



25th

ANNUAL REPORT

2018-2019



SHEETAL DIAMONDS LIMITED

BOARD OF DIRECTORS AND KMP:

SHRI VINOD T. SHAH (Din - 01859634)
SHRI ATUL J. KOTHARI

Managing Director
Additional Director

INDEPENDENT DIRECTOR
SHRI PANKAJ V. SHAH (Din -03579870)
SMT NITA P SHAH (Din- 07144690)

Director
Director

AUDITORS:

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

CONSULTANT:

RUSHABH DOSHI
COMPANY SECRETARY, MUMBAI

BANKERS :

VIJAYA BANK,

		Pages
C	Board of Directors	1
O	Notice	2-5
N	Directors Report	6-9
T	Annexure to the director's Report Corporate Governance Report.	10-14
E	Annexure I Form No: AOC 2	15
N	Annexure II Form MGT.9	16-19
T	Annexure III	20
S	Annexure IV Form No. MR-3 Secretarial Audit Report	21-22
	Management discussion and Analysis Report- 2017	23
	Auditors Certificate	24-25
	Annexure to the Independent Auditors Report	26-29
	Independent Auditors Report	30-33
	Balance Sheet	34
	Profit & Loss Account, Cash Flow & Other Equity	35-37
	Schedule Notes of Accounts (1 to 26)	38-48
	Notes forming part of the Financial Statements	49-51

REGISTERED OFFICE:

BW-2030, Bharat Diamond Bourse,
BKC, Bandra (East), Mumbai- 400051

SHARE REGISTRAR & TRANSFER AGENT:

PURVA SHAREREGISTRY INDIA PRIVATE LIMITED
9,Shiv Shakti Industrial Estate, J.R Boricha Marg,
Opp Kasturba Hospital, Lower Parel (East),
Mumbai – 400 011
Tel: 022 23018261



SHEETAL DIAMONDS LIMITED

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of **SHEETAL DIAMONDS LIMITED** will be held on Saturday, the 28th day of September, 2019 at 4.30 p.m. at Bw-2030, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai- 400051 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' and Auditors' reports and Audited Balance Sheet as at 31st March, 2019 and Statement of Profit and Loss for the year ended on that date.
2. To appoint a Director in place of Mr. Vinod Shah who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. A. T. Jain & Co., Chartered Accountants, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

4. To appoint Mr. Atul Kothari as Director of Company, who was appointed as Additional Director at the Board Meeting. To consider and, if thought fit, to pass with or without modification(s), the following resolution as ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Atul J. Kothari (DIN: 08455367), who was appointed as Additional Director on May 22, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution."

Notes :

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than Forty-eight hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. A Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Members and Share Transfer Books shall remain closed from Sunday, 22nd September, 2019 to Saturday, 28th September, 2019 both days inclusive.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate immediately any change in their address or bank mandates immediately to the Company.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
9. Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc., from the Company electronically.
10. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 25th Annual General Meeting of the Company.
11. The e-voting period begins on Wednesday, 25th September, 2019 at 9.00 a.m. and ends on Friday, 27th September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019, may cast their vote electronically. Thereafter the e-voting module shall be disabled by NSDL for voting.
12. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2019.
13. A copy of this notice has been placed on the website of the Company and the website of NSDL.
14. M/s Rushabh Doshi, Practicing Company Secretary (Certificate of Practice Number 11412) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.



SHEETAL DIAMONDS LIMITED

15. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman.
16. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited, on all resolutions set forth in this notice.

The instructions for shareholders voting electronically are as under:

- I. The voting period begins on 25th September, 2019 at 9.00 a.m. and ends on 27th September, 2019 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019. May cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The shareholders should log on to the e-voting website www.evotingindia.com.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. Now, select the "Sheetal Diamonds Limited" form the drop down menu and click on "SUBMIT"
- IV. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- V. Next enter the Image Verification as displayed and Click on Login.
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

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

- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through NSDL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN for Sheetal Diamonds Limited on which you choose to vote.
- XII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- XIII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIV. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- XV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVII. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Note for Non – Individual Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.



SHEETAL DIAMONDS LIMITED

- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@nsdlindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

XIX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@nsdlindia.com.

