during the year

14 Retirement Benefits :

- i) Gratuity
Gratuity has been provided in accordance with the provisions of Payment of Gratuity Act, 1972.
- ii) Leave Liability :
The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is not recognised.

15 Employee Separation Costs :

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

16 Provision for Bad and Doubtful Debts / Advances :

Provision, if any, is made in accounts for bad and doubtful debts / advances which in the opinion of the management are considered doubtful of recovery.

17 Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.

18 Provisions, Contingent Liabilities and Contingent Assets :

Provision is recognised when the company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision / disclosure is made. Contingent assets are not recognised in the Financial Statements. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

19 Lease Payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

20 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses
- iii. all other items are considered as either investing or financing cash flows.

21 Earnings per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

22 First time adoption of Ind AS

The company has prepared opening Balance Sheet as per Ind AS as of April 1, 2016 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required, and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the company under Ind AS 101 are as follows:

- (i) The company has adopted the carrying value determined in accordance with I-GAAP for all of its property plant & equipment and investment property as deemed cost of such assets at the transition date.
- (ii) The estimates as at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP

Notes to the Financial Statements

Note : 2 (a) - Property, Plant and Equipment

Note : 2 (b) - Intangible Assets

Particular	Buildings	Plant & Machinery	Furniture and Fixtures	Factory/ Office Equipments	Vehicles	Vault	Air Conditioners	Electrical Installations	Computers	Total	Computer Software
Gross Block											
Deemed cost as at 1st Apr'16	22,413,116	7,966,659	2,122,398	1,114,698	4,747,923	131,272	909,309	474,396	350,004	40,229,775	85,750
Additions	1,434,381	143,000	501,250	84,170	-	-	26,094	479,377	237,439	2,905,711	-
Disposals & Other Adjustments	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar'17	23,847,497	8,109,659	2,623,648	1,198,868	4,747,923	131,272	935,403	953,773	587,443	43,135,486	85,750
Additions	-	346,642	61,792	238,873	-	-	50,781	-	513,949	1,212,037	-
Disposals & Other Adjustments	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar'18	23,847,497	8,456,301	2,685,440	1,437,741	4,747,923	131,272	986,184	953,773	1,101,392	44,347,523	85,750
Accumulated Dep as at 1st Apr'16	7,512,788	3,446,734	506,775	669,730	993,910	44,928	118,675	201,310	175,735	13,670,585	52,059
Depreciation charge for the year	765,464	683,933	292,731	157,662	611,444	15,388	101,685	80,237	145,872	2,854,416	26,732
Reversals on disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar'17	8,278,252	4,130,667	799,506	827,392	1,605,354	60,316	220,360	281,547	321,607	16,525,001	78,791
Depreciation charge for the year	952,038	713,099	322,682	169,783	611,445	15,387	103,337	109,540	219,590	3,216,901	6,959
Reversals on disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar'18	9,230,290	4,843,766	1,122,188	997,175	2,216,799	75,703	323,697	391,087	541,197	19,741,902	85,750
Net Block											
Balance as at 31st Mar'18	14,617,207	3,612,535	1,563,252	440,566	2,531,124	55,569	662,487	562,686	560,195	24,605,621	-
Balance as at 31st Mar'17	15,569,245	3,978,992	1,824,142	371,476	3,142,569	70,956	715,043	672,226	265,836	26,610,485	6,959
Deemed cost as at 1 April 2016	14,900,328	4,519,925	1,615,623	444,968	3,754,013	86,344	790,634	273,086	174,269	26,559,190	33,691

Note:

The Company has availed the deemed cost exemption in relation to the tangible assets & intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.





Notes to Accounts

Note : 3- Other Financial Assets

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deposit with maturity of more than 12 months	4,519,424	12,389,656	7,076,124
Total	4,519,424	12,389,656	7,076,124

Note : 4 - Deferred Tax :

A The Net Deferred Tax Liability of Rs. 5,17,442/- [Previous Year : 3,36,827/-] for the year has been credited in the Profit and Loss Account.

B Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under :

Current Year	As at 31-03-17	Charge during the year to P/L Account	Taken Under OCI	As at 31-03-18
Deferred Tax Liabilities :				
Depreciation	1,518,867	304,206	-	1,823,073
Fair value of Cash Flow Hedge	-	-	36,448	36,448
Total	1,518,867	304,206	36,448	1,859,521
Deferred Tax Assets :				
Gratuity	1,823,154	821,648	-	2,644,802
Total	1,823,154	821,648	-	2,644,802
Net Deferred Tax Assets	(304,287)	(517,442)	36,448	(785,281)
Previous Year	As at 31-03-16	Profit & Loss Account	Taken Under OCI	As at 31-03-17
Deferred Tax Liabilities :				
Depreciation	1,551,488	(32,621)	-	1,518,867
	1,551,488	(32,621)	-	1,518,867
Deferred Tax Assets :				
Gratuity	1,518,948	304,206	-	1,823,154
	1,518,948	304,206	-	1,823,154
Net Deferred Tax Liability	32,540	(336,827)	-	(304,287)

Note : 5- Other Non-Current Assets

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
[Unsecured, Considered Good] Advances recoverable in cash or in kind or for value to be received : Income Tax	-	-	1,902,066
Total	-	-	1,902,066

Note : 6- Inventories

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Classification of Inventories :			
Raw Materials	148,441,114	173,029,882	151,013,509
Stores and Spares	964,418	792,805	754,282
Total	149,405,532	173,822,687	151,767,791

The Inventories are valued at lower of cost and net realisable value.

Note : 7 - Trade Receivables :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, Considered good			
Over Six Months from the date they were due for payment	24,884,922	44,456,210	73,628,375
Others	407,471,655	363,423,350	348,851,094
Total	432,356,577	407,879,560	422,479,469



Note : 8 - Cash and Cash Equivalents :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with Banks	3,114,382	9,280,572	4,906,112
Cash on Hand	107,141	108,153	179,012
Deposit with maturity less than 3 months	7,447,212	-	-
Total	10,668,735	9,388,725	5,085,124
Earmarked balances with banks:			
i) Company maintains current accounts mainly with Nationalised /Private Banks.	3,114,382	9,280,572	4,906,112

Note : 9 - Other Bank Balances :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unclaimed Dividend Accounts	1,674,866	1,416,723	996,666
Deposit with maturity more than 3 months but less than 12 months	34,567,673	22,186,538	20,900,319
Total	36,242,539	23,603,261	21,896,985
Earmarked balances with banks:			
i) Balances with Banks in unclaimed dividend account	1,674,866	1,416,723	996,666
ii) Company keeps Fixed deposit with the Nationalised/Private Banks, these deposits. can be withdrawn by the company as per its own discretion / requirement of funds. Lien marked on FDRS /TDRS as Cash Collateral towards secured loans from SBI, Seepz and therefore Originals of the FDRS/TDRS are with Bank.	34,567,673	22,186,538	20,900,319

Note : 10 - Other current assets

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
[Unsecured, Considered Good]			
Security Deposit	501,753	503,138	499,318
Advance recoverable in cash or kind	1,721,960	1,228,421	820,349
Prepaid expenses	4,768,684	5,134,824	1,450,631
Loans to employees	-	-	10,766
Balance with Revenue Authorities	8,991,183	14,509,617	8,934,870
Total	15,983,580	21,376,000	11,715,934

Note : 11 - Equity Share Capital :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised :			
70,00,000 Equity Shares of Rs.10/- each	70,000,000	70,000,000	70,000,000
Issued, Subscribed and Fully Paid-up Equity Shares :			
69,64,080 Equity Shares of Rs.10/- each fully paid up	69,640,800	69,640,800	69,640,800
	69,640,800	69,640,800	69,640,800
i) The reconciliation of the number of Shares outstanding as at March 31, 2018, as at March 31, 2017 and as at 1st April 2016 is as under:			
Number of shares at the beginning			
Number of shares	6,964,080	6,964,080	6,964,080
Amount	69,640,800	69,640,800	69,640,800
Number of shares at the end			
Number of shares	6,964,080	6,964,080	6,964,080
Amount	69,640,800	69,640,800	69,640,800
ii) No Dividend proposed by the Company for the year under review.			
iii) In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the company in proportion to the number of equity shares held by the shareholders.			
iv) Details of Shareholders holding more than 5% of the aggregate Equity Shares in the Company.			
Neverloose Properties & Investment Pvt. Limited, the Holding Company.			
Number of Shares	3,987,699	3,968,752	3,966,122
% of Holding	57.26	56.99	56.95



