

# **SHEETAL DIAMONDS LIMITED**

**29<sup>TH</sup>**

**ANNUAL REPORT**

**2022-2023**

**BOARD OF DIRECTORS AND KMP:**

SHRI VINOD T. SHAH (DIN - 01859634) Managing Director  
(Resigned w.e.f 9<sup>th</sup> October, 2023)

MR. RAJNISHKUMAR S SINGH (DIN: 07192704) Chairman & Additional Non-Executive Director  
(Appointed w.e.f 5<sup>th</sup> October, 2023)

**INDEPENDENT DIRECTOR**

SHRI PANKAJ V. SHAH (DIN -03579870) Director  
(Resigned w.e.f 5<sup>th</sup> October, 2023)

SMT NITA P SHAH (DIN- 07144690) Director  
(Resigned w.e.f 5<sup>th</sup> October, 2023)

MS. APRA SHARMA (DIN: 10149103) Additional Non-Executive Women Independent Director  
(Appointed w.e.f 5<sup>th</sup> October, 2023)

MR. LOVISH KATARIA (DIN: 06925922) Additional Non-Executive Independent Director  
(Appointed w.e.f 5<sup>th</sup> October, 2023)

MS. RENU KAUR (DIN: 10080402) Additional Non-Executive Women Independent Director  
(Appointed w.e.f 5<sup>th</sup> October, 2023)

**CHIF-FINANCIAL OFFICER**

Mr. Krunalkumar Mahendrakumar Shah CFO  
(Resigned w.e.f 9<sup>th</sup> October, 2023)

Vijay Kumar Chopra CFO and Executive Director  
(Appointed w.e.f 5<sup>th</sup> October, 2023)

**COMLIANCE OFFICER CUM COMPANY SECRETARY**

Jai Dilip Shrimankar  
(Resigned w.e.f 15<sup>th</sup> August, 2023)

CS Jaya Lahoti  
(Appointed w.e.f 13<sup>th</sup> October, 2023)

**AUDITORS:**

A.T.JAIN & CO.  
CHARTERED ACCOUNTANTS, MUMBAI

**CONSULTANT:**  
SHRAVAN A. GUPTA & ASSOCIATES  
COMPANY SECRETARY, MUMBAI

**BANKERS:**  
VIJAYA BANK.

**REGISTERED OFFICE:**  
BW-2030, Bharat Diamond Bourse,  
BKC, Bandra (East), Mumbai- 400051  
(Changed to Office No 11/23- R, Navjeevan Commercial Premises,  
Mumbai Central, Mumbai 400 008 w.e.f 5<sup>th</sup> October, 2023)

**SHARE REGISTRAR & TRANSFER AGENT:**  
SATELLITE CORPORATE SERVICES PVT LTD.  
106 & 107 Dattani Plaza, Kurla Andheri Road, Kurla (w),  
Nr. Safed Poll East West Ind Estate Mumbai City MH 400072 IN  
Tel: 022-28520461/462; Email: service@satellitecorporate.com

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# SHEETALDIAMONDS LIMITED

Diamond & Diamond Jewellery Manufactures & Exporters

CIN: L56912MH1994PLC083945

✉:-[sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com) ☎:- +918850742246

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 29<sup>th</sup> ANNUAL GENERAL MEETING OF MEMBERS OF SHEETAL DIAMONDS LIMITED WILL BE HELD ON THURSDAY, THE 09<sup>TH</sup> DAY OF NOVEMBER, 2023 AT 12.00 P.M. THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS, TO TRANSACT THE FOLLOWING.

### ORDINARY BUSINESS:

#### Item no. 1: APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023

To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March 2023 together with the Reports of the Board of Directors and the Auditors thereon.

#### Item no. 2: TO APPOINTMENT OF C.P. JARIA & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO.104058W) AS STATUTORY AUDITORS OF THE COMPANY.

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

Appointment of M/s C.P. Jaria & Co., Chartered Accountants (Firm Registration No.104058W) as statutory auditors of the Company.

**“RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. C.P. Jaria & Co., Chartered Accountants (Firm Registration No.104058W), be and are hereby appointed as the Statutory Auditors of the Company for a period of Five(5) consecutive years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 34<sup>th</sup> Annual General Meeting to be held in the year 2028, at such remuneration of Rs. 60,000/- (Rupees Sixty Thousand Only) per annum plus applicable taxes and reimbursement of out of pocket expenses as may be incurred during the audit.

**RESOLVED FURTHER THAT** any one director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with the Registrar of Companies.”

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## SPECIAL BUSINESS:

**Item no. 3: REGULARISATION OF MR. RAJNISHKUMAR S SINGH (DIN:07192704), A CHAIRMAN & ADDITIONAL NON-EXECUTIVE DIRECTOR BY APPOINTING HIM AS A CHAIRMAN & NON-EXECUTIVE DIRECTOR OF THE COMPANY OF THE COMPANY:**

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

“**RESOLVED THAT** the consent of Board of Directors be and is hereby accorded to regularised the appointment of Mr. Rajnishkumar S Singh (DIN:07192704) as an Chairman cum Non-Executive Director liable to retire by rotation with effect from November 09, 2023 pursuant to Sections 149, 152 and 161 and other relevant provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee who was appointed as an Chairman and additional Non-Executive Director in the Board Meeting held on 05<sup>th</sup> October, 2023.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Item no. 4: REGULARISATION OF MR. LOVISH KATARIA (DIN:06925922), AN ADDITIONAL NON-EXECUTIVE INDEPENDENT DIRECTOR BY APPOINTING HIM AS A NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY:**

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

“**RESOLVED THAT** in accordance with the provisions of Sections 149, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Mr. Lovish Kataria (DIN:06925922) as an Independent Director of the Company for a period of (five) years w.e.f. Thursday, 05<sup>th</sup> October, 2023 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and or remuneration as it may deem fit who was appointed as a as a Additional Non-Executive Independent Director.

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**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Item no. 5: REGULARISATION OF MR. VIJAY KUMAR CHOPRA (DIN: 10337012), A ADDITIONAL EXECUTIVE DIRECTOR BY APPOINTING HIM AS A EXECUTIVE DIRECTOR OF THE COMPANY:**

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

**"RESOLVED THAT**in accordance with the provisions of Sections 149, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Mr. Vijay Kumar Chopra (DIN: 10337012)as a Executive Directorof the Company, with effect from Thursday, 05<sup>th</sup> October, 2023on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and I or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Item no. 6: REGULARISATION OF MRS. APRA SHARMA (DIN: 10149103), AN ADDITIONAL NON- EXECUTIVE WOMEN INDEPENDENT DIRECTOR BY APPOINTING HER AS A NON- EXECUTIVE WOMEN INDEPENDENT DIRECTOR OF THE COMPANY:**

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

**"RESOLVED THAT**in accordance with the provisions of Sections 149, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act,2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Mrs. Apra Sharma (DIN: 10149103) as a Women Independent Director designated as Non- Executive Director of the Company, for a period of (five) years from Thursday, 05<sup>th</sup> October, 2023 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and

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Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and I or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Item no. 7: REGULARISATION OF MS. RENU KAUR (DIN: 10080402), AN ADDITIONAL NON-EXECUTIVE WOMEN INDEPENDENT DIRECTOR BY APPOINTING HER AS A NON-EXECUTIVE WOMEN INDEPENDENT DIRECTOR OF THE COMPANY:**

*To consider, and if though fit, to pass with or without modification, if any, the following resolution as an **Ordinary Resolution**.*

**"RESOLVED THAT** in accordance with the provisions of Sections 149, 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to appoint Ms. Renu Kaur (DIN: 10080402) as a Women Independent Director designated as Non- Executive Director of the Company, for a period of (five) years from Thursday, 05<sup>th</sup> October, 2023 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and I or remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**SPECIAL RESOLUTION:**

**Item no. 8: ALTERATION OF OBJECT CLAUSES OF THE MEMORANDUM OF ASSOCIATION**

**a) ALTERATION OF MAIN OBJECT CLAUSES OF THE MEMORANDUM OF ASSOCIATION**

To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 4 and Section 13 of the Companies Act, 2013, and other applicable provisions read with the rules and regulations made there under

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including any amendment, reenactment or statutory modification thereof, approval of the members be and is hereby accorded to Substitute Existing Clause III (A) of Main object Clause of Memorandum of Association of the Company be altered by replacing the same with the following new clause:

1. To carry on business as importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockiest, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in all kinds of all products and services, dealing in all kinds of goods, materials and items including but not limited to all kinds of pharmaceuticals and allied products, antibiotics, drugs, medicines, biological, nutraceuticals, healthcare, ayurvedic and dietary supplement products, food & provisions, household goods, consumer durables, textiles, ready-to-wear clothing, home furnishing, cosmetics, utility products, Children products and fashion accessories including clothes, jewellery, home improvement products, footwear, luggage, books & stationery, health care and beauty products, toys and music, computers & accessories, all other kinds of electronic components & devices telecom products, electronic products, agri input products, furniture, furnishing & accessories, home furnishing products and other materials or things capable of being used.
2. To carry on trade or retail business in India through retail outlets and including but not limited to hyper markets, super markets, mega stores/discount stores, cash & carry, departmental stores, shoppers plaza, direct to home, phone order and mail order, catalogue, through internet, e-commerce facilities and other forms and multi level channels. Acquiring and running all Electronic accessories and products, Mobile shops or outlets, food, service and entertainment centres including but not limited to multiplexes, cinemas, gaming centres, amusement parks, saloons, restaurants and food courts etc. all kinds of retail store and shops.
3. To establish and run portals, web sites, data processing/computer centres, retail chains, e-commerce, and to offer wholesale, retail, health constancy and data processing and other services that are normally offered by health portal, web sites, medical transcription centres, data processing/computer centres and retail chains to individuals, business and all type of customers.
4. To invest in the business, business models and ideas of various entrepreneurs or business owners considering its valuation, potential to develop and grow their product or business and become profitable and successful venture. The Entrepreneurs shall present their business ideas and ongoing business to the Company by way of presentations offline or online through Internet or by sending videos of their presentation to the Company or present on TV Shows or in the physical meeting with the authorised person of the



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Company. Based on the Presentation and considering various factors including but not limited to valuation, evaluation of growth, innovation, past business activities, profitability, long term viability of the start-up, the Company shall make an investment in the Equity stake to fund and provide financial support to the ventures or businesses to grow, become profitable and successful venture.

**b) AMENDMENT OF INCIDENTAL OR ANCILLARY OBJECTS CLAUSE OF THE MEMORANDUM OF ASSOCIATION:**

"**RESOLVED THAT** pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act 2013 including any amendment thereto or re-enactment thereof), and subject to necessary approval(s) if any, from the competent authorities, the existing Ancillary Objects of Clause III (B) be and are hereby altered by replacing the same with the following new Clause III(B) and all the clauses shall be renumbered from 1 to 50 (both inclusive) as under:

5. To act as a buyer for buying all kinds of goods, articles and things necessary or useful for carrying on the objects of the company and also to sell them through retail or on wholesale basis in India or elsewhere with or without using print media advertising and broadcasting.
6. To deal in or engage in the manufacture to means and materials required for the packing and preservation and dispatch of finished and unfinished any goods, raw materials, articles, required for the Company.
7. To act as business as merchant, traders, commission agents, buying and selling agents, brokers, buyers and sellers, importers and exporters, dealers, collectors, or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise trade and deal in goods produce, articles and merchandise of any kind whatsoever.
8. To invest and deal with the moneys of the Company not immediately required in immovable properties, shares, stocks, bonds, debentures, obligations or other Securities of any company or association or in Government Securities or in current or deposit account with banks or on the mortgage of immovable properties of any tenure or on the pledge of movable property or in any other manner as may from time to time be determined by the Directors of the Company for the time being and from time to time, sell or vary all such investments and to execute all assignments, transfers, receipts and documents that may be necessary on that behalf.