In case of member receiving the physical copy:

- (A) Please follow all steps from sl. no.(i) to sl. No (xviii) above to cast vote.
- (B) The voting period begins on 25th September, 2019 at 9.00 a.m. and ends on 27th September, 2019 at 5.00 p.m. During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to evoting@nsdl.co.in.

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut – off date and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the website within two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.

1. The resolutions proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.
2. M/s. Rushabh Narendra Doshi, Practicing Company Secretary, (Membership No.: ACS 24406) has been appointed as the Scrutinizer to scrutinize the e-voting process.
3. In terms of Clause 35B of the Listing Agreement, those members, who do not access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the Address- Mr. Rushabh Doshi, Company Secretary, (Membership No.: ACS 24406) C/304, Shiv Shakti CHS, Agar Bazaar, Dadar West, Mumbai - 400028 on or before 26th September, 2019. Any Ballot Form received after 4.30 p.m. on 26th September, 2019 will be treated as the reply from the member has not been received.
4. Voting will be provided to the members through e-voting and / or at the venue of the Meeting. A member can opt for only one mode of voting i.e. either through e-voting or ballot If a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
5. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered office on all working days of the Company between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting except Saturday, Sundays and Public holidays.
6. Members/Proxies are requested to bring their attendance slip dully filled in along with their copy of Annual Report to the Meeting.

For and on behalf of the board of Directors

Sd/-
Vinod T. Shah
Managing Director
DIN 01859634

Place : Mumbai
Date : 22nd MAY, 2019

Regd. Office:
BW-2030, Bharat Diamond Bourse,
BKC, Bandra (East), Mumbai- 400051



SHEETAL DIAMONDS LIMITED

Details in respect of the Directors, seeking re-appointments / appointment required to be provided pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 are also annexed hereto

Sr. No.	Particulars	
1)	Name of the Director	Mr. VINOD TRIKAMLAL SHAH
2)	Date of Birth	25/04/1954
3)	Date of Appointment	10/01/2007
4)	Expertise in specific areas	Business & Marketing
5)	Qualifications	S.S.C.
6)	Number of Shares held in Sheetal Diamonds	171000
7)	Directorship in other Companies	Nil
8)	Membership of Committees in other Public Limited Companies:	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

ITEM NO.4 Appointment of Mr. Atul Kothari as Director: Board of directors of the Company through resolution on May 22, 2019 has appointed as Additional Director of the Company and Mr. Kothari holds office of the Director till the conclusion of next Annual General Meeting.

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. Kothari as Director of the Company



SHEETAL DIAMONDS LIMITED

DIRECTORS' REPORT

To,
The Members,
Your Directors presents their 25th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of Trading of Diamond & Diamond Jewellery in India & worldwide. It has a global network worldwide, Single sales offices a Work force of over 5 people that sell Multiple product to about 100 Plus customers India and abroad.

FINANCIAL PERFORMANCE:

(₹ in rupees)

Particulars	Standalone	
	March 2019	March 2018
Income from operation	20,10,46,570.00	18,50,59,407.00
Other Income	39,81,066.00	4,44,549.00
Total Income	20,50,27,636.00	18,55,03,956.00
Profit/(loss) before Interest, Depreciation, Tax and Exceptional Items	(16,36,348)	77,32,08.51
Less Interest Expenses	-	-
Less Depreciation	2,71,649	3,56,696.50
Less Exceptional Items	-	-
Profit/(loss) before Tax	(19,07,997)	4,16,512.01
Less Provision for Taxation	99,390	(2,69,267.00)
Net Profit/(Loss) after Tax	(20,07,387)	6,85,779.01

During the financial year 2018-19 the total income increased to Rs.20,10,46,570.00 as compared to last year's total income of Rs. 18,50,59,407.00. Profit Generated decreased to Rs. (16,36,348.00) due to operation of Company.

DIVIDEND AND BOOK CLOSURE

The Board of Directors does not recommend dividend on equity shares for the current financial year.

The register of members and share transfer books will remain close from **23rd September, 2019 at 9.00 a.m. and ends on 26th September, 2019 at 5.00 p.m** (both days inclusive) for the 25th Annual General Meeting of the Company scheduled to be convened on 28th September, 2019 at BW-2030, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai - **400051**.

FINANCIAL SITUATION

Reserves & Surplus

As at March 31, 2019 Reserves and Surplus amounted to Rs. (1,66,07,506) as compared to Rs. (1,46,00,119) of previous year. The Company is steadily writing-off losses and the scenario is improving for the company.