Note : 12 - Other Equity

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Share Premium Account:			
Opening Balance	2,800,000	2,800,000	2,800,000
General Reserve:			
Opening Balance	12,416,915	9,916,915	7,416,915
Add : Transfer from Surplus	-	2,500,000	2,500,000
	12,416,915	12,416,915	9,916,915
Surplus in statement of profit & loss:			
Opening Balance	165,947,814	165,168,838	143,323,892
Add: Adjustment relating to excess Depreciation (Refer Note No. 6 (iii) of Significant Accounting Policy).	-	-	371,041
Add : Profit for the year	8,674,438	8,308,058	28,164,806
Less : Appropriations :			
Dividend Paid During the year	2,437,428	4,178,448	3,482,040
Corporate Dividend Tax on Proposed Dividend	496,203	850,634	708,861
Transfer to General Reserve	-	2,500,000	2,500,000
Balance as at year end	171,688,622	165,947,814	165,168,838
Total	186,905,537	181,164,729	177,885,753

Note : 13 - Financial Liabilities-Borrowings

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
a From HDFC Bank Ltd, Mumbai.	221,790	527,421	803,396
b From ICICI Bank Ltd, Mumbai.	785,163	1,057,713	1,303,196
Total	1,006,953	1,585,134	2,106,592
i) Securities for Term Loan: Secured by hypothecation of Vehicle			
ii) Terms of repayment : Monthly EMI			
iii) There are no defaults in repayment of loan and interest thereon as on March 31, 2018 for the loan under this head.			

Note : 14 - Current Financial Liabilities-Borrowings

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured Loans repayable on Demand :			
Post Shipment Credit from State Bank of India, Seepz, Mumbai.	203,325,000	200,127,000	196,343,000
Export Packing Credit from State Bank of India, Seepz, Mumbai.	135,852,539	147,704,931	144,780,502
Unsecured Loans			
From Holding Company			
Neverlose Properties & Investment Pvt Ltd	2,537,171	-	-
Total	341,714,710	347,831,931	341,123,502
Primary Securities for Secured Loans:			
i) Secured by First Pari-Passu charge by way of hypothecation of entire current assets of the company, present and future and personal guarantees of three Directors and a Shareholder of the Company.			
Collateral Securities for Secured Loans :			
ii) Secured by First Charge by way of Registered Mortgage of office premises at Chakala and Bandra, Mumbai and personal guarantees of three Directors and a Shareholder of the Company.			
iii) Secured by First Charge by way of Registered Mortgage of residential flat Worli Division ,Mumbai.			
iv) Secured by First Charge by way of lien on Cash Collateral i.e. Fixed Deposit Receipts with Bank.			
v) No repayment schedule mentioned in the sanctioned letter dated 29/12/2017. However the repayment of loan was made on realisation of exports. As per informations and explanations given by the Management of the company there are no defaults in repayment of loan and interest thereon as on March 31, 2018, to this extent, for all the loans under this head.			



Note : 15 - Trade Payables :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Micro, Small and Medium Enterprises :	-	-	-
Others	59,048,571	59,594,163	37,030,413
Total	59,048,571	59,594,163	37,030,413

- i) There was no amount due to small scale under taking exceeding Rs.1 Lac each outstanding for more than 30 days at the close of the year. This disclosure is based on the document / information available to the company regarding their status of the small scale undertaking.
- ii) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

Note : 16 - Other Current Liabilities :

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unclaimed Dividends	1,674,966	1,416,823	996,766
Other Payables/Provision:			
Other Payables	2,453,280	2,878,493	2,859,489
Payable to Statutory Authorities	214,860	207,208	238,683
Total	4,343,106	4,502,524	4,094,938

Note : 17 - Current Liabilities-Provisions

Particular	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income Tax Payable (net of excess paid)	4,300,000	4,500,000	11,100,380
Total	4,300,000	4,500,000	11,100,380

Note : 18 - Revenue from Operations :

Particular	As at March 31, 2018	As at March 31, 2017
Sale of Products	856,416,932	820,580,024
Foreign Exchange Rate Difference	1,661,982	16,910,739
Total	858,078,914	837,490,763