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9. To amalgamate or enter into partnership or acquire interest in the business of any other company, person or firm carrying on or engaged in any business, or transactions or for sharing profits, or co-operation or having technical knowhow whether indigenous or foreign union of interests, for limiting- competition or for mutual assistance, with any such parson, firm or company, joint ventures, reciprocal concession, limiting competition or otherwise, with any person, firm or Company carrying on or engaged in or about to be engaged in, any business or transaction which this Company is authorized to and to lend money to guarantee the contracts or otherwise assist or subsidise any such person, firm or company and to take or otherwise acquire, share and securities of any such Company, and to sell, hold, reissue with or without guarantee or otherwise deal with the same and to give to any persons firm or company special rights and privileges in connection with control over this Company, and in particular the right to nominate one or more Directors of the Company.
10. To acquire, purchase, start, run, erect, maintain, buy, sell, or dispose of land, buildings, factories workshops, foundries, mills, equipments, machinery, plant components, accessories, spares, tools, raw materials, industrial undertakings, warehouses, godowns, shops, departmental stores, offices, cellars, vaults, wagons, power stations, gas works, water works, water tanks, staff and workers quarters, roads Ways, siding, bridges and other works and conveniences which may seem directly or indirectly conducive to any of the objects of the Company and to contribute, subsidise or otherwise aid by taking part in any such operations.
11. To act as exhibitors of various goods, services and merchandise manufactured / dealt with / provided by the company. To carry out the activity of packaging and re-packaging of all kinds of goods, articles and things.
12. To buy, sell, exchange, hire, let on imports, export, dispose of and deals in plant & machinery spare parts, which may be required for the purpose of any of the business which the Company is authorised by this memorandum.
13. To purchase, construct, take or, lease or tenancy or in exchange, hire, take options over or otherwise acquire estate, lands, buildings, easements or other interest, rights in immovable properties, and to hold, develop, work, cultivate, Goal, grant concessions, license, privileges, claims, leases, options, which may appear to be necessary or convenient for any of the business of the Company and to sell, lease, mortgage, hypothecate or otherwise dispose of or grant rights over any immovable property belonging to the Company,
14. To purchase, charter, hire, or otherwise acquire vehicles for the business of the Company,

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15. To offer and enter into contracts and agreements for services in connection with the undertaking of market surveys and for development of market, in any part of the World for raw material, precious and semi precious stones and for that purpose to act as superintendents, surveyors, valuer and analysers,
16. To enter into any like or barter business Involving the exchange or purchase and sale of any of the products and allied items dealt in by the Company.
17. To acquire by purchase, lease, assignment or otherwise lands, tenaments, buildings, easements, rights and advantages of any kind whatsoever and the same to resell, mortgage, let on lease or otherwise deal with.
18. To extend the business of the Company, from time to time, by acquiring, purchasing or taking on lease any other lands with or without building and machinery standing thereon, situated in India.
19. To raise or borrow money from time to time for any of the purposes of the Company by receiving advance of any sum of money with or without security upon terms as the Directors may deem expedient and in particular by taking deposits from or credits or open accounts current with any individual or firm, including the agents of the Company or any banker or bankers (whether with or without giving security), or by mortgaging or selling or receiving advances on the sale of any lands, buildings, machinery, goods or other property of the Company, or by the issue of debentures or debenture-shock, perpetual or otherwise (both present and future) including its uncalled capital or by such other means as the Directors may in their absolute discretion deem expedient, subject to the provisions of Section 58A and Directives of the Reserve Bank of India.
20. To act in conjunction with units or associate, creates or constitute or assist in creating or constituting Any other company or Association of a kind similar wholly or partially to this Company and to buy or to absorb any part or the whole of such company or Association.
21. To invest surplus funds in shares, and sell stocks, debentures. debenture stock, bonds, obligations and securities issued, or guaranteed by any company constituted or carrying on business in India or In any foreign country, and debenture, debenture stock, bonds, obligations, securities, issued or guaranteed by any Government Sovereign Rule, Commissioners, Public Body, or authority supreme municipal, local or otherwise whether at home or abroad.
22. To apply for promote, and obtain any Act, charter privilege, concession, licence, authorisation of any Government, State or Municipality, provisional order or licence of any authority for enabling the Company to carry on any of its objects into effects, Of for

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extending any of the powers of the Company, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

23. To make donations to any person or institutions, in cash or any other assets and also to subscribe, contribute Of otherwise assist or guarantee money for charitable whether private or public, specific or discretionary, scientific, religious or benevolent, national, pubic or other institutions or objects or any exhibition or for any public object and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts whether public or private.
24. To refer or agree to refer any claims, dispute or any other question, by or against the Company, or which the Company is interested or concerned and whether between the Company and the member or members his or their representatives, or between the Company and third parties, to arbitration in India or at any place Outside India and to observe and perform and to do all acts, deeds, matters, and things to carry out or enforce the awards.
25. To adopt such means of making known the business of the Company as may seem expedient, and in particular any advertising whether in India or outside India In the press, by circulars, by publication of books and periodicals, and by granting prizes, regards and donations.
26. To draw, make, accept, endorse, discount, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures, and other negotiable or transferable instruments or securities.
27. To apply for, take out, obtain, purchase or otherwise acquire and turn to account any copyrights, licences, concessions, patent rights, or inventions, privileges, trade Marks or secret processes which may seem capable of being used for any of the purposes of the Company and to use, exercise, develop or grant licences in respect of, or otherwise turn to account the property, right or information, to acquire and to expend money in experimenting upon and testing and improving or seeing to improve any patent rights, inventions, discoveries, process or information, of the Company or which the Company may acquire or propose to acquire
28. To undertake the payment of all rents and the performance of all covenants, Conditions and agreements contained in end reserved by any lease that may be granted or assigned to or be otherwise acquired by the Company.

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29. To acquire and take over as a going concern by purchase of, or on lease and to undertake, to any on the whole or any part of the business together with the goodwill and trade name, property, rights and liabilities of any person or persons, firm or any company carrying on any business, any part of the purposes which is within the objects of trade Company or which the Company is authorised to carry on and to pay for the same by shares, debentures, debenture-stock, bonds, cash or otherwise and to conduct and carry on, liquidate and wine up any such business.
30. To register trade names, brand names, marks and also to permit their uses to such persons, firms, companies or corporations which adhere to such terms and conditions as laid down by the Company by marking such rules and regulations as are necessary from time to time in that regard.
31. To advance and/or lend money, either with or without security and generally to such persons, firms, associations, trusts, corporations, companies, upon such terms and conditions as the Company may think fit,
32. To give guarantee for the performance or discharge of any obligations, liabilities, duties or the payments of moneys by any parsers, firms and companies or Governments of States and to give indemnities,
33. To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stock contracts, Mortgage, charges, obligations, instruments, and securities of any company or of any such authorities, supreme, municipal, local or otherwise or of any persons whomsoever. Whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
34. To seek foreign assistance or co-operation or collaboration for the purposes and to achieve the objects jointly with Indian, foreign technicians and/ or firms, companies, interested in business of nature carried on by the Company.
35. To place, to receive, or to distribute as as dividend or as bonus shares among the members or otherwise to apply, and moneys received by way of premium or Shares or debentures issued at a premium by the Company and any moneys received in respect of forfeited shares and moneys arising from sale by the Company of forfeited shares.
36. Subject to the provisions of the Companies Act, 2013 to distribute among the members in specie any property of the Company or any proceeds of sale or dispose of any property of the Company in the event of winding up,

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37. To draw, make, issue, accept, transfer and endorse, discount, execute, and negotiate promissory notes, hundies, bill of exchange, cheques, drafts, bills of lading, letters of credit, delivery orders, dock-warrants, railway or transport receipts, warehouse-keepers' certificate and other negotiable or commercial or mercantile instruments connected with the business of the Company,
38. To open account with any bank or banks to deposit moneys therein and to draw and endorse cheques on and to withdraw moneys from such accounts and generally operate upon same (whether overdrawn or not) as may be required for any of the objects or purpose of the Company.
39. To insure any of the persons, properties, undertakings, Contracts, guarantees or obligations or profits of the Company of every nature and kind in any manner whatsoever.
40. To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental stations, work-shops, for scientific and technical researches, experiments and tests of all kinds and to promotes studies and research both scientific and technical investigations and invention by providing, subsidising, endowing or assisting laboratories, workshops, libraries, training colleges, schools and other institutions for training, lectures, meetings and conferences and by providing the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes, and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigators, experiments, tests and Inventions of any kind that may be considered likely to assist any business which the Company is authorised carry on.
41. To provide for the welfare of the Directors, ex-directors, employees, ex-employees of the Company or its predecessors in business and the wives and families of the dependents or connections of such persons by building or contributing to the building of houses, dwellings, chawls, or quarters of by grants of monies, pensions, gratuities, allowance, bonuses. awards. profit sharing or other scheme or trust and by providing or subscribing or contributing towards places of Instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and establish, maintain and grant scholarships, to any persons for technical, study and education in India and elsewhere which may be necessary or useful for any of the useful of the Company, and to subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other Institutions or objects which shall have any moral or ether claim to support or aid by the Company either by reason of locality of operation or of public and genera/ leek/ or otherwise.

# SHEETALDIAMONDS LIMITED

**Diamond & Diamond Jewellery Manufactures & Exporters**

CIN: L56912MH1994PLC083945

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42. To aid pecuniary, or otherwise, any association or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotions of industry or trade.
43. To do the above things and call such things, as are incidental or may be conducive to the attainment of the objects or any of them in any part of India or elsewhere and as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others.
44. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possessions, colonies, and dependencies thereof in any or all foreign countries and for this purpose to appoint managers, agents, either on salary/ and or commission and to have, maintain, and to discontinue such number of offices and agencies, therein as may be convenient
45. To employ or otherwise appoint technical experts, engineers, machines, foremen, and skilled and unskilled labour for any of the purpose of the business of the Company.
46. To receive any gifts at immovable or movable property and offerings or voluntary donations or requested and legacies either from the shareholders, director or from any, other person with or without any special conditions, and to invest or deal with the same.
47. To issue of capital, shares, stocks, debentures, debenture-stocks or other securities and to hold and deal in shares, stock and securities of any company, notwithstanding there may be liability thereon,
48. To remunerate or otherwise assist any person, firm or company for the services of technical nature rendered in India or elsewhere for conducting any research or experiments which may be calculated directly, to enhance the intrinsic value of the products of the Company or which may seem capable of being profitably dealt with in connection with any of the business of the Company.
49. To provide for the welfare of the officers, employees, ex-officers and ex-employees of the Company and wives, widows and families or the dependents or the connections of such persons, buildings or contributing to the building of houses, dwelling or chawls or any grants of money, pension allowance, bonus, or other payments or by creating and from time to time subscribing or contributing to provident or other similar funds,

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50. To apply for tender, purchase or otherwise acquire any contract, sub-contracts, licenses for any relation to the objects or business herein mentioned or any of them, and to undertake, execute, carry out, dispose off or otherwise turn to account the same.
51. To prepare and submit overall and detailed plans for civil and industrial execution to any company, corporation, body to prepare and submit overall and detailed plans for civil and industrial execution to any company, corporation, body corporate, industries, firm, association or any person with regard to:
  - a) New Projects and /or
  - b) Improvements and/or expansion of the existing projects.
52. To furnish and provide deposits, guarantee funds required in relation to any tender or application for any contract, concession, decree, enactment, property or privilege or in relation to carrying out of any contract, decree, concession or enactment
53. To create any depreciation funds, reserve funds, sinking fund, or any other special fund for repairing, improving, extending or maintaining any of the properties of the Company or for redemption of debentures, redeemable preference shares, or gratuity or pension or for any other purpose conducive to the interest of the Company,
54. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business, concerns and undertakings and generally of any assets, property or rights.

**RESOLVED THAT** Memorandum of association of the Company consists of main object clauses and incidental or ancillary objects clauses numbered as 1 to 54 (both inclusive).

**FURTHER RESOLVED THAT** any Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”



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**Item no. 9: APPROVAL FOR CREATING CHARGES, MORTGAGES, HYPOTHECATION ON THE MOVABLE AND IMMOVABLE PROPERTIES OF THE COMPANY UNDER SECTION 180 (1) (a) OF COMPANIES ACT, 2013.**

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

**“RESOLVED FURTHER THAT** pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs.50 Crores(Rupees Fifty Crores).

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

**Item no. 10: APPROVAL FOR INCREASE IN BORROWING LIMITS IN EXCESS OF LIMITS SPECIFIED UNDER SECTION 180 (1) (c) OF COMPANIES ACT, 2013.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/ or other Financial Institution and/or foreign lender and/or anybody corporate/ entity/ entities and/or authority/authorities,

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either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs.50 Crores (Rupees Fifty Crores), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

**Item no. 11: TO MAKE INVESTMENT, GIVE LOANS, GUARANTEE AND PROVIDE SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs. 50 Crores (Rupees Fifty Crores) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Executive Directors and Company Secretary of the Company, be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

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## **Notes:**

- 1) In view of the massive outbreak of Covid-19 pandemic, social distancing is the norm to be followed and pursuant to the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 20/2020 dated May 05, 2020 read with Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 all other relevant circulars issued from time to time (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and January 05, 2023 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“the Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circulars, the Meeting of the Company is being held through VC / OAVM.
- 2) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- 3) The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- 4) The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

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- 5) In accordance with the aforesaid MCA Circulars, the Company has made necessary arrangements for the Members to register their e-mail addresses for receiving the Notice. Members who have not registered their e-mail addresses are requested to register the same as per the process mentioned in the Notes.
- 6) In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and various MCA Circulars, the Company is pleased to provide its Members with the e-voting facility to exercise their right to vote on the proposed resolutions electronically. For this purpose, the Company has appointed Mr. Hemant Shetye, Company Secretary, having Membership No. FCS-2827& Certificate of Practice No. 1483, Designated Partner of M/s. HSPN & Associates LLP, Practicing Company Secretaries, as the Scrutinizer for conducting the e- voting process in a fair and transparent manner.
- 7) The Company has engaged National Securities Depository Limited (“NSDL”) as the agency to provide the e-voting facility and the instructions for e-voting are provided as part of this Notice.
- 8) The voting rights of Members shall be in proportion to their shares in the paid- up equity share capital of the Company as on the Cut-Off Date i.e., Thursday, 2<sup>nd</sup> November, 2023.
- 9) Corporate Members intending to authorise their representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
- 10) The Members of the Company can join the AGM through VC/OAVM 15 minutes before and after the scheduled time of the commencement of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members of the Company on first come first served basis. This will not include large Members (Members holding 2% or more shares of the Company), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of various Committees of the Company, Auditors etc. who are allowed to attend the AGM without any restriction.
- 11) The attendance of the Members at the AGM through VC/OAVM will be counted for the purpose of determining the quorum under Section 103 of the Act.