Long Term Borrowings

The Company has paid-off all its Long Term Borrowings as at March 31, 2019.

Short Term Borrowings

Company do not have any short term borrowing in the current period under review.

Fixed Asset

Net Fixed Assets as at March 31, 2019 have reduced to Rs. 9,85,162.00 as compared to Rs. 12,41,561.00 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. 6,00,00,000 (Rupees Six Crores) divided into 60,00,000 (Sixty Lacs) Equity shares of Rs.10/- each.

Equity Shares

The paid up Equity share capital of the Company as on March 31, 2019 was Rs.5,00,00,000/- (Rupees Five Crores) comprising of 50,00,000 (Rupees Fifty Lacs) equity shares of Rs. 10/- each.



SHEETAL DIAMONDS LIMITED

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 5 times i.e. on May 29th 2018, August 14th 2018, September 04th 2018, November 2nd 2018 & February 14th 2019. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members.

DIRECTORS AND KMP

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.

Mr. Atul Jayantilal Kothari was appointed as an Additional Director of the Company w.e.f. 22nd May, 2019. His appointment as a Director is proposed in the AGM.

Mr. Krunalkumar Mahendrakumar Shah was appointed as CFO of the Company w.e.f. 22nd May, 2019.

Ms. Vinita Rathod resigned as a Company Secretary of the Company w.e.f. 7th June, 2019.

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.

AUDIT COMMITTEE

The Company has 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, Managing 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.

EVALUATION OF PERFORMANCE OF BOARD

During the year a separate Meeting of Independent Directors of the Company was held on 27th March, 2019, which was attended by all the Independent Directors to discuss and review 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.

DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) 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.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has implemented several best Corporate Governance Practices as prevalent globally.

In compliance with Listing Obligation & Disclosure Regulations, 2015 entered into with the Stock Exchanges, a Report on the Corporate Governance, along with the certificate from the Statutory Auditors of the Company on compliance with the provisions of the said Clause is annexed and forms part of the Annual Report.



SHEETAL DIAMONDS LIMITED

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

Particulars of loans made, guarantees given or investments in securities by the Company are provided in the Note 10 of notes to the Financial Statements.

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

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

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.

MATERIAL CHANGES AND COMMITMENTS

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.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure II** to this Report.

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.

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.

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-III**' to the Board's Report.

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;
- (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.



SHEETAL DIAMONDS LIMITED

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.

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.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 and rules, amendments made there under, Ms. Nisha Doshi, Practising Company Secretary was appointed to conduct the secretarial audit of our company for FY 2018-19. The Secretarial Audit report is given separately under **Annexure IV**.

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 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.

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.

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.

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

There were no significant and material orders passed by the regulators and/or courts or tribunals during the year.

POLICY FOR SEXUAL HARRASMENT

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

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.

For and on behalf of the board of Directors

Place : Mumbai
Date : 22nd May, 2019

Sd/-
Vinod T. Shah
Managing Director
DIN 01859634



SHEETAL DIAMONDS LIMITED

ANNEXURE TO THE DIRECTOR'S REPORT CORPORATE GOVERNANCE REPORT

A. Company Philosophy on Corporate Governance:

Sheetal Diamonds Limited marks its Corporate Governance with the prevalent practices and it conforms the mandatory requirements.

B. Board of Directors:

The Board of Directors comprises of Two Executive Directors (ED) and Two Non-executive Directors.

During the financial year 1st April, 2018 to 31st March, 2019, 5 (Five) Board Meetings were held on May 29th 2018, Aug 14th 2018, September 04th 2018, November 2nd 2018, & February 14th 2019.

The Composition of the Board of Directors and their attendance at the meetings during the year and at the last Annual General Meeting as also number of the other Directorship / Membership of Committees are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings attended	Attendance of last AGM	No. of Other Directorship	Committee Membership	
					Member	Chairman
Mr. Vinod T. Shah	MD	5	YES	NIL	NIL	NIL
Mr. Pankaj V. Shah	IND – NED	5	YES	NIL	NIL	NIL
Mrs. Nita P. Shah	IND – NED	5	YES	NIL	NIL	NIL

MD – Managing Director

IND – Independent

NED – Non-Executive Director

ED – Executive Director

Board's Functioning & Procedure:

The Company holds a minimum of five Board Meetings in a year, one each per quarter. Additional Board Meetings are convened as and when necessary to address the specific needs of the Company. The Board also approves urgent matters by passing resolutions by circulations. The Meetings of the Board are held at the Company's registered office or at a hall in South Mumbai depending on the circumstances.