Details of sale of products Operations of the Company are as under :

a Finished goods	856,416,932	820,580,024
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Note : 19 - Other Income :

Particular	As at March 31, 2018	As at March 31, 2017
Other Operating Revenue		
Scrap Sale	69,135	51,000
Sundry balance written off/back	157,004	1,152,169
Total	226,139	1,203,169

Note : 20 - Cost of Materials Consumed :

Particular	As at March 31, 2018	As at March 31, 2017
Raw Materials :		
Stock at commencement	173,029,882	151,013,509
Add : Purchases	720,187,878	765,803,778
	893,217,760	916,817,287
Less : Stock at close	148,441,114	173,029,882
Total	744,776,646	743,787,405
Details of Purchase of Raw Material are as under :		
a Gold	410,104,370	474,266,162
b Diamonds	308,297,230	290,086,669
c Others	1,786,278	1,450,947
Value of Consumption of Raw Material		
a Indegenous	424,748,963	562,999,410
b Imported	320,027,683	180,787,995



Note : 21 - Employee Benefit Expense :

Particular	As at March 31, 2018	As at March 31, 2017
Salaries, Wages and Bonus	15,027,161	17,212,426
Company's Contribution to Provident & Other funds	777,565	605,921
Gratuity	642,051	689,195
Staff Welfare Expenses	1,234,146	1,215,594
Labour Contract Charges	18,883,284	7,319,195
Total	36,564,207	27,042,331

Note : 22 - Finance Cost :

Particular	As at March 31, 2018	As at March 31, 2017
Interest on Cash Credit Loan (Net)	21,449,689	18,168,843
Bank Commission & Charges	3,765,432	4,823,154
Total	25,215,121	22,991,997

Note : 23 - Other Expenses :

Particular	As at March 31, 2018	As at March 31, 2017
Consumption of Stores and spares parts	3,662,872	3,506,390
Power & Fuel	2,921,578	2,563,408
Water Charges	496,577	614,002
Rent	1,463,312	1,144,417
Repairs and Maintenance:		
Factory Buildings	59,873	94,002
Plant and Machinery	363,189	281,928
Computer	68,353	291,232
Others	1,039,643	560,441
Directors Remuneration	7,061,162	6,498,810
Insurance & ECGC Premium	4,256,986	2,821,872
Audit Fees	160,000	160,000
Rates and Taxes	(18,068)	127,592
Traveling & Conveyance Expenses	1,774,896	1,393,965
Legal and Professional Fees	1,826,154	2,059,231
Printing & Stationery	481,299	338,747
Telephone & Postage	425,978	474,284
Marketing, Selling & Distribution Expenses :		
Advertisement & Sales promotion expenses	5,696,553	3,056,376
Freight and forwarding	1,695,624	518,534
Miscellaneous	2,177,752	1,801,672
Corporate Social Responsibility	-	1,026,000
Total	35,613,732	29,332,902



Note : 24 - Calculation of Earnings per Equity Share [EPS] :

The numerators and denominators used to calculate the basic and diluted EPS are as follows :

		As at March 31, 2018	As at March 31, 2017
A Profit after tax attributable to Shareholders	INR	8,600,648	8,308,058
B Basic and weighted average number of Equity shares outstanding during the year	Nos.	6,964,080	6,964,080
C Nominal value of equity share	INR	10	10
D Basic EPS	INR	1.24	1.19
E Diluted EPS	INR	1.24	1.19

Note : 25 - Related Party Transactions :

				As at March 31, 2018	As at March 31, 2017
A Name of the Related Party and Nature of the Related Party Relationship : Transaction					
a) Holding Company Neverloose Properties & Investment Pvt. Ltd.				Loan Taken	2,537,171
b) Key Management Personnel					
S. No.	Name	Designation	Transaction		
i	Shri. Kantikumar Dadha	Chairman & Managing Director	Remuneration & Perquisites	2,360,950	2,090,978
ii	Shri. Karansingh Baid	Whole Time Executive Director	Remuneration & Perquisites	1,837,060	1,670,915
iii	Shri. Arvind Dadha	Whole Time Executive Director	Remuneration & Perquisites	1,873,485	1,685,385
B The following transactions were carried out with the related parties in the ordinary course of business :					
a) Details relating to parties referred to in items 25 - A (b)					
	Mrs. Kusum Dadha	Relative of KMP	Rent	937,500	813,000
	Mr. Ashish Dadha	Chief Financial Officer	Salary	1,585,800	1,439,742
	G D Creations	Ashish Dadha (HUF)	Rent Income	60,000	300,000
	Tecnova Digital India Pvt Ltd	Entity controlled by KMP	Rent Income	60,000	-