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- 12) The Register of Members and the Share Transfer Books of the Company will be closed from Friday 3<sup>rd</sup> November, 2023 to Thursday 9<sup>th</sup>, November, 2023 (both days inclusive).
- 13) Members are requested to notify any change in their address or bank mandate to: (a) their respective Depository Participants in case of shares held in electronic form; or (b) the Company's Registrar & Share Transfer Agent, Satellite Corporate Services Private Limited at 106 & 107 Dattani Plaza, Kurla Andheri Road, Kurla (w),Nr. Safed Poll East West Ind Estate, Mumbai City Tel : 022-28520461/462 Email: [service@satellitecorporate.com](mailto:service@satellitecorporate.com) Website: [www.satellitecorporate.com](http://www.satellitecorporate.com),in case of shares held in physical form.
- 14) The Voting through an electronic means will commence on Monday, 6<sup>th</sup> November, 2023 at 9.00 a.m. and will end on Wednesday, 8<sup>th</sup> November, 2023 at 5.00 p.m. The members will not be able to caste their electronically beyond the date and time as aforesaid mentioned.
- 15) The Company's Equity Shares are listed on BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001. The Company has paid the annual listing fees for the financial year 2023-2024.
- 16) In terms of Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, every holder of securities of the Company may, at any time, nominate, in the prescribed manner, a person to whom his/her securities of the Company shall vest in the event of his/her death. Members, who wish to avail of this facility, may fill in the prescribed Form No. SH-13 and forward the same to Satellite Corporate Services Private Limited.
- 17) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
- 18) Members who desire to take part in the Green Initiative of the Company, are requested to register their e-mail addresses with their Depository Participant(s) in case they hold shares in demat form and with the Company/ their RTA for the shares held in physical form by submitting the Investor Service Request Form - Form ISR1, ISR2 and Nomination form duly filed and signed, as per the specimen signatures registered against the folio, along with the supporting documents stated thereon. On registration,

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all the communications will be sent to the e-mail address of the Member registered with the Company.

- 19) An electronic copy of the Annual Report 2022-2023 along with the Notice are being sent to all those Members whose e-mail addresses are registered with the Company/Depository Participant(s) and physical copy of the same is not being provided in line with the aforementioned circulars issued by the MCA and SEBI. Members may also note that the Notice of the 29<sup>th</sup> AGM and the Annual Report are available on the Company's website <https://www.sheetaldiamonds.com>. The aforesaid documents can also be accessed from the website of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the e-voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 20) The documents referred to in the Notice of the AGM are available for inspection electronically without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com).
- 21) As per Regulation 40 of the Listing Regulations, securities of the listed companies can only be transferred in demat form with effect from 1st April 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or Satellite Corporate Services Private Limited (RTA) for assistance in this regard.
- 22) Members may please note that SEBI has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased Member(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares.

Further, the Members are requested to kindly note that as per SEBI circular bearing no SEBI/HO/MIRSSD\_RTAMB/PCIR/2021/655 dated 3<sup>rd</sup> November, 2021, it is mandatory for Members holding shares in physical form to register their PAN, KYC details, Bank particulars and Nomination against their folio no. PAN is also required to be linked to Aadhar No. by the Members to be considered as valid PAN.

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Members holding shares in physical form are requested to provide Form ISR1, ISR2 and Nomination Form duly filled and signed along with the hard copy of the following self-attested documents to Link Intime India Private Limited for registration against their respective folio(s):

- Identity Proof: Copy of PAN card/ Aadhar Card
- Address Proof: Copy of Aadhar Card/ Passport/ client Master List/ Utility Bill not over 3 months old
- Bank Details: Copy of the cancelled cheque stating the name of the Member as account holder
- Contact Details: Mobile no., e-mail id
- Nomination: Please provide Form SH13 duly filled and signed.
- In the absence of any of the above information registered against your folio no., your folio no. will be frozen for any updation/ dividend payment in accordance with the aforesaid Circular.
- Form ISR1, ISR2 and Nomination forms are available on the website of Company <https://www.sheetaldiamonds.com> and on the website of our Registrar and Transfer Agent at <https://www.satellitecorporate.com>.

- 23) In order to increase the efficiency of the e-voting process, SEBI vide its circular SEBI/HO/ CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020, had enabled e-voting to all the demat account holders by way of a single login credential through their demat accounts/ websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- 24) Members holding shares under multiple folios are requested to submit their applications to Satellite Corporate Services Private Limited for consolidation of folios into a single folio.
- 25) Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

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THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 6<sup>th</sup> November, 2023 at 9.00 am. And ends on Wednesday, 8<sup>th</sup> November, 2023 at 5.00 pm the remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 2<sup>nd</sup> November, 2023, may cast their vote electronically, The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 2<sup>nd</sup> November, 2023.

## How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

### Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of







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	<p>NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <ol style="list-style-type: none"><li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li></ol> <div data-bbox="735 1473 1241 1778" style="border: 1px solid black; padding: 5px;"><p style="text-align: center;"><b>NSDL Mobile App is available on</b></p><div style="display: flex; justify-content: space-around;"><span> App Store</span><span> Google Play</span></div><div style="display: flex; justify-content: space-around; margin-top: 10px;"></div></div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"><li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login</li></ol>

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	<p>Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <ol style="list-style-type: none"><li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li></ol> <p>1) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual

# SHEETALDIAMONDS LIMITED

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

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

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

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

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2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

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- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

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2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. EVEN for the Company are126951.
3. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

## **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [hs@hspnassociates.in](mailto:hs@hspnassociates.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to <https://www.sheetaldiamonds.com>.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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## **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGHVC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at ([sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com)). The same will be replied by the company suitably.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com)). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ([sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com)). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.



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**Information of Directors seeking re-appointment at the ensuing Meeting, as required under Regulation 36 (3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:**

<b>Particulars</b>	<b>Rajnishkumar S Singh</b>
Date of Birth (Age)	19.08.1985 (38 Years)
Date of Appointment/Re-appointment	05.10.2023
Qualifications	Graduation
Expertise in specific functional areas	He is having more than 9 years of experience in the area of management, marketing and administration.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Rajnish Wellness Limited. (MD)
List of Listed Companies in which the person has resigned in the past three years	0
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	
Number of shares held in the Company	1600002

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**Information of Directors seeking re-appointment at the ensuing Meeting, as required under Regulation 36 (3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:**

<b>Particulars</b>	<b>Mr. Lovishkataria</b>
Date of Birth (Age)	07.07.1991 (32 Years)
Date of Appointment/Re-appointment	05.10.2023
Qualifications	Graduation
Expertise in specific functional areas	Experienced in building products & scaling processes from 0 to 1. Highly skilled in identifying opportunities to maximize revenue, simplifying processes by building new solutions as well as enhancing existing ones.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	3
List of Listed Companies in which the person has resigned in the past three years	0
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	0
Number of shares held in the Company	NIL

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**Information of Directors seeking re-appointment at the ensuing Meeting, as required under Regulation 36 (3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:**

<b>Particulars</b>	Mr. Vijay kumar Chopra
Date of Birth (Age)	29.08.1963 (60 years)
Date of Appointment/Re-appointment	05.10.2023
Qualifications	Graduation
Expertise in specific functional areas	Professional working experience of 25+ years in making major corporate decisions, managing overall operations, and setting the company's strategic direction in Companies'
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	0
List of Listed Companies in which the person has resigned in the past three years	0
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	0
Number of shares held in the Company	NIL

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**Information of Directors seeking re-appointment at the ensuing Meeting, as required under Regulation 36 (3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:**

<b>Particulars</b>	Mrs. Apra sharma
Date of Birth (Age)	28.09.2023 (37 years)
Date of Appointment/Re-appointment	05.10.2023
Qualifications	Company Secretary
Expertise in specific functional areas	Company Secretary, member of ICSI and working experience of 12 years in the field of management.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	3
List of Listed Companies in which the person has resigned in the past three years	0
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	0
Number of shares held in the Company	NIL

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**Information of Directors seeking re-appointment at the ensuing Meeting, as required under Regulation 36 (3) of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India, is as follows:**

<b>Particulars</b>	Ms. Renukaur
Date of Birth (Age)	10.02.1992 (31 Years)
Date of Appointment/Re-appointment	05.10.2023
Qualifications	Graduation
Expertise in specific functional areas	Master in Commerce from DAW University, India in the year 2014 and Bachelor in Commerce from DAW University, India in the year 2012. professional working experience in the Legal and Secretarial compliances field.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	4
List of Listed Companies in which the person has resigned in the past three years	0
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	0
Number of shares held in the Company	NIL

**ON BEHALF OF THE BOARD  
FOR SHEETAL DIAMONDS LIMITED**

**SD/-**

**MR. RAJNISHKUMAR SINGH**

**CHAIRMAN & ADDITIONAL NON-EXECUTIVE DIRECTOR**

**DIN: 07192704**

**PLACE: MUMBAI**

**DATE: 13<sup>TH</sup> OCTOBER, 2023**

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## EXPLANATORY STATEMENT

### AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 and Regulation 36(5) of SEBI (LODR), 2015

#### Item No. 2:

#### To Appointment of /s. C.P. Jaria & Co., Chartered Accountants (FRN: 104058W) as Statutory Auditors of the Company

M/s. A.T. Jain & Co. Chartered Accountants (FRN: 103886W) were appointed as Statutory Auditors of the Company for the Financial Year 2018- 2023. Accordingly, the office of M/s. M/s. A.T. Jain & Co Chartered Accountants (FRN: 104058W) as Statutory Auditors of the Company expires in this annual general meeting. Also, M/s. A.T. Jain & Co. Chartered Accountants (FRN: 103886W) have shown their unwillingness for further appointment as Statutory Auditors of the Company.

Accordingly, the board based on the recommendation of Audit Committee, the Board of Directors have recommended appointment of M/s C.P. Jaria & Co. (FRN: 104058W) as Statutory Auditors of the Company, for a period of Five (5) years from the conclusion of the 29<sup>th</sup> Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting to be held in the year 2028, subject to the approval of shareholders of the Company in ensuing Annual General Meeting.

M/s C.P. Jaria & Co(FRN: 104058W), have conveyed their consent and eligibility to be appointed, as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The Board of Directors of the Company recommends the passing of the resolution as ordinary resolution.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

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## Disclosure under Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Proposed statutory audit fee payable to auditors	Rs. 60,000/- (Rupees Sixty Thousand Only) per annum plus applicable taxes and reimbursement of out of pocket expenses as may be incurred during the audit.
Terms of appointment	M/s C.P. Jaria & Co(FRN: 104058W), will hold the office for a period of Five (5) years from the conclusion of the 29 <sup>th</sup> Annual General Meeting till the conclusion of 34 <sup>th</sup> Annual General Meeting to be held in the year 2028.
Material change in fee payable to the new Statutory Auditors	N.A
Basis of recommendation and auditor credentials	<p>The recommendations made by the Audit Committee and the Board of Directors of the Company, M/s C.P. Jaria &amp; Co (FRN: 104058W), are in compliance the eligibility criteria prescribed under the Companies Act, 2013 and the applicable rules made under the Act with regard to the statutory audit experience capability, assessment of independence, etc.</p> <p>M/s. C. P. Jaria &amp; Co. Chartered Accountants is in the field of Chartered Accountancy and Handling various matter related to Central Excise and Customs and other Commercial Taxes.</p> <p>The present partners of the Firm are:</p> <ol style="list-style-type: none"><li>1. Pankaj jain (FCA)</li><li>2.Chandraprakash Jaria (FCA)</li><li>3.Ashish Jaria (CA, B.Com)</li></ol>

### ITEM NO. 3:

Mr. RajnishkumarS Singh (DIN:07192704)was appointed as an Chairman and additional Non-Executive Director in the Board Meeting held on 05<sup>th</sup> October, 2023 as an Chairman cum Non-Executive Director liable to retire by rotation with effect from November 09, 2023 pursuant to Sections 149, 152 and 161 read with Schedule IV and other applicable provisions, if any, of the

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Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. RajnishkumarS Singh (DIN:07192704) as Chairman cum Non-Executive Director of the Company.