Agenda papers are circulated to the directors in advance and all material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any document to the Agenda, the same are placed on the table at the meeting. In special and exceptional circumstances, additional or supplementary items on Agenda are permitted.

The information as required under Annexure I to Regulation 17 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 is made available to the Board in every meeting.

C. Code of Conduct:

The Company has adopted a Code of Conduct for its Directors and Senior Management in compliance with Regulation 17 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The code is derived from three interlinked fundamental principles; viz. good corporate governance, good corporate citizenship and exemplary personal conduct and it is applicable to all Directors and Senior Management of the Company. The Board members and Senior Management personnel have affirmed their compliance with the code of conduct and a CEO certificate to the effect is annexed to this corporate governance report. The said code of conduct is posted on the web site of the Company

D. Audit Committee:

The Audit Committee met 5 times in the financial year on May 29th 2018, August 14th 2018, September 04th 2018, November 2nd 2018 & February 14th 2019 where all the members of the Committee, Executive Director and the Statutory Auditors were present. Meetings reviewed the Annual Accounts, half-yearly results and quarterly results and approved the same. The audit Committee oversees the general accounting practices and other management policies.

Mr. Pankaj V. Shah	Independent – Non Executive Director	Chairman
Mr. Vinod T. Shah	Managing Director	Member
Mrs. Nita Pankaj Shah	Independent – Non Executive Director	Member

Details of attendance at the meetings of Audit Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Vinod T. Shah	5	5
Mr. Pankaj V. Shah	5	5
Mrs. Nita Pankaj Shah	5	5

Terms of Reference

The terms of reference, powers and role of Audit Committee are in accordance with Regulation 18 of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Section 177(4) of the Companies Act, 2013. The broad terms of reference includes the following:



SHEETAL DIAMONDS LIMITED

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b) To review with Management the financial statements at the end of a quarter, half year and the annual financial statements before submission to the Board for approval, focusing particularly on:
 - (i) matters required to be included in the Director's Responsibility Statement which form part of the Board's reporting in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;;
 - (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) significant adjustments made in the financial statements arising out of audit findings;
 - (v) compliance with listing and other legal requirements relating to financial statements;
 - (vi) disclosure of any related party transactions; and
 - (vii) qualifications in the draft audit report
- c) to consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them;
- d) to discuss with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern (in absence of management, wherever necessary);
- e) reviewing with management, performance of statutory and internal auditors, adequacy of the internal control systems and discuss the same periodically with the statutory auditors, prior to the Board making its statement thereon;
- f) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- g) discussion with internal auditors on any significant findings and follow up thereon.
- h) reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- i) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- j) to review the functioning of the Whistle Blower Mechanism, in case the same is existing;
- k) to review the external auditors' audit reports and presentations and management's response thereto;
- l) to ensure co-ordination between the internal and external auditors, and to request internal audit to undertake specific audit projects, having informed management of their intentions;
- m) to consider any material breaches or exposure to breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- n) to review policies and procedures with respect to directors' and officers' expense accounts, including their use of corporate assets, and consider the results of any review of these areas by the internal auditors or the external auditors;
- o) to consider other topics, as defined by the Board;
- p) to review the following information :
 - i) Management discussion and analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) Management letter/letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating control weaknesses; and
 - v) The appointment, removal and terms of remuneration of the Internal Auditor.

E. Nomination & Remuneration Committee

The Nomination & Remuneration Committee presently comprises of Mr. Vinod T. Shah, Mr. Pankaj V Shah Chairman & Mrs. Nita Pankaj Shah as its members. The terms of reference of Nomination & Remuneration Committee involves determination on the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment. It also includes recommendation on revision of remuneration of top executives below the Board of Directors, granting and administration of Employees Stock Options, etc. The minutes of the Nomination & Remuneration Committee meetings are reviewed and noted by the Board from time to time.

The Company does not have any Employee Stock Option Scheme.

During the year 2018-2019, Company was not required to hold Nomination & Remuneration Committee meeting.