Note : 26 - Contingent Liabilities and commitment to the extent not provided for :

	As at March 31, 2018	As at March 31, 2017
1) Contingent Liabilities :		
a) In respect of guarantees given by Banks and / or counter guarantees given by the Company	Uncertainable	Uncertainable
b) Other money for which the company is contingent liable : Disputed Income Tax liability	802,773	-

Note : 27 - Value of Imports calculated on CIF basis :

	As at March 31, 2018	As at March 31, 2017
Raw Materials	300,881,368	107,625,818
Studded Jewellery	32,554,162	55,685,376
Total	333,435,530	163,311,194

Note : 28 - Earning in Foreign Currency :

	As at March 31, 2018	As at March 31, 2017
Export at F.O.B. Basis	916,949,453	819,524,785

Note : 29 - : Consumption of Store & Consumables

	As at March 31, 2018		As at March 31, 2017	
	%	Amounts	%	Amounts
a Indigenous	99.86	3,657,648	99.54	3,490,089
b Imported	0.14	5,224	0.46	16,301
	100.00	3,662,872	100.00	3,506,390



Note : 30 - Expenditure in Foreign Currency :

	As at March 31, 2018	As at March 31, 2017
Travelling Expenses	484,167	204,173

Note : 31 - Corporate Social Responsibility (CSR):

As per information and explanations given to us by the management of the Company, the provisions of section 135 of the companies, Act 2013 on Corporate Social Responsibility is not applicable. Therefore, during the year the company has not spent any amount towards the Corporate Social Responsibility.

Note : 32 - Auditors' Remuneration :

	As at March 31, 2018	As at March 31, 2017
a For Statutory Audit	125,000	125,000
b For Tax Audit	35,000	35,000
	160,000	160,000

Note : 33 - Lease Payments

The Company is receiving / paying the rent as per the agreement for lease executed with the lessee / lessor. The rent is fixed from the date of execution of lease agreements.

Note : 34 -

Balances in respect of Unsecured Loans, Loans & Advances, Sundry Debtors & Sundry Creditors are subject to confirmation by respective parties.

Note : 35 -

Previous year's figures have been regrouped / rearranged wherever necessary to confirm to the current year grouping.

Note: 36 - First time adoption of Ind AS

These financial statements, for the year ended 31 March 2018, are the first financial statements prepared by the Company in accordance with Ind AS. For period up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP' or 'Previous GAAP').

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Ind AS balance sheet was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

The Company has applied Ind AS 101 in preparing these first financial statements. The effect of transition to Ind AS on equity, total comprehensive income and reported cash flows are presented in this section and are further explained in the notes accompanying the tables.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Previous GAAP to Ind AS.

A.1 Ind AS optional exemptions:

A1.1 Deemed cost for property, plant and equipment

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all of its property, plant and equipment at their Previous GAAP carrying value.

A.2 Ind AS mandatory exceptions:

A2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with Previous GAAP.

B. Reconciliation between Previous GAAP and Ind AS

Ind AS 101, First time adoption of Indian Accounting Standards, requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.