The Board commends the resolutions set forth in Item No.3 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

#### ITEM NO. 4-

Mr. LovishKataria (DIN:06925922) was appointed as Additional Non- Executive Independent Director of the Company on October 05, 2023 pursuant to the provisions of the Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force for a period of 5 years. The Nomination & Remuneration Committee at its Meeting held on October 05, 2023 after considering the knowledge, acumen, expertise and experience in their respective fields has recommended to the Board that appointment of Mr. LovishKataria (DIN:06925922) as an Independent Director would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the appointment of Mr. LovishKataria (DIN:06925922) as Non- Executive Independent Director on the Board of the Company, to hold office for the first term of five consecutive years and whose office is not liable to retire by rotation. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. LovishKataria (DIN:06925922) as Non- Executive Independent Director of the Company.



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No Director, Key Managerial Personnel or their relatives, except Mr. LovishKataria (DIN:06925922)to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No.4 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), are annexed to the notice.

## ITEM NO. 5-

Mr. Vijay Kumar Chopra (DIN: 10337012)was appointed as an Additional Executive Directorby the Board in their meeting held on Thursday, 05<sup>th</sup> October, 2023 in accordance with the provisions of Sections 149, 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, Articles of Association of the Company. The Nomination & Remuneration Committee at its Meeting held on October 05, 2023 after considering the knowledge, acumen, expertise and experience in their respective fields has recommended to the Board that appointment of Mr. Vijay Kumar Chopra (DIN: 10337012)as an and Additional Executive Director would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the appointment of Mr. Vijay Kumar Chopra (DIN: 10337012)as Chief Financial Officer and Executive Director on the Board of the Company, and whose office is not liable to retire by rotation. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mr. Vijay Kumar Chopra (DIN: 10337012)as an Additional Executive Director of the Company.

No Director, Key Managerial Personnel or their relatives, except Mr. Vijay Kumar Chopra (DIN: 10337012)to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No.5 for the approval of the members as Ordinary Resolution.

# SHEETALDIAMONDS LIMITED

**Diamond & Diamond Jewellery Manufactures & Exporters**

CIN: L56912MH1994PLC083945

✉:-[sheetaldiamondslimited@gmail.com](mailto:sheetaldiamondslimited@gmail.com) ☎:- +918850742246

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

## ITEM NO. 6

Mrs. Apra Sharma (DIN: 10149103) was appointed as Additional Non- Executive Women Independent Director of the Company on October 05, 2023 pursuant to the provisions of the Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force for a period of 5 years. The Nomination & Remuneration Committee at its Meeting held on October 05, 2023 after considering the knowledge, acumen, expertise and experience in their respective fields has recommended to the Board that appointment of Mrs. Apra Sharma (DIN: 10149103) as an Women Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the appointment of Mrs. Apra Sharma (DIN: 10149103) as Non- Executive Women Independent Director on the Board of the Company, to hold office for the first term of five consecutive years and whose office is not liable to retire by rotation. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mrs. Apra Sharma (DIN: 10149103) as Non- Executive Women Independent Director of the Company.

No Director, Key Managerial Personnel or their relatives, except Mrs. Apra Sharma (DIN: 10149103) to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No.6 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

## ITEM NO. 7

Ms. Renu Kaur holding (DIN: 10080402) was appointed as Additional Non- Executive Women Independent Director of the Company on October 05, 2023 pursuant to the provisions of the

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Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force for a period of 5 years. The Nomination & Remuneration Committee at its Meeting held on October 05, 2023 after considering the knowledge, acumen, expertise and experience in their respective fields has recommended to the Board that appointment of Ms. Renu Kaur holding (DIN: 10080402) as an Women Independent Directors would be in the interest of the Company. Based on the above, the Nomination & Remuneration Committee and the Board has recommended the appointment of Ms. Renu Kaur holding (DIN: 10080402) as Non- Executive Women Independent Director on the Board of the Company, to hold office for the first term of five consecutive years and whose office is not liable to retire by rotation. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Ms. Renu Kaur as a Non- Executive Women Independent Director of the Company.

No Director, Key Managerial Personnel or their relatives, except Ms. Renu Kaur holding (DIN: 10080402) to whom the resolution(s) relates, is interested or concerned in the resolution(s).

The Board commends the resolutions set forth in Item No.7 for the approval of the members as Ordinary Resolution.

The disclosures prescribed under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), are annexed to the notice.

## ITEM NO 8:

Due to change in Control as approved by SEBI, new management has become Promoter Directors of the Company. The new Promoters proposed to run Retail Business in the Company. In this regards the Board of Directors of the Company in its meeting held on 5<sup>th</sup> October, 2023 has approved to change object of the Company subject to the approval of the Shareholders of the company by way of special Resolutions and approval of statutory, regulatory or Government authorities as may be required under applicable laws. The amended object clause will help the new Promoters to carry out their proposed activities efficiently & economically that in turn will help to increase the value of the Company in coming years.

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The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available for inspection for the Members electronically, upon Log-in to Company's website at [www.sheetaldiamonds.com](http://www.sheetaldiamonds.com) till the date of AGM.

The Board recommends the resolution given at Sr. No.8 of this notice for your approval as a Special Resolution.

Further, no other Directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company

Item 9&10:

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company.

Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting. The above proposal is in the interest of the Company.

The Board recommends the Resolution as set out at Item No. 9&10 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item nos. 13 & 14 of the accompanying notice.

The Board recommends the resolution at Item nos. 9&10 to be passed as Special Resolution.

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Item No: 11:

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 50Crores (Rupees Fifty Crores), as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.11 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no.11 of the accompanying notice.

The Board recommends the resolution at Item no.11 to be passed as Special Resolution

**ON BEHALF OF THE BOARD  
FOR SHEETAL DIAMONDS LIMITED**

**SD/-  
MR. RAJNISHKUMAR SINGH  
CHAIRMAN & ADDITIONAL NON-EXECUTIVE DIRECTOR  
DIN: 07192704  
PLACE: MUMBAI  
DATE: 13<sup>TH</sup> OCTOBER, 2023**

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## DIRECTORS' REPORT

To,  
The Members,

Your Directors presents their 29<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2023.

### 1. STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of Trading of Diamond & Diamond Jewellery in India & worldwide.

### 2. FINANCIAL PERFORMANCE:

PARTICULARS	Standalone	
	As on 31.03.2023	As on 31.03.2022
Total Income earned	3,22,58,505	21,91,34,938
Less: Total Expenditure incurred	(3,55,07,951)	(22,06,56,609)
Profit/(Loss) before Tax	(32,49,445)	(15,21,671)
Add/Less: Provision for Deferred tax	(2,07,460)	39,664
Profit/(Loss) after Tax	(30,41,985)	(15,61,335)
Add: Previous year's profit brought forward	(1,59,23,724)	(1,43,62,389)
<b>Balance profit carried forward</b>	<b>(1,89,65,709)</b>	<b>(1,59,23,724)</b>

During the year under review, the Company has made an operating loss before tax of rupees (32,49,445)(Thirty-Two lakhs Forty nine thousand four hundred forty five rupees) against previous year an operating loss before tax of rupees (15,21,671) (Fifteen lakhs twenty-one thousand six hundred and seventy one rupees only).

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### 3. DIVIDEND AND BOOK CLOSURE

Your director has assessed the ongoing financial condition of company or keeping the growth prospect of the business, board has decided not to recommend any dividend for period under review and internal accrual will be part of retained earnings.

The register of members and share transfer books will remain close from Friday 3rd November, 2023 to Thursday 9th, November, 2023 at 5.00 p.m (both days inclusive) for the 29<sup>th</sup> Annual General Meeting of the Company scheduled to be convened on Thursday, 9th, November, 2023 at 03.00 PM at through video conferencing or other audio-visual means.

### 4. FINANCIAL SITUATION

#### **Reserves & Surplus**

As at March 31, 2023, Reserves and Surplus amounted to Rs.(1,89,65,709) as compared to Rs. (1,59,24,000) of previous year. The loss of the Company is Increased Hence Reserve is Adversely Affected.

#### **Long Term Borrowings**

The Company has taken secured Loan of Rs. 2, 69,477 as Long term.

#### **Short Term Borrowings**

The Company does not taken any unsecured or Secured Loan as Short term.

#### **Fixed Asset**

Net Fixed Assets as at March 31, 2023 have Increased to Rs. 39,96,583 as compared to Rs. 80,46,000 in the previous year.

#### **Investments**

Company not made any investment in the current period under review.

### **SHARES CAPITAL**

#### **Authorised Capital**

The current Authorised Share Capital of the company is Rs. 12,00,00,000/- (Twelve Crores Only) divided into 2,40,00,000 (Two Crore Forty Lacs) Equity Shares of Rs. 5/-- (Rupees Five only).

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## **Equity Shares**

The paid-up Equity share capital of the Company as on March 31, 2023 was Rs. 5,00,00,000/- (Rupees Five Crores) comprising of 100,00,000 (Rupees One Hundred Lacs) equity shares of Rs. 5/- each.

## **5. CHANGES IN SHARE CAPITAL**

During the year there is no change in share capital of the Company.

However, as on December 09, 2021 Company Reclassified their Authorised Capital from 60,00,000 Equity Share of Rs. 10/- each to 1,20,00,000 Equity Shares Rs. 5/- each.

## **6. CASH FLOW STATEMENTS**

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement is part of the financial statements and Annual Report.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The Company does not have any subsidiaries as on 31st March, 2022 and hence not required to publish Consolidated Financial Statements

## **7. MEETINGS BOARD OF DIRECTORS**

The Board normally meets once in a quarter and additional meetings are held as and when required. During the year, the Board of Directors met 4 times i.e. on May 28<sup>th</sup> 2022, August 12<sup>th</sup> 2022, November 14<sup>th</sup> 2022, & February 14<sup>th</sup> 2023. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members.

## **8. CHANE IN MANAGEMENT AND CONTROL**

In view of the change in Control & Management of the Company and subsequent to appointments and resignation of Directors in the Board of the Company, following is the revised Composition of the Board as on the date of this report who will be regularized in the ensuing annual general meeting:

<b>Sr No.</b>	<b>Name of the Directors</b>	<b>Designation</b>	<b>DIN</b>	<b>Status</b>
1	Rajnishkumar Singh	Chairman & Additional Non-Executive Director	07192704	Promoter / Chairman
2	Apra Sharma	Additional Non-Executive Independent women	10149103	Independent



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		Director		
3	Lovish Kataria	Additional Non-Executive Independent Director	06925922	Independent
4	Renu Kaur	Additional Non-Executive Independent Director	10080402	Independent
5	Vijay Kumar Chopra	Chief Executive officer & Executive Director	10337012	Executive

During the period under review, pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from Mr. Pankaj Shah and Mrs. Nita P. Shah Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act.

Due to Change in management and control of the Company following appointment & resignation of Directors and Key Managerial Personnel took place:

1. Mr. Jaideep Shrimankar Agarwal has resigned from the post of Company Secretary and Compliance Officer of Sheetal Diamonds Limited w.e.f., 15<sup>th</sup> August, 2023 and his place Ms. CS Jaya Lahoti is appointed on 13<sup>th</sup> October, 2023 as Company Secretary & Compliance Officer of the Company.
2. Appointed Mr. Rajnishkumar S Singh [DIN:07192704] as a Chairman & Additional Non-Executive Director of the Company
3. Appointed Mr. Lovish Kataria (DIN: 06925922) as Additional Non-Executive Independent Director of the Company.
4. Appointed Mrs. Apra Sharma (Din: 10149103) as Additional Non-Executive Women Independent Director of the Company:
5. Appointed Ms. Renu Kaur (DIN: 10080402) as Additional Non-Executive Independent Director of the Company.
6. Appointed Mr. Vijay Kumar Chopra as Chief Financial Officer and Executive Director of the Company.
7. Resignation of Mr. Vinod Shah (DIN: 01859634) as Chairman, Managing Director & Compliance Officer of the Company.
8. Resignation of Mr. Pankaj Vinod Shah (DIN: 03579870) as the Non-Executive Independent Director of Company
9. Resignation of Mrs. Neeta Pankaj Shah (DIN: 07144690) as A Non-Executive Independent Director of Company
10. Resignation of Mr. Krunalkumar Mahendrakumar Shah (PAN: AZFPS7406Q) As A Chief Financial Officer of Company

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The declaration as required under Section 149 subsection 7 of Companies Act, 2013 and rules made there under, has received from all the independent directors who was appointed subsequently, in the Board meeting conducted on 05<sup>th</sup> October, 2023 confirming that they meet the criteria of independence as specified in Section 149(6) of the Act.