Details of Remuneration to Directors

Non-executive Directors are paid a sitting fees within the ceiling prescribed under the Companies Act, 2013 for attending meetings of the Board, Audit and other committee meetings. Details of remuneration paid to the Directors during the Financial Year 2018-19 is as follows:

Director	Sitting Fees (Rs.)	Salaries, Perquisites & Contribution to funds (Rs.)	Commission (Rs.)
Mr. Pankaj V. Shah	7,500/-	Nil	Nil
Mr. Vinod T. Shah	Nil	4,80,000/-	Nil
Mrs. Nita P. Shah	7,500/-	Nil	Nil



SHEETAL DIAMONDS LIMITED

F. Share Transfer Committee/Investor Grievance Committee:

The Board has constituted the Share Transfer Committee, with the one Executive Director as member to consider and approve Transfers of shares in the physical form and allied matters. The Shareholder/Investor Grievance Committee has been constituted under the Chairmanship of Mr. Vinod T. Shah with Mrs. Nita Pankaj Shah and Mr. Pankaj V. Shah till date.

Mr. Vinod T. Shah	Managing Director	Chairman
Mrs. Nita Pankaj Shah	Independent – Non Executive Director	Member
Mr. Pankaj V Shah	Independent – Non Executive Director	Member

Details of attendance at the meetings of Investor Grievance Committee:

Name of the members	No. of meetings held	No. of meetings attended
Mr. Vinod T. Shah	5	5
Mr. Nita Pankaj Shah	5	5
Mr. Pankaj V Shah	5	5

G. The Stakeholder Relationship Committee comprises of Mr. Pankaj V Shah Independent Director as its Chairman, Mr. Vinod T Shah as its members. The Company Secretary acted as the Compliance Officer. The minutes of the Stakeholder Relationship Committee meetings are reviewed and noted by the Board from time to time. The Chairman of the Stakeholder Relationship Committee was present at the previous Annual General Meeting held on September 28, 2018.

The Stakeholder Relationship Committee deals with the matters relating to delay, if any in transfer of shares, demat, non-receipt of annual account, split, duplicate, transmission etc. of the shares issued by the Company. The Secretarial Department of the Company, under the supervision of the Company Secretary, who is also nominated by the Company as the "Compliance Officer" as required under SEBI Regulations/ Listing Agreement, and the Registrar and Share Transfer Agent, M/s. Purva Shareregistry Pvt. Ltd., attend to all grievances of the Shareholders and the investors. The Company and M/s. Purva Shareregistry Pvt. Ltd, are making further attempts to ensure that the grievances are expeditiously addressed and redressed to the full satisfaction of the Stakeholders.

All the complaints have been resolved and as on March 31, 2019 no complaint from stakeholder is pending. At the end of the year, no requests for shares transfers were pending for registration.

During the year under review, the Committee met on May 29th, 2018 August 14th, 2018, September 04th 2018, November 2nd, 2018 & February 14th 2019.

Name	Category	Meetings during the year 2018-19	
		Held	Attended
Mr. Vinod T. Shah	Managing Director	5	5
Mr. Pankaj V Shah	Non-Executive Independent Director Chairman	5	5
Ms. Nita P. Shah	Non-Executive Independent Director	5	5

H. Risk Management Committee

The Board of Directors at its meeting held on May 22nd, 2019 had constituted a Risk Management Committee comprising of Mr. Vinod T. Shah as, Mr. Pankaj V. Shah as its members. The Company has earlier in place 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. The risk management issues are discussed in Management Discussion & Analysis. Risk management is an ongoing process and the Committee will periodically review risk mitigation measures, earlier Audit Committee was reviewing the same.

I. Subsidiary Companies:

The Company has no Subsidiary hence no disclosure required to be made.

J. Related Party Transactions:

Details of significant related party transactions, i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiary companies or relatives, etc. as per Accounting Standard 18 "Related Party Disclosures" are presented under Note 27 of the Balance Sheet. All material transaction (Financial and/or Commercial) where Directors may have potential interest are provided to the Audit Committee/Board. The related parties neither participate nor vote on such matters. During the year under review there were 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. The Company was not required to take omnibus approval of Audit Committee, as most of the related party transactions were entered by the Company with its Associate Companies at arm's length basis and place before the Shareholders at every Annual General Meeting for their approval. On recommendation of Audit Committee the Board ratifies all the related party transactions on quarterly basis.