B.1 Effect of Ind AS adoption on the balance sheet as at 1st April 2016

Particular	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	26,559,189	-	26,559,189
Intangible Assets	33,691	-	33,691
Financial Assets :			
Other Financial Assets	-	7,076,124	7,076,124
Deferred tax asset (net)	-	-	-
Other non-current assets	1,902,066	-	1,902,066
Sub Total - Non - Current Assets	28,494,946	7,076,124	35,571,070
Current Assets			
Inventories	151,767,791	-	151,767,791
Financial Assets			
Trade receivables	422,479,469	-	422,479,469
Cash and cash equivalents	34,058,233	(28,973,109)	5,085,124
Other bank balances	-	21,896,985	21,896,985
Other Financial Assets	-	-	-
Other current assets	11,715,934	-	11,715,934
Sub Total - Current Assets	620,021,427	(7,076,124)	612,945,303
TOTAL - ASSETS	648,516,373	-	648,516,373
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	69,640,800	-	69,640,800
Other Equity	172,856,671	5,029,082	177,885,753
Total Equity	242,497,471	5,029,082	247,526,553
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	2,106,592	-	2,106,592
Provisions (Gratuity)	5,501,455	-	5,501,455
Deffered tax liabilities (Net)	32,540	-	32,540
Total - Non - Current Liabilities	7,640,587	-	7,640,587
Current Liabilities			
Financial Liabilities			
Borrowings	341,123,502	-	341,123,502
Trade Payables	37,030,413	-	37,030,413
Other Current liabilities	4,094,938	-	4,094,938
Provisions	16,129,462	(5,029,082)	11,100,380
Total - Current Liabilities	398,378,315	(5,029,082)	393,349,233
TOTAL - EQUITIES AND LIABILITIES	648,516,373	-	648,516,373

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B.2 Effect of Ind AS adoption on the balance sheet as at 31st March 2017

Particular	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	26,610,485	-	26,610,485
Intangible Assets	6,959	-	6,959
Financial Assets :			
Other Financial Assets	-	12,389,656	12,389,656
Deferred tax asset (net)	304,287	-	304,287
Other non-current assets	-	-	-
Sub Total - Non - Current Assets	26,921,731	12,389,656	39,311,387
Current Assets			
Inventories	173,822,687	-	173,822,687
Financial Assets			
Trade receivables	407,879,560	-	407,879,560
Cash and cash equivalents	45,381,642	(35,992,917)	9,388,725
Other bank balances	-	23,603,261	23,603,261
Other Financial Assets	-	-	-
Other current assets	21,376,000	-	21,376,000
Sub Total - Current Assets	648,459,889	(12,389,656)	636,070,233
TOTAL - ASSETS	675,381,620	-	675,381,620



EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	69,640,800	-	69,640,800
Other Equity	178,231,098	2,933,631	181,164,729
Total Equity	247,871,898	2,933,631	250,805,529
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	1,585,134	-	1,585,134
Provisions (Gratuity)	6,562,338	-	6,562,338
Deffered tax liabilities (Net)	-	-	-
Total - Non - Current Liabilities	8,147,472	-	8,147,472
Current Liabilities			
Financial Liabilities			
Borrowings	347,831,931	-	347,831,931
Trade Payables	59,594,163	-	59,594,163
Other Current liabilities	4,502,524	-	4,502,524
Provisions	7,433,631	(2,933,631)	4,500,000
Total - Current Liabilities	419,362,249	(2,933,631)	416,428,618
TOTAL -EQUITIES AND LIABILITIES	675,381,620	-	675,381,620

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B.3 Reconciliation of total comprehensive income for the year ended 31st March 2017

Particular	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Revenue			
Revenue from Operations (Gross of excise duty)	837,490,763	-	837,490,763
Other income	1,203,169	-	1,203,169
Total Revenue	838,693,932	-	838,693,932
Expenses			
Cost of materials consumed	743,787,405	-	743,787,405
Employee benefits expense	27,042,331	-	27,042,331
Finance costs	22,991,997	-	22,991,997
Depreciation	2,881,148	-	2,881,148
Other expenses	29,332,902	-	29,332,902
Total Expenses	826,035,783	-	826,035,783
Profit Before Tax	12,658,149	-	12,658,149
Tax expense:			
Current Tax	4,500,000	-	4,500,000
Deferred Tax	(336,827)	-	(336,827)
Taxes of earlier years	186,918	-	186,918
	4,350,091	-	4,350,091
Profit/(Loss) for the year	8,308,058	-	8,308,058
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
MTM (Gain)/Loss on derivative instruments (Net)	-	-	-
Total Comprehensive Income for the year (IX+X)	8,308,058	-	8,308,058

* The Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

B.4 Reconciliation in equity between Ind AS and previous Indian GAAP:

Particulars	31st March 2017	1st April 2016
Equity as Reported under Previous GAAP (Share Capital plus reserve & surplus)	247,871,898	242,497,471
Adjustement		
Restatement of Proposed Dividend	2,437,428	4,178,448
Restatement of tax on dividend	496,203	850,634
Equity as per Ind AS	250,805,529	247,526,553