## **9. REGISTERED OFFICE OF THE COMPANY:**

The registered office of the Company is shifted within the same City from BW - 2030, Bharat Diamond Bourse, BKC, Bandra East, Mumbai City- 400051 to 23, Floor-11, 3 Navjeevan Society Dr. Dadasaheb Bhadkamkar Marg, Mumbai Central Mumbai, 400008 w.e.f. Thursday, October 05th, 2023.

## **10. ALTERATION OF MAIN OBJECT CLAUSE OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION:**

During the year under review, Due to change in management and control of the Company, Board has passed Board resolution in the Board meeting held on 05<sup>th</sup> October, 2023 for Change in Main object clause of the Memorandum and articles of association which in subject to approval in ensuing general meeting.

## **11. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013**

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

## **12. AUDITORS:**

M/s. A.T. Jain & Co. Chartered Accountants (FRN: 103886W) were appointed as Statutory Auditors of the Company for the Financial Year 2018- 2023 till the conclusion of Annual general

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meeting to be held in the year 2023. Accordingly, the office of M/s. A.T. Jain & Co. Chartered Accountants (FRN: 103886W) as Statutory Auditors of the Company expires in this annual general meeting. Also, M/s. A.T. Jain & Co. Chartered Accountants (FRN: 103886W) have shown their unwillingness for further appointment as Statutory Auditors of the Company.

Accordingly, the board based on the recommendation of Audit Committee, the Board of Directors have recommended appointment of M/s C.P. Jaria & Co. (FRN: 104058W) as Statutory Auditors of the Company, for a period of Five (5) years from the conclusion of the 29<sup>th</sup> Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting to be held in the year 2028, subject to the approval of shareholders of the Company in ensuing Annual General Meeting.

### **13. COMMITTEES OF THE BOARD:**

The Company's Board has the following committees:

- (1) Audit Committee.
- (2) Shareholders/Investors Grievance Committee (Stakeholders Relationship Committee).
- (3) Nomination and remuneration Committee.
- (4) Independent Directors Committee

### **14. AUDIT COMMITTEE**

During the year, the Company had an Independent Audit Committee comprising of 2 (Two) Independent Directors and 1 (one) Managing Director. Mr. Vinod Trikamlal Shah, Mr. Pankaj Vinod Shah and Mrs. Nita Pankaj Shah, Independent Director of the Company are Members of the Committee. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

In view of the change in Control and subsequent to appointments and resignation of Directors in the Board of the Company, following is the revised Composition of the Audit Committee shall be as follows:

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Sr No.	Names Directors	Designation	DIN	Status
1	Apra Sharma	Additional Non-Executive Independent women Director	10149103	Chairman
2	Lovish Kataria	Additional Non-Executive Independent Director	06925922	Independent
3	Renu Kaur	Additional Non-Executive Independent Director	10080402	Independent

## 15. EVALUATION OF PERFORMANCE OF BOARD

During the year a held Independent Directors discussed and reviewed the self assessment of Directors, Board and Committees thereof and also assess the quality, content and timeliness of flow of information between the Management and the Board in their meeting.

## 16. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and of the profit and loss of the company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

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## **17. CORPORATE GOVERNANCE:**

As the paid-up equity share capital and net worth of the Company are below the limits specified in Regulation 15 of the Listing Regulations, the Company is not required to furnish a report on corporate governance and therefore the same does not form part of this Report.

## **18. LOANS MADE, GUARANTEES GIVEN OR INVESTMENTS IN SECURITIES BY THE COMPANY.**

The Company has not given any Loans, Guarantees or provided security or made investments to/in any other company during the financial year under review.

## **19. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES IN A PRESCRIBED FORM ALONGWITH THE JUSTIFICATION FOR ENTERING INTO SUCH CONTRACT OR ARRANGEMENT.**

During the year there was no related party transactions of material nature that may have a potential conflict with interests of the Company, all transactions with related parties were in the normal course of business. On recommendation of Audit Committee the Board ratifies all the related party transactions on quarterly basis. The details of the transaction is annexed herewith as 'Annexure- I' in the prescribed form AOC-2.

## **20. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 217(1) COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

### **(1) Conservation of energy: -**

- The steps taken or impact on conservation of energy:  
N.A.
- The steps taken by the Company for utilizing alternate sources of energy:  
N.A.
- The capital investment on energy conservation equipment:  
N.A.

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## **(2) Technology absorption:**

- The efforts made towards technology absorption:  
N.A
- The benefits derived like product improvement, cost reduction product development or import substitution: N.A
- In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -
  - i) The details of technology imported: N.A
  - ii) The year of import: N.A
  - iii) Whether the technology been fully absorbed. N.A.
- If not fully absorbed, areas where absorption has not taken place and the reasons thereof; and: N.A.
- The expenditure incurred on Research and Development.  
N.A.

## **(3) Foreign exchange earnings and Outgo**

- The Foreign Exchange earned in terms of actual inflows during the year  
NIL
- the Foreign Exchange outgo during the year in terms of actual outflows  
NIL

Since the Company does not own any manufacturing facility or unit, hence disclosures in this regard not required. The particulars with respect to conservation of energy, technology absorption being not relevant, have not been given.

## **21. MATERIAL EVENTS DURING THE YEAR UNDER REVIEW**

There were no material changes and commitments has been done my management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

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## 22. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

**There are no material events during the financial year.**

However, during the period from the end of the financial year, the Company's existing promoters have executed a Share Purchase Agreement ("SPA") with Mr. Rajnish kumar Singh (Proposed Promoter/Investor) dated Saturday 20th May, 2023. Mr. Rajnish kumar Singh has also executed a Share Subscription Agreement ("SSA") with the Company dated Saturday 20th May, 2023, which inter alia contains the terms and conditions of the issue and allotment of the Subscription Shares.

Pursuant to the Share Subscription Agreement, the Board has approved preferential Issue of 1,25,00,0000 (One Crore Twenty-Five Lakhs) Equity shares of Rs.5/- (Indian Rupee Five Only) face value ("Shares") at an issue price of Rs. 9/- per share (Indian Rupees Nine Only) for a consideration at cash not exceeding an aggregate amount of Rs. 11,25,00,000/- (Rupees Eleven Crore Twenty-Five Lakhs Only).

The said preferential issue requires prior approval of shareholders. Accordingly, the company shall hold Extra-ordinary general meeting of shareholders of the Company on 17th June, 2023 to approve the said preferential issue. Execution of the definitive agreement (i.e., the "SPA" and "SSA" ("Definitive Agreement") has triggered an obligation on the investor to make an open offer to the equity shareholders of the Company in terms of applicable regulations of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 ("Open Offer").

## 23. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as at March 31, 2022 is uploaded on the website of the Company and can be accessed at <https://www.sheetaldiamonds.com>.

## 24. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it is suffering losses since last three consecutive years; hence disclosure in this regard is not provided.

# SHEETAL DIAMONDS LIMITED

**Diamond & Diamond Jewellery Manufactures & Exporters**

CIN: L56912MH1994PLC083945

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## **25. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES (SECTION 177(10))**

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the board of directors of the company formulated and adopted "Whistle Blower Policy and Vigil Mechanism"

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organization either financially or otherwise.

## **26. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12))**

Details pertaining to remuneration as required under section 197(12) of the Companies act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014 are provided in 'Annexure-II' to the Board's Report.

## **27. MANAGERIAL REMUNERATION AND RELATED DISCLOSURES**

Disclosures pertaining to remuneration to directors and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

pertaining the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No any employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;



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- (ii) No any employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- (iii) No any employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

## 28. SUBSIDIARY COMPANIES

The Company has no subsidiary companies and hence, company no need to make disclosure of contracts or arrangements or transactions not at arm's length basis.

## 29. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

## 30. SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 and rules, amendments made there under, Mr. Shravan. A. Gupta Practicing Company Secretary was appointed to conduct the secretarial audit of our company for FY 2022-23. The Secretarial Audit report is given separately under **Annexure III**.

## 31. HUMAN RESOURCES

Company considers its employees as most valuable resource and ensures strategic alignment of Human Resource practices to business priorities and objectives. The Company has a dedicated team of employees at various locations across our corporate office and branch offices (including Subsidiary companies) spread across the country. The Company strives to inculcate the culture where its employees are motivated and their performance is aligned with values. Company has achieved this present level of excellence through the commitment and dedication exhibited by its

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employees. The focus on improving productivity and adoption of best practices in every area are being pursued relentlessly. Efforts for active participation, nurturing creativity and innovation and ensuring a climate of synergy and enthusiasm has been at the core of Human Resource initiatives and interventions.

## **32. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

Your Company has adequate internal financial control and adopted Internal Financial Control Policy in order to maintain confidentiality of price sensitive information and internal financial control.

## **33. RISK MANAGEMENT**

The Company has mechanisms to inform the Board Members about the risk assessment and minimization procedures and periodical review to ensure that executive management controls risk through means of a properly identified framework. Risk management is an ongoing process and the Audit Committee will periodically review risk mitigation measures. The Board of Directors has not constituted a Risk Management Committee as is not mandatory to the company vide circular bearing number CIR/CFD/POLICY CELL/7/2014 issued by SEBI dated September 15, 2014.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network.

Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

## **34. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The familiarization programme aims to provide Independent Directors with the Industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is posted on Company's website at [www.sheetaldiamonds.com](http://www.sheetaldiamonds.com).

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## **35. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

During the year there is no Company which have become or ceased to be subsidiaries, joint ventures or associate company.

## **36. POLICIES**

The Company seeks to Promote Highest levels of ethical standards in the normal business transaction guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, mandates formulation of certain policies for Listed Companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and amended from time to time. The policies are available on the website of the Company at [www.sheetaldiamonds.com](http://www.sheetaldiamonds.com).

## **37. OTHER DISCLOSURES**

The company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable.

## **38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company submitted draft letter offer to SEBI on Thursday, June 01, 2023 for their comments and approval regarding open offer and the same has received to the Company on Friday, August 11, 2023. Apart from this, there were no significant and material orders passed by the regulators and/or courts or tribunals during the year.

## **39. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors, and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

# **SHEETAL DIAMONDS LIMITED**

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## **40. PUBLIC DEPOSITS**

During the period under review, the Company has neither accepted nor invited any Public deposits and hence the provisions of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 are not attracted and the information relating thereto is nil.

## **41. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company is following the applicable Secretarial Standards as prescribed and formulated by ICSI during the financial year 2022-23.

## **42. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors, and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

## **43. POLICY FOR SEXUAL HARRASMENT**

The Company has formed the Sexual harassment Committee and no casualty or complaint lodged against anybody.

## **44. ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank all investors, clients, vendors, banks, regulatory, Government authorities and Stock Exchanges for their continued support and cooperation. The Directors also wish to place on record their appreciation of the contribution made by the business partners / associates at all levels.

**ON BEHALF OF THE BOARD  
FOR SHEETAL DIAMONDS LIMITED**

**SD/-  
MR. RAJNISHKUMAR SINGH  
CHAIRMAN & ADDITIONAL NON-EXECUTIVE DIRECTOR  
DIN: 07192704  
PLACE: MUMBAI  
DATE: 13<sup>TH</sup> OCTOBER, 2023**

# SHEETAL DIAMONDS LIMITED

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## ANNEXURE I

Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts /arrangements/transactions	(c) Duration of the contracts / arrangement s/transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Justification for entering into such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable							

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	(b) Nature of contracts/arrangements/transactions	(c) Duration of the contracts/arrangements /transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances, if any:
Pankaj Shah Director	Sitting Fees	As per executed deed	As per executed deed	29 <sup>th</sup> June, 2021	9000
Nita Shah Director	Sitting Fees	As per executed deed	As per executed deed	29 <sup>th</sup> June, 2021	9000
Vinod T. Shah Managing Director	MD remuneration	As per executed deed	As per executed deed	29 <sup>th</sup> June, 2021	8,40,000
Sheetal Exports	Rent paid	As per executed deed	As per executed deed	-	3,60,000

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## ANNEXURE II

Information as per Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

a) Whole Time Directors

DIRECTOR	Remuneration Paid To Whole Time Director In FY 2022-23 (Rs.)	Ratio Of Wtd Directors Remuneration To MRE*
Mr. Vinod T Shah	8,40,000	-----

b) Independent Directors

No remuneration was paid to Non Executive and Independent Directors of the Company except for the Sitting fees. Details of the Sitting fees paid during the year is as follows:

Name	Sitting Fees Paid
Mr. Pankaj V. Shah	12,000
Mrs. Nita P. Shah	12,000

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

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

To  
The Members  
**SHEETAL DIAMONDS LIMITED**  
**CIN:L56912MH1994PLC083945**  
BW - 2030, BHARAT DIAMOND BOURSE, BKC, BANDRA EAST,  
Mumbai City, 400051

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHEETAL DIAMONDS LIMITED**(hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act 2013 and the Rules made thereunder
- (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) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investments, overseas direct investments, external commercial borrowings; **-(Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period).**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations) 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the audit period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 **Not Applicable during the audit period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the audit period**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the audit period** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the audit period**
- (vi) The other laws as are applicable specifically to the Company are compiled as per representation made by the management of company during the audit period.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made there under.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that, during the audit period:**

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 does not took place during the audit period were carried out in compliance with the provisions of the Companies Act, 2013 and listing regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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



**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**  
**P.R. No. 2140/2022**

**Shravan A. Gupta**  
**ACS: 27484, CP: 9990**  
**Place: Mumbai**  
**UDIN:A027484E001298545**  
**Date: OCTOBER 13, 2023**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To  
The Members  
**SHEETAL DIAMONDS LIMITED**  
**CIN:L56912MH1994PLC083945**  
BW - 2030, BHARAT DIAMOND BOURSE, BKC, BANDRA EAST,  
Mumbai City, 400051,

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Shravan A. Gupta & Associates**  
**Practicing Company Secretary**  
**P.R. No. 2140/2022**

**Shravan A. Gupta**  
**ACS: 27484, CP: 9990**  
**Place: Mumbai**  
**UDIN:A027484E001298545**  
**Date: OCTOBER 13, 2023**

# SHEETAL DIAMONDS LIMITED

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT - 2023

Pursuant to Regulation 34(3) and 53(f)] of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 Report on Management Discussion and Analysis is given below:

**a) Industry Structure & Development and Challenges:**

The trade of designer jewellery in retail is on increasing trend all over the world. Jewellery is one commodity of saving as well as exhibition of wealth for the Indian ladies. The company is in the line of online trading of designer jewellery. The demand of the same is substantial increased in the recent years. The management expect the business growth in every year.