K. Trading in the Company's Shares by Directors and Designated Employees

Persuant to new SEBI (Prohibition of Insider Trading) Regulations, 2016, the Company is required to have a Compliance Officer who is a senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information.. All the Directors on the Board, employees at Senior Management levels at all locations and other designated employees who could be privy to unpublished price sensitive information of the Company are governed by this code. All the Directors, Employees at Senior Management levels and other



SHEETAL DIAMONDS LIMITED

designated employees of the Company are restricted from entering into opposite transactions i.e. buy or sell any number of shares during the next 6 months following the prior transactions.

L. Proceeds from Public Issues, Rights Issue, Preferential Issues, etc.

During the year the Company had not made any issue / allotment of any kind of security.

M. CEO/CFO Certification

As required under Listing Obligation & Disclosure Regulations, 2015 with the Stock Exchanges, Mr. Vinod T Shah – Managing Director & Mr. Pankaj V. Shah Director of the Company, had certified to the Board the financial statements for the year ended March 31, 2019.

Name and Designation of Compliance Officer:

Mr. Vinod T. Shah - Managing Director

N. GENERAL BODY MEETINGS:

Financial Year	Date	Location of the Meeting
1 st April, 2015 to 31 st March, 2016	28.09.2016	Park View, 37 Lallubhai Park Road, Andheri (west), Mumbai- 400058
1 st April, 2016 to 31 st March, 2017	28.09.2017	Park View, 37 Lallubhai Park Road, Andheri (west), Mumbai- 400058
1st April, 2017 to 31st March, 2018	28.09.2018	Park View, 37 Lallubhai Park Road, Andheri (west), Mumbai- 400058

O. DISCLOSURES:

- None of the Directors are related to each other.
- During the last three years, there were no strictures or penalties imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.
- The Company currently has adopted a Whistle Blower policy.
- Senior management has made the disclosure to the Board and confirmed that they had no material financial and commercial transactions that could have a potential conflict with the interest of the Company at large.
- In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed by the Central Government under the Companies (Accounting Standards) Rules, 2006.
- In line with the requirements of SEBI, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a firm of practicing Company Secretaries to confirm that the aggregate number of equity shares of the Company held in NSDL and CDSL and in physical form, tally with the total number of issued/paid-up, listed and admitted capital of the Company.
- The Company is fully compliant with the applicable mandatory requirements of Listing Obligation & Disclosure Regulations, 2015 with the Stock Exchanges and adoptions of non mandatory requirements under Listing Obligation & Disclosure Regulations, 2015 are being reviewed periodically.
- Although it is not mandatory, the Board of Directors of the Company has constituted a Borrowing Committee, the details of which have been provided under Section 'Borrowing Committee.'

P. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a certificate from the Statutory Auditors testifying to the compliance with the provisions relating to Corporate Governance laid out as per Listing Obligation & Disclosure Regulations, 2015 with the Stock Exchanges. The Certificate is annexed to this Report and the same will be sent to the Stock Exchanges along with the Annual Report.

Q. MEANS OF COMMUNICATION:

Quarterly, half – yearly and annual results have been communicated to Bombay Stock Exchange Limited where the shares of the Company's is listed. Annual Reports are dispatched to all the shareholders. No presentation to institutional investors or analysts was made during the year. Management discussion and Analysis is part of the Annual Report.

R. GENERAL SHAREHOLDER INFORMATION:

i) Annual General Meeting:	
Date	September 28th, 2019
Time	4.30 P.M.
Venue	BW-2030, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai-400051
ii) Financial Calendar:	
Financial Year	April 1 to March 31
Financial reporting of results:	
a. Quarterly unaudited results/	Within forty five days from the end of the quarter
b. Annual audited results	Within sixty days from the end of the quarter
iii) Book Closure date	From : September 23, 2019 To : September 26, 2019 (both days inclusive)
iv) Last Date of Receipt of Proxy	September 26, 2019 before 4.00 p.m. at the Registered Office of the Company
iv) Listing on Stock Exchanges and Scrip Code	BSE Limited (Code: 530525)
v) Demat ISIN No. for Equity Shares	INE786J01017
Corporate Identification Number (CIN) of the Company	L56912MH1994PLC083945
vi) Market