B.5 Impact of Ind AS adoption on the Statement of cash flows for the year ended 31st March 2017 :

Particular	Amount as per Previous GAAP	Effects of transition to Ind AS	Amount as per Ind AS
Net Flows from Operating Activities	(3,839,508)	(18,168,843)	14,329,335
Net Flows from Investing Activities	(2,905,711)	(7,019,808)	(9,925,519)
Net Flows from Financing Activities	1,157,889	18,168,843	(17,010,954)
Net increase/(decrease) in cash and cash equivalents	(5,587,330)	(7,019,808)	(12,607,138)
Cash & cash equivalents as at 1st April 2016	34,058,233	(28,973,109)	5,085,124
Effect of exchange rate changes on cash and cash equivalents	16,910,739	-	16,910,739
Cash & cash equivalents as at 31st March 2017	45,381,642	(35,992,917)	9,388,725

B.6 Analysis of changes in cash and cash equivalents for the purpose of statement of cash flows under Ind AS :

Particulars	31st March 2017	1st April 2016
Cash and Cash Equivalents as per Previous GAAP	45,381,642	34,058,233
FDR with maturity more than 12 months	12,389,656	7,076,124
Deposit with maturity more than 3 months but less than 12 months	22,186,538	20,900,319
Unclaim Dividend Account	1,416,723	996,666
Cash and Cash Equivalents for the purpose of statement of cash flows	9,388,725	5,085,124

Note 1 : Proposed dividend

Under Previous GAAP, proposed dividend is recognised as liability in the period to which they relate irrespective of the approval of shareholders. Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared (on approval of shareholders in general meeting) or paid.

Note 2 : Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in the statement of profit and loss but are shown in the statement of profit and loss as 'other comprehensive income' includes MTM (Gain)/Loss on derivative instruments. The concept of other comprehensive income did not exist under Previous GAAP.

Note 3 : Classification and measurement of financial assets and liabilities

Under Previous GAAP, the financial assets and financial liabilities were typically carried at the contractual amount receivable or payable. Under Ind AS 39, certain financial assets and financial liabilities are initially recognised at fair value and subsequently measured at amortised cost which involves the application of effective interest method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. However as explained by the management, the company, in contravention to Ind AS 39, has recognised the financial assets and liabilities at cost ie contractual amount receivable or payable as per Previous GAAP.

Note 4 : De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The company has not adopted the de-recognition provisions of Ind AS 109.

Note 5 : Employee benefit

As per Ind AS 19 'Employee Benefits', the liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The company, in contravention to Ind AS 19, has not carried out actuarial valuation.

Significant Accounting Policies and Notes to the Financial Statements 1 to 36

As per our report of even date
FOR MOTILAL & ASSOCIATES
Chartered Accountants
FRN.: 106584W

For and on behalf of Board of Directors

ASHISH DADHA
Chief Financial Officer

KANTIKUMAR DADHA
Chairman & Managing Director
DIN-00283289

(CA MUKESH P. MODY)
Partner
Membership No.: FCA 042975

(CS KOPAL JAIN)
Company Secretary
ACS-50718

KARANSINGH BAID
Whole Time Director
DIN-00283224

ARVIND DADHA
Whole Time Director
DIN-00317631

MUMBAI , 29th May, 2018

GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Registered office: G/30, Gems & Jewellery Complex III, Seepz, Andheri (East), Mumbai - 400 096
CIN: L36912MH1990PLC058729

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]

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

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

1. Name:
Address:
E-mail Id:
Signature:....., or failing him
2. Name:
Address:
E-mail Id:
Signature:....., or failing him
3. Name:
Address:
E-mail Id:
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Tuesday, 25th September, 2018 at 3.00 p.m. at "SUNCITY RESIDENCY HOTEL, Eden Hall-1, 16th Road, Masheshwari Nagar, MIDC, Marol, Andheri (E) Mumbai – 400 093" and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
1	Adoption of audited Financial Statements of the Company for the year ended 31st March, 2018 together with the Reports of the Board of Directors and Auditors thereon.
2	Appointment of Mr. Karansingh Baid (DIN: 00283224), who retires by rotation and being eligible, offers himself for re-appointment.
3	Approval for fees to be charged for Service of documents under Section 20 of the Companies Act, 2013.
4.	Appointment of Mr. Vinod Kankariya as a Non Executive Independent Director (DIN: 06886764) of the Company to hold office for a period of five years.