**b) Outlook, Opportunities, Threats and Risks:**

The industry is showing healthy signs of growth. As per capital income in India is substantial increased, the demand of jewellery amongst the young generation is also on rise. This will help the company in developing business opportunities. The management does not see any risk or threat as raw material is valuable commodities. The company also planning to expand the horizon of business by investing substantial fund out of internal accrual.

**c) Segment-wise Performance :**

The company has currently one major activities of online trading of designer Gold & Diamond jewellery. However, to hedge the gold price the company also buys.

**d) Internal Control System & Their Adequacy**

The company has adequate internal control system commensurate with the size. The committee reviews the implementation of management policies to ensure that transaction has been accurately recorded and promptly reported.

**e) Human Resources & Industrial Relation:**

The company considers human resources as one of the vital and important factors for sustained growth. The human resources strategy is to attract talent in the industry, develop and upgrade their skill and competence on the job and ensure employee satisfaction through reward, appreciation and development of environment based on culture and values nurtured by the Group over the years.

**f) Trading Status On the stock exchange:**

The company's equity shares are Listed and traded on Bombay Stock Exchange Limited.

**g) Whistle Blower Policy:**

The company does not have any Whistle Blower policy as of now but no personnel are being denied any access to the audit committee.

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**h) Cautionary Statement:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectation or predication may be "forward-looking" statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

**i) Details of Application made pending under IBC**

There are no applications pending under IBC.

**J) Details of difference between amount of valuation at the time of One Time Settlement & at the time of taking loan**

Not Applicable.

**ON BEHALF OF THE BOARD  
FOR SHEETAL DIAMONDS LIMITED**

**SD/-  
MR. RAJNISHKUMAR SINGH  
CHAIRMAN & ADDITIONAL NON-EXECUTIVE DIRECTOR  
DIN: 07192704  
PLACE: MUMBAI  
DATE: 13<sup>TH</sup> OCTOBER, 2023**

## **INDEPENDENT AUDITOR’S REPORT**

### **TO THE MEMBERS OF SHEETAL DIAMONDS LIMITED**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying Ind AS financial statements of Sheetal Diamonds Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and notes to the Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

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

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

##### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information

comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **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 Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including Ind AS prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the IND AS Financial Statements**

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position as at 31<sup>st</sup> March, 2023 in its financial statements
    - 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.
    - iv. The management has represented that, to the best of its knowledge and belief, no



funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- v. The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- vi. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) above, contain any material mis-statement
3. No dividend has been declared or paid during the year by the company, therefore no reporting is required about compliance to Section 123 of the Act.
4. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For M/s. A.T.Jain & Co.**  
Chartered Accountants  
FRN Number: 103886W

**(Sushil T. Jain)**  
Partner  
Membership No. 33809  
Place: Mumbai  
Date: 27.05.2023  
UDIN:

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sheetal Diamonds Limited of even date)

### **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”)**

We have audited the internal financial controls over financial reporting of **SHEETAL DIAMONDS LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) 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 the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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, 2023, 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 M/s. A.T.Jain & co.**  
Chartered Accountants  
FRN Number: 103886W

**(Sushil T. Jain)**  
Partner  
Membership No. 33809  
Place: Mumbai  
Date: 27.05.2023  
UDIN:

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sheetal Diamonds Limited of even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- i. In respect of the Company's Property Plant & Equipment:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of verification which in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with this programme, certain Property, Plant and Equipment were verified during the year. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, we report that there are no immovable properties held by the Company, hence this clause is not applicable to the Company.
  - (d) The company has not revalued its Property, Plant and Equipment during the year. The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.
  - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
  - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals in accordance with the procedure followed by the management. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
  - (b) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of 5 crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

- iii. According to the information and explanation given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties. Accordingly, reporting under clause 3 (iii)(a), (b), (c), (d), (e) & (f) are not applicable to the company.
- iv. As informed and based on the records verified by us, the Company has not granted any loans, investments, guarantees and security covered under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and other relevant provisions of the Act and rules made thereunder
- vi. In our Opinion and According to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2016, and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us and based on our examination of the records of the division, there were no amounts due as on March 31, 2023 in respect of goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Therefore the provisions of Clause 3(viii) of said Order are not applicable to the company
- ix. (a) In our opinion and according to the information and explanation given to us, company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to the banks. The company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.  
  
(b) According to the information and explanations given to us, the company is not declared as a wilful defaulter by any bank or financial institutions or other lender.

- (c) According to the information and explanations given to us by the management, the company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds were raised on short term basis.
- (e) According to the information and explanations given to us, and the records examined by us, the company has no subsidiaries, associates or joint ventures. Accordingly, reporting under clauses 3(ix)(e) and (f) is not applicable to the company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and the records of the company examined by us, the company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, provision of clause 3(x)(b) of the Order are not applicable to the company.
- xi. (a) 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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(2) of the Act, in form ADT – 4, as prescribed under Rule 13 of The Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, reporting under Clause 3(xi)(c) of said Order are not applicable to the company.
- xii. In our opinion and according to information and explanations provided to us, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company
- xiii. In our opinion and as per information and explanations provided to us by management all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required under Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

- xiv. (a) In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting commensurate with the size and nature of its business.
- (b) The Company did not have an internal audit system for the period under audit.
- xv. According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. (a) According to information and explanations provided to us and audit procedures performed, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) According to the information and explanations given to us and the records of the Company examined by us, the company has not conducted any Non-Banking Financial or Housing Finance activities as its principal business activities. Therefore, the provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the company, the Group does not have any CIC which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us, and the records of the company examined by us, the company has incurred cash losses during the current financial year amounting to Rs.20.88 Lakhs and Rs. 2.51 Lakhs in the immediately preceding financial year.
- xviii. There has not been any resignation of the statutory auditors during the year and therefore, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us by the management and the records of the Company examined by us, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements, and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of One year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of One year from the balance sheet date will get discharged.



- xx. The provisions relating to Corporate Social Responsibility under Section 135 of Act is not applicable to the company. Accordingly, reporting under Clause 3(xx) of the Order are not applicable to the Company
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For M/s. A.T.Jain & Co.**  
Chartered Accountants  
FRN Number: 103886W

**(Sushil T. Jain)**  
Partner  
Membership No. 33809  
Place: Mumbai  
Date: 27.05.2023  
UDIN:

**SHEETAL DIAMONDS LIMITED**  
Balance Sheet as at 31st March, 2023

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
<b>ASSETS</b>			
<b>1) NON - CURRENT ASSETS</b>			
(a) Property, Plant & Equipment	3	39.97	80.46
(b) Financial Assets			
(i) Other Financial Assets	4	18.60	22.84
(c) Deferred Tax Assets (Net)		2.22	0.14
<b>TOTAL NON- CURRENT ASSETS</b>		<b>60.78</b>	<b>103.44</b>
<b>2) CURRENT ASSETS</b>			
(a) Inventories	5	10.59	182.48
(b) Financial Assets			
(i) Trade Receivables	6	231.90	70.00
(ii) Cash & Cash Equivalents	7	8.39	17.42
(iii) Other Financial Assets	8	4.95	-
(c) Other Current Assets	9	15.04	71.73
<b>TOTAL CURRENT ASSETS</b>		<b>270.87</b>	<b>341.62</b>
<b>TOTAL ASSETS</b>		<b>331.66</b>	<b>445.06</b>
<b>Particulars</b>			
<b>Equity and Liabilities</b>			
<b>1) EQUITY</b>			
(a) Equity share capital	10	500.00	500.00
(b) Other equity	11	(189.66)	(159.24)
<b>TOTAL EQUITY</b>		<b>310.34</b>	<b>340.76</b>
<b>2) NON- CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	12	2.69	6.45
<b>TOTAL NON- CURRENT LIABILITIES</b>		<b>2.69</b>	<b>6.45</b>
<b>3) CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	13	3.75	3.43
(ii) Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	14	1.53	83.44
(iii) Other Financial liabilities	15	0.05	0.07
(b) Other current liabilities	16	13.29	10.90
<b>TOTAL CURRENT LIABILITIES</b>		<b>18.62</b>	<b>97.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>331.66</b>	<b>445.06</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
**A.T.Jain & Co.**  
Chartered Accountants  
Firm Reg No:- 103886W

**For and on behalf of the Board of  
SHEETAL DIAMONDS LIMITED**

**Sushil Jain**  
Partner  
Membership No :- 033809  
Place : Mumbai  
Date : 27.05.2023

<b>Pankaj Shah</b> Director DIN: 03579870 Place : Mumbai Date : 27.05.2023	<b>Vinod Shah</b> Managing Director DIN: 01859634 Place : Mumbai Date : 27.05.2023	<b>Jai Shrimankar</b> Company Secretary Place : Mumbai Date : 27.05.2023
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**SHEETAL DIAMONDS LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2023**

(Rs. in Lakhs)

Particulars	Note No.	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>Income</b>			
Revenue from operations	17	315.51	2,112.94
Other income	18	7.08	78.41
<b>Total Income</b>		<b>322.59</b>	<b>2,191.35</b>
<b>Expenses</b>			
Purchase of stock-in-trade		100.37	2,048.90
Changes in inventories	19	171.89	(91.96)
Employee benefit expenses	20	25.64	62.87
Finance costs	21	0.72	1.02
Depreciation and amortization expenses	3	11.62	12.70
Other expenses	22	44.84	173.03
<b>Total expenses</b>		<b>355.08</b>	<b>2,206.57</b>
<b>Profit / (loss) before exceptional items and tax</b>		<b>(32.49)</b>	<b>(15.22)</b>
Exceptional items		-	-
<b>Profit / (loss) before tax</b>		<b>(32.49)</b>	<b>(15.22)</b>
<b>Tax expense</b>			
Deferred tax		(2.07)	0.40
<b>Profit / (Loss) for the year</b>		<b>(30.42)</b>	<b>(15.61)</b>
Other Comprehensive Income		-	-
<b>Total Comprehensive Income</b>		<b>(30.42)</b>	<b>(15.61)</b>
<b>Earning per share ( Face value of Rs.5 each)</b> <b>(March 31, 2022; Face Value of Rs.5 each)</b>			
Basic		(0.30)	(0.16)
Diluted		(0.30)	(0.16)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

**A.T.Jain & Co.**

**Chartered Accountants**

Firm Reg No:- 103886W

**For and on behalf of the Board of  
SHEETAL DIAMONDS LIMITED**

**Sushil Jain**

Partner

Membership No :- 033809

Place : Mumbai

Date : 27.05.2023

**Pankaj Shah**

Director

DIN: 03579870

Place : Mumbai

Date : 27.05.2023

**Vinod Shah**

Managing Director

DIN: 01859634

Place : Mumbai

Date : 27.05.2023

**Jai Shrimankar**

Company Secretary

Place : Mumbai

Date : 27.05.2023

**SHEETAL DIAMONDS LIMITED**  
Cash flow statement for the year ended 31st March, 2023

		(Rs. in Lakhs)	
	Particulars	For the Year ended 31st March, 2023	For the Year ended 31st March, 2022
<b>A)</b>	<b><u>Cash flow from operating activities :-</u></b>		
	Net Profit before tax	(32.49)	(15.22)
	<b><u>Adjustment for:</u></b>		
	Depreciation and amortisation expense	11.62	12.70
	Loss on sale of Property, Plant & Equipment	5.31	0.05
	Capital Assets Written Off	0.23	-
		17.15	12.75
	Operating Cashflow before working Capital changes	<b>(15.35)</b>	<b>(2.46)</b>
	<b><u>Adjustment for working capital changes</u></b>		
	Inventory	171.89	(91.96)
	Trade Receivables	(161.90)	555.63
	Other Financial Assets	(0.71)	4.14
	Other Current Assets	56.70	(24.80)
	Trade Payables	(81.92)	(366.07)
	Other Financial Liabilities	(0.03)	(0.02)
	Other Current Liabilities	2.39	(72.73)
		(13.59)	4.17
	<b>Cash generated from operation</b>	<b>(28.93)</b>	<b>1.71</b>
	Less : Taxes Paid	-	-
		<b>(28.93)</b>	<b>1.71</b>
<b>B)</b>	<b><u>Cash flow from Investing activities :-</u></b>		
	Purchase of Property, Plant & Equipment	-	(33.24)
	Proceeds from Sale of Property, Plant & Equipment	23.34	1.30
	<b>Cash generated from Investing Activities</b>	<b>23.34</b>	<b>(31.94)</b>
<b>C)</b>	<b><u>Cash flow from Financing activities :-</u></b>		
	Borrowings	(3.43)	(3.14)
	<b>Cash generated from Financing Activities</b>	<b>(3.43)</b>	<b>(3.14)</b>
	Net Increase/Decrease in cash or cash equivalent (A+B+C)	<b>(9.02)</b>	<b>(33.37)</b>
	Cash & cash equivalent as at Opening Date	17.42	50.79
	Cash & cash equivalent as at Closing Date	<b>8.39</b>	<b>17.42</b>

As per our report of even date

**A.T.Jain & Co.**  
**Chartered Accountants**  
Firm Reg No:- 103886W

**For and on behalf of the Board of  
SHEETAL DIAMONDS LIMITED**

**Sushil Jain**  
Partner  
Membership No :- 033809  
Place : Mumbai  
Date : 27.05.2023

**Pankaj Shah**  
Director  
DIN: 03579870  
Place : Mumbai  
Date : 27.05.2023

**Vinod Shah**  
Managing Director  
DIN: 01859634  
Place : Mumbai  
Date : 27.05.2023

**Jai Shrimankar**  
Company Secretary  
Place : Mumbai  
Date : 27.05.2023

## Notes to the Financial Statements for the year ended March 31, 2023.

### 1. Corporate Information

SHEETAL DIAMONDS LIMITED ("the company") is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at BW-2030, Bharat Diamond Bourse, BKC, Bandra (East), Mumbai- 400051. The Company is engaged in the trading of Loose Diamonds & Jewellery.

### 2. Significant Accounting Policies

#### Basis of preparation of Financial Statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in accounting policy hitherto in use.

All amounts included in the financial statements are presented in Indian rupees ('INR').

#### Use of Assumptions, Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

### **Revenue Recognition**

The revenues are recognised when the general revenue recognition criteria given in Ind AS 115 are met.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The Company measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers. The Company presents revenues net of indirect taxes collected in its statement of profit and loss.

Advances received for services and products are reported as “Advance received against sales” until all conditions for revenue recognition are met.

### ***Sale of Goods***

Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

### ***Interest Income***

Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example: prepayment and extension), but does not consider the expected credit losses.

### ***Other Incomes***

Service income is recognized on rendering of services at a point in time.

Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.

### **Property, Plant and Equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company.

All Property, Plant and Equipment (PPE) are stated at carrying value i.e. original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses.

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

The cost of an item of PPE comprises: Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts, rebates, Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Property, plant and equipment are eliminated from financial statement on disposal. Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **Depreciation and Amortization**

The depreciable amount of an item of Property, Plant and Equipment (PPE) is allocated on a straight line basis over its useful life. The residual value and the useful life of an asset are reviewed at each financial year-end. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Companies Act, 2013 or on the basis of useful lives of the assets as estimated by management, whichever is lower. The residual value of all the assets is taken 5% of the cost of assets.

### **Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite lives are amortised over the estimated useful economic life of the assets by using straight line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **Borrowing Costs**

Borrowing costs that are attributable to acquisition and construction of qualifying assets are capitalized till the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. All other borrowing costs are recognized as expenditure in the year in which they are incurred.

### **Foreign Currency Transactions**

#### ***Functional currency***

The functional currency of the company is Indian Rupees ('INR'). These financial statements are presented in Indian Rupees and all the values are rounded to the nearest Rupee, except otherwise indicated.

### ***Transactions and translations***

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. Gains and losses, if any, at the year-end in respect of monetary assets and monetary liabilities not covered by the forward contracts are transferred to Profit & Loss Account except for Long Term Foreign Currency Monetary Items. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non monetary assets and nonmonetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

### **Inventories**

Inventories are valued at cost or net realizable value whichever is lower. Cost is determined on FIFO basis.

### **Provisions, Contingent Liabilities and Contingent Assets**

#### ***Provisions***

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date.

#### ***Contingent Liabilities***

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

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

Contingent Liabilities are disclosed in the General Notes forming part of the accounts.

#### ***Contingent Assets***

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



## **Taxation**

Taxes on Income comprises of current tax and deferred tax. Current tax and deferred tax are recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, respectively.

### ***Current tax***

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

### ***Deferred tax***

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

### ***Current and deferred tax for the year***

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

## **Financial instruments**

### **(i) Financial Assets**

#### ***Initial recognition and measurement:***

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through Profit and Loss.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

#### ***Subsequent measurement:***

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognised in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognised in the statement of profit and loss.

### ***De - recognition:***

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either:
  - (a) the Company has transferred substantially all the risks and rewards of the asset; or

- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## **(ii) Financial Liabilities**

### ***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

### ***Subsequent measurement:***

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

### ***Loans and borrowings:***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### ***De - recognition:***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **(iii) Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Impairment of Asset**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

### ***Impairment of financial assets:***

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

### ***Impairment of non- financial assets:***

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss, except for properties previously revalued with the revaluation taken to Other Comprehensive Income (the 'OCI'). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

## **Earnings per share**

### ***Basic earnings per share***

A basic earnings per share is computed by dividing:

- the net profit attributable to the equity shareholders of the company
- by the weighted average number of equity shares outstanding during the year.

### ***Diluted earnings per share***

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected.

## **Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **Employee Benefit**

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

## **Leases**

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

### ***The Company as a lessee***

The Company enters into arrangements for lease which are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment. The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss.

For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

### ***The Company as a lessor***

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

For leases under which the Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

### **Exceptional Items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 3: Property, Plant & Equipment**

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2022	Additions / Capitalisations	Disposal/ Transfer	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation charge for the year	On disposals	Balance as at 31st March 2023	Balance as at 31st March 2023	Balance as at 31st March 2022
<b>Tangible Assets</b>										
Furniture and Fixture	15.06	-	6.59	8.47	6.78	0.62	1.24	6.16	2.30	8.28
Plant and Machinery	59.01	-	25.17	33.84	26.33	2.95	5.09	24.18	9.66	32.68
Computer	11.02	-	4.21	6.81	6.05	2.20	3.21	5.03	1.78	4.97
Office Equipments	11.83	-	3.71	8.12	2.93	1.99	1.25	3.67	4.44	8.89
Motor Vehicles	32.49	-	-	32.49	6.85	3.86	-	10.71	21.78	25.64
<b>Total F.Y. 2022-23</b>	<b>129.40</b>	<b>-</b>	<b>39.67</b>	<b>89.72</b>	<b>48.94</b>	<b>11.62</b>	<b>10.80</b>	<b>49.76</b>	<b>39.97</b>	<b>80.46</b>
<b>Total F.Y. 2021-22</b>	<b>104.87</b>	<b>33.24</b>	<b>8.72</b>	<b>129.40</b>	<b>43.60</b>	<b>12.70</b>	<b>7.37</b>	<b>48.94</b>	<b>80.46</b>	<b>61.27</b>

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2021	Additions / Capitalisations	Disposal/ Transfer	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation charge for the year	On disposals	Balance as at 31st March 2022	Balance as at 31st March 2022	Balance as at 31st March 2021
<b>Tangible Assets</b>										
Furniture and Fixture	14.03	1.03	-	15.06	5.95	0.83	-	6.78	8.28	8.08
Plant and Machinery	52.18	15.55	8.72	59.01	30.13	3.57	7.37	26.33	32.68	22.05
Computer	8.28	2.74	-	11.02	3.48	2.56	-	6.05	4.97	4.80
Office Equipments	9.65	2.17	-	11.83	0.83	2.10	-	2.93	8.89	8.82
Motor Vehicles	20.73	11.76	-	32.49	3.21	3.64	-	6.85	25.64	17.52
<b>Total F.Y. 2021-22</b>	<b>104.87</b>	<b>33.24</b>	<b>8.72</b>	<b>129.40</b>	<b>43.60</b>	<b>12.70</b>	<b>7.37</b>	<b>48.94</b>	<b>80.46</b>	<b>61.27</b>
<b>Total F.Y. 2020-21</b>	<b>44.24</b>	<b>25.70</b>	<b>-</b>	<b>69.94</b>	<b>34.39</b>	<b>3.01</b>	<b>-</b>	<b>37.40</b>	<b>32.54</b>	<b>9.85</b>



**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 4 :- Other financial assets**

Particulars	As at 31-03-2023	As at 31-03-2022
Security Deposits	18.60	22.84
<b>Total</b>	<b>18.60</b>	<b>22.84</b>

**Note 5 :- Inventories**

Particulars	As at 31-03-2023	As at 31-03-2022
Stock in Trade	10.59	182.48
<b>Total</b>	<b>10.59</b>	<b>182.48</b>

**Note 6 :- Trade Receivables**

Particulars	As at 31-03-2023	As at 31-03-2022
Unsecured & Considered Good	231.90	70.00
<b>Total</b>	<b>231.90</b>	<b>70.00</b>

**Trade Receivables ageing schedule:**

**For the year ended 31st March,2023**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed – considered good	190.77	1.19	16.18	-	23.75	231.90
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed – considered good	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-

**For the year ended 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed – considered good	13.30	29.42	5.03	22.25	-	70.00
(ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed – credit impaired	-	-	-	-	-	-
(iv) Disputed – considered good	-	-	-	-	-	-
(v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed – credit impaired	-	-	-	-	-	-

**Note 7 :- Cash & Cash Equivalents**

Particulars	As at 31-03-2023	As at 31-03-2022
Balance with Banks	2.42	14.86
Cash on Hand	5.97	2.56
<b>Total</b>	<b>8.39</b>	<b>17.42</b>

**Note 8 :- Other financial assets**

Particulars	As at 31-03-2023	As at 31-03-2022
Security Deposits	4.95	-
<b>Total</b>	<b>4.95</b>	<b>-</b>

**Note 9 :- Other Current Assets**

Particulars	As at 31-03-2023	As at 31-03-2022
Prepaid expense	2.11	5.99
Balance with Government authorities	12.71	60.61
Advance Tax (Net off from Provision of Tax)	0.22	1.03
Advance to Suppliers	-	4.10
<b>Total</b>	<b>15.04</b>	<b>71.73</b>

**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 10 :- Share Capital**

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised :</b>				
Equity shares of Rs. 5/- each (31st March,2022 Equity shares of Rs. 5/- each)	12,000,000	600.00	12,000,000	600.00
<b>Issued, Subscribed and paid-up :</b>				
Equity shares of Rs. 5/- each (31st March,2022 Equity shares of Rs. 5/- each)	10,000,000	500.00	10,000,000	500.00
<b>Total</b>	<b>10,000,000</b>	<b>500.00</b>	<b>10,000,000</b>	<b>500.00</b>

Note: The Board of Directors, at their meeting held on 13th November, 2021 recommended for the sub division of equity shares of the company from existing face value of Rs. 10/- each into face value of Rs. 5/- each (i.e. split of 1 equity share of Rs. 10/- each into 2 equity shares of Rs. 5/- each), and the same has been approved by the shareholders in the Extra ordinary General Meeting of the Company held on 9th December, 2021. Accordingly, face value of the equity shares of the Company now stand at Rs. 5/- each w.e.f. the record date namely 27th December, 2021.