Signed this..... day of..... 2018

Signature of shareholder



Signature of Proxy holder(s)

Note: This 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.

Route MAP to the Venue of AGM

Address: Suncity Residency Hotel, Eden Hall-1, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (East), Mumbai - 400 093

Map Legends



Suncity Residency Hotel

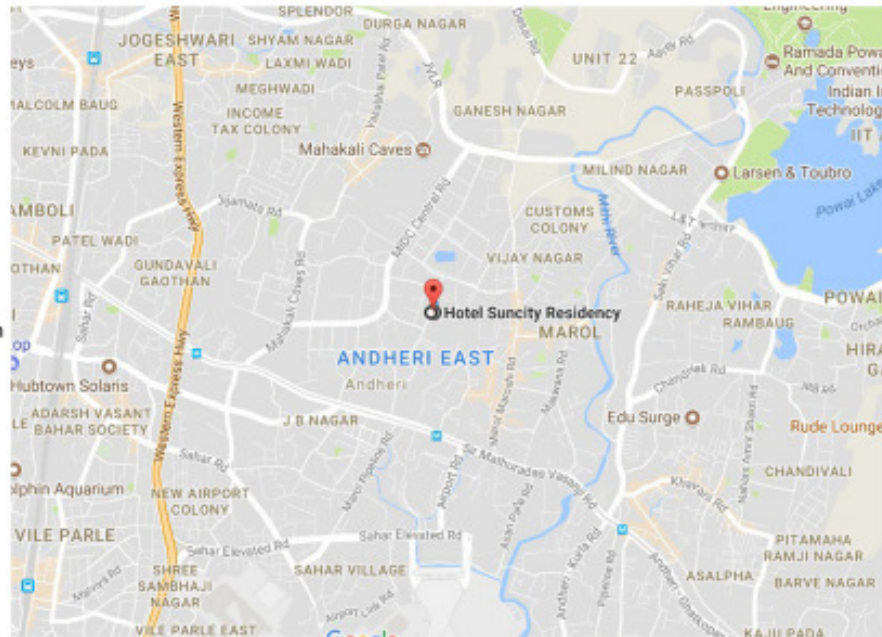


Distance from Station

- Andheri Station-3.8 km
- Vile Parle Station-5.1 km
- Jogeshwari Station-5.0 km

Distance from Metro Station

- Western Express Highway-2.5 Km
- J B Nagar, Chakala-1.5Km



If Undelivered, Please return to:

REGISTERED OFFICE:
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
G/30, Gems & Jewellery Complex III,
Seepz, Andheri (East),
Mumbai - 400 096
CIN: L36912MH1990PLC058729

GOLKUNDA DIAMONDS & JEWELLERY LIMITED

CIN: L36912MH1990PLC058729

Registered Office: G/30, Gems & Jewellery Complex III, SEEPZ, Andheri (East), Mumbai - 400 096.

Tel.: +91-22-28290155 / 56 • Fax : +91-22-28290373 • E-mail : admin@golkunda.com

ATTENDANCE SLIP 28th Annual General Meeting

DP ID - Client ID/ Folio No. :	
Name & Address : of sole Member	
Name of Joint Holder(s) :	
No. of shares held :	

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 28th ANNUAL GENERAL MEETING of the Company held on Tuesday, 25th September, 2018 at 3.00 P.M. at the SUNCITY RESIDENCY HOTEL, Eden – Hall 1, 16th Road, Masheshwari Nagar, MIDC, Marol, Andheri (E) Mumbai – 400 093.

Name of the member/proxy

** Signature of the member / proxy

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ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID	(Pan / Seq. No.)

Note : Please read the complete instructions given under the Note (The Instruction for shareholders voting electronically) to the Notice of Annual General Meeting. The voting times starts from 22th September, 2018 from 9.00 a.m. and ends on 24th September, 2018 at 5.00 p.m. The voting module shall be disabled by CDSL for voting thereafter.