**Reconciliation of equity shares and amount outstanding at the beginning and at the end of the year:**

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the Beginning of the period</b>	10,000,000	500	5,000,000	500
Issued during the period	-	-	-	-
Stock Split (Rs.10 each into Rs.5 each)	-	-	5,000,000	-
Redeemed or bought back during the period	-	-	-	-
<b>Outstanding at end of the period</b>	<b>10,000,000</b>	<b>500</b>	<b>10,000,000</b>	<b>500</b>

**Rights, preferences and restrictions attached to the equity shares:**

The Company has only one class of equity shares having a par value of Rs.5 each per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% shares in the Company:**

Name of Shareholder	As at 31-03-2023		As at 31-03-2022	
	No. of Shares of Rs.5 each	% of holding	No. of Shares of Rs.5 each	% of holding
Not Applicable				

**Promoters Shareholding**

**For the year ended 31st March,2023**

Shares held by promoters at the end of the year			% change during the year
Promoter Name	No of Shares	% of total shares	
Vinod Trikamlal Shah	293,448	2.93	-
Binal Mitesh Doshi	184,516	1.85	-
Vinod T Shah	341,556	3.41	-
Surekha V Shah	209,200	2.09	-
Sheetal V Shah	201,600	2.02	-
Bhavita Gaurav Vora	168,200	1.68	-
Rimesh V Shah	201,600	2.02	-

**For the year ended 31st March,2022**

Shares held by promoters at the end of the year			% change during the year
Promoter Name	No of Shares	% of total shares	
Vinod Trikamlal Shah	293,448	2.93	(0.01)
Binal Mitesh Doshi	184,516	1.85	(0.35)
Vinod T Shah	341,556	3.41	(0.01)
Surekha V Shah	209,200	2.09	-
Sheetal V Shah	201,600	2.02	(0.10)
Bhavita Gaurav Vora	168,200	1.68	(0.41)
Rimesh V Shah	201,600	2.02	-

**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 11 :- Other Equity**

Particulars	As at 31-03-2023	As at 31-03-2022
<b>Surplus</b>		
Opening Balance	(159.24)	(143.62)
Add: Profit / (loss) for the year	(30.42)	(15.61)
<b>Balance carried to Balance Sheet</b>	<b>(189.66)</b>	<b>(159.24)</b>

**Note 12 :- Non Current Borrowings**

Particulars	As at 31-03-2023	As at 31-03-2022
Deferred payment liability	2.69	6.45
(carry interest rate of 9%, repayable in 60 monthly EMI's of Rs. 34,842 from December, 2019 and secured by hypothecation of vehicle)		
<b>Total</b>	<b>2.69</b>	<b>6.45</b>

**Note 13 :- Current Borrowings**

Particulars	As at 31-03-2023	As at 31-03-2022
Current maturities of long term borrowings	3.75	3.43
<b>Total</b>	<b>3.75</b>	<b>3.43</b>

**Note 14 :- Trade Payables**

Particulars	As at 31-03-2023	As at 31-03-2022
Due to micro & small enterprises	-	-
Due to others	1.53	83.44
<b>Total</b>	<b>1.53</b>	<b>83.44</b>

**Trade Payables ageing schedule:**

**For the year ended 31st March,2023**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	1.53	-	-	-	-	1.53
(iii) Disputed - MSME	-	-	-	-	-	-
(iv) Disputed - Others	-	-	-	-	-	-

**For the year ended 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	82.62	-	0.82	-	-	83.44
(iii) Disputed - MSME	-	-	-	-	-	-
(iv) Disputed - Others	-	-	-	-	-	-

**Note 15 :- Other Financial Liabilities**

Particulars	As at 31-03-2023	As at 31-03-2022
Interest accrued but not due	0.05	0.07
<b>Total</b>	<b>0.05</b>	<b>0.07</b>

**SHEETAL DIAMONDS LIMITED**  
**Notes forming part of the financial statements**

(Rs. in Lakhs)

**Note 16 :- Other Current Liabilities**

<b>Particulars</b>	<b>As at 31-03-2023</b>	<b>As at 31-03-2022</b>
Statutory Dues Payable	1.21	0.32
Salary Payable	1.27	1.81
Advance received against sales	10.80	8.77
<b>Total</b>	<b>13.29</b>	<b>10.90</b>

**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 17 :- Revenue from Operations**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Sale of products	315.51	2,112.94
<b>Revenue from operations</b>	<b>315.51</b>	<b>2,112.94</b>

**Note 18 :- Other Income**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Exchange Rate Difference	2.62	37.17
Job Work Charges Received	-	19.64
Freight & Insurance	0.08	20.24
Unwinding of interest on financial assets carried at Amortized cost	1.41	1.30
Gain on Derecognition of Financial Assets Carried at Amortized cost	0.09	-
Miscellaneous income	0.81	-
Interest on Income Tax refund	0.06	-
VAT Interest Received	-	0.07
Sundry balance written back	2.01	-
<b>Total</b>	<b>7.08</b>	<b>78.41</b>

**Note 19 :- Changes in Inventory**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Inventory at the end of the year	10.59	182.48
Inventory at the beginning of the year	182.48	90.52
(Increase)/Decrease in Inventories	171.89	(91.96)
<b>Total</b>	<b>171.89</b>	<b>(91.96)</b>

**Note 20 :- Employee Benefit Expense**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Salaries & Wages	25.64	71.27
<b>Total</b>	<b>25.64</b>	<b>71.27</b>

**Note 21 :- Finance cost**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Interest expense	0.72	1.29
<b>Total</b>	<b>0.72</b>	<b>1.29</b>

**SHEETAL DIAMONDS LIMITED**  
**Notes forming part of the financial statements**

(Rs. in Lakhs)

**Note 22 :- Other Expenses**

<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Advertisement Expenses	4.07	0.14
Brokerage & commission	-	2.24
Clearing & Forwarding	0.64	25.38
Directors Sitting Fees	0.24	0.18
Electricity Expenses	0.81	0.53
Exhibition Expense	14.65	-
Factory Expenses	0.33	47.52
Insurance charges	-	1.47
Jewellery Designing Charges	-	43.78
Legal & Professional fees	0.05	3.81
Loss on sale of Fixed Assets	5.31	0.05
Membership Fees	2.68	3.28
Miscellaneous expenses	4.33	8.25
Motor Car expense	2.05	3.43
Office Expenses	0.85	3.74
Payment to auditors	0.80	0.80
Penalty	-	4.13
Postage & courier charges	-	0.89
Printing & Stationery	0.13	0.34
Rent	5.00	10.40
Telephone & Internet Expenses	2.86	3.97
Travelling Expenses	0.03	0.28
<b>Total</b>	<b>44.84</b>	<b>164.63</b>

**Note 23 :- Payment to auditors**

<b>Particulars</b>	<b>For the year ended 31-03-2023</b>	<b>For the year ended 31-03-2022</b>
Statutory Audit Fees	0.80	0.80
<b>Total</b>	<b>0.80</b>	<b>0.80</b>

**SHEETAL DIAMONDS LIMITED**  
Notes forming part of the financial statements

(Rs. in Lakhs)

**Note 24 :- Related party disclosures (as identified by the management)**

In accordance with the requirements of Ind AS 24, “Related Party Disclosures”, the name of the related party, relationship, transactions and outstanding balances are as follows:

**Note 24.1: Name of Related Parties:**

Sr No.	Name of the Related Party	Relationship
1	Vinod T Shah (Managing Director)	Key Management Personnel
2	Pankaj V Shah (Director)	
3	Nita P Shah (Director)	
4	Krunalkumar Mahedrakumar Shah (Chief Financial Officer)	
5	Jai Shrimankar (Company Secretary)	
6	Sheetal Exports	Other Related Parties
7	Sheetal Solitaire LLP	

**Note 24.2: Transactions with related parties during the year:**

Sr No.	Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
<b>1</b>	<b>Managerial Remuneration</b>		
	Vinod T Shah	8.40	8.40
	Krunalkumar Mahedrakumar Shah	4.62	3.98
	Jai Shrimankar	1.94	1.80
<b>2</b>	<b>Directors Sitting Fees</b>		
	Pankaj V Shah	0.12	0.09
	Nita P Shah	0.12	0.09
<b>3</b>	<b>Rent paid</b>		
	Sheetal Exports	3.60	3.60
<b>4</b>	<b>Purchase of stock-in-trade</b>		
	Sheetal Exports	-	0.62
<b>5</b>	<b>Sale of Property, Plant &amp; Equipment</b>		
	Sheetal Solitaire LLP	23.34	-
<b>6</b>	<b>Reimbursement of Expenses Received</b>		
	Sheetal Solitaire LLP	20.49	-
<b>7</b>	<b>Job Work Charges Received</b>		
	Sheetal Solitaire LLP	-	19.64

\* above values are excluding GST and TCS

**Note 24.3: Amount of outstanding balances at the end of the year with Related Parties:**

Sr No.	Particulars	As at 31-03-2023	As at 31-03-2022
<b>1</b>	<b>Outstanding Amount Receivable</b>		
	Vinod T Shah	0.65	-
	Sheetal Exports	0.81	-
	Sheetal Solitaire LLP	45.90	-
<b>2</b>	<b>Outstanding Amount Payable</b>		

**SHEETAL DIAMONDS LIMITED**  
**Notes forming part of the financial statements**

**(Rs. in Lakhs)**

Krunalkumar Mahedrakumar Shah	0.46	0.35
Jai Shrimankar	0.17	0.15
Sheetal Solitaire LLP	-	0.11

**Note 25 :- Earnings per share (EPS)**

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
Nominal value per equity share (Rs.)	5	5
Profit after tax (Rs in lakhs)	(30.42)	(15.61)
Weighted average number of equity shares outstanding	10,000,000	10,000,000
<b>Basic and diluted earnings per share</b>	<b>(0.30)</b>	<b>(0.16)</b>

**Note 26 :- Earnings in foreign currency**

Sr No.	Particulars	For the year ended 31-03-2023	For the year ended 31-03-2022
1	F.O.B. value of Exports	7.46	1,976.25

**Note 27 :- Details of dues to micro and small enterprises as per MSMED Act, 2006**

Amounts if any due to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 could not be disclosed as such parties could not be identified from the records of the Company.

**Note 28 :- Disclosure pursuant leases**

**As lessee:**

**Short Term Leases:**

The Company has obtained premises for its business operations under operating lease or leave and license agreements. These are not non-cancellable and are renewable by mutual consent on mutually agreeable terms. Lease payments are recognised in Statement of Profit and Loss under the head "Rent Expense" in note no 22.

**Note 29 :-** Balances of Sundry Debtors, Sundry Creditors, Deposits, Loans and Advances are subjected to reconciliation and confirmation, necessary adjustment if required, will be made after reconciliation. The management does not expect any material difference affecting the current year's financial statements.

**Note 30 :-** In the opinion of the Board and to the best of their knowledge and belief all the Current Assets, Loans and Advances have value on realisation at least of an amount at which they are stated in Balance Sheet.

**Note 31 :- Previous Year figures**



**SHEETAL DIAMONDS LIMITED**  
**Notes forming part of the financial statements**

**(Rs. in Lakhs)**

Figures of previous year are regrouped, rearranged and reclassified wherever necessary to correspond to figures of the current year.

**SHEETAL DIAMONDS LIMITED**  
**Notes forming part of the financial statements**

**Note 32: Financial Ratios**

Sr. No.	Ratios	Numerator	Denominator	As at 31st March,2023	As at 31st March,2022	% of variance	Reason for variance in excess of 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	14.55	3.49	316.74	improvement due to faster collections and faster payments made to trade payables
2	Debt Equity Ratio (in times)	Total Debt	Total Equity	0.02	0.03	-28.33	reduction is on account of reduced debt in current year
3	Debt Service Coverage Ratio (in times)	Net Profit after taxes + depreciation and other amortizations + Interest + other adjustments for non cash items	Interest exp + principal repayment of borrowings made during the year	(3.02)	(0.44)	582.79	increase is on account of increased loss in current year as compared to previous year
4	Return on Equity Ratio (in %)	Net Profits after taxes	Average Shareholder's Equity	(9.34)	(4.48)	108.61	increase is on account of increased loss in current year as compared to previous year
5	Inventory turnover (in times)	Sales	Average Inventory	3.27	15.48	-78.89	reduction is on account of reduced turnover in current year
6	Trade Receivables turnover ratio (in times)	Net Credit Sales	Average Trade Receivables	2.09	6.07	-65.59	reduction is on account of reduced turnover in current year
7	Trade Payables turnover ratio (in times)	Net Credit Purchases	Average Trade Payables	2.36	7.69	-69.27	reduction is on account of reduced purchase in current year
8	Net Capital turnover ratio (in times)	Net Sales	Working Capital	1.25	8.67	-85.57	reduction is on account of reduced turnover in current year
9	Net Profit Ratio (in %)	Net Profit after tax	Net Sales	(9.64)	(0.74)	1,204.79	increase is on account of increased loss and reduced turnover in current year
10	Return on capital employed (in %)	Earning before interest and taxes	Capital Employed	(10.10)	(4.05)	149.35	increase is on account of increased loss in current year
11	Return on Investment (in %)			NA	NA	-	no investments by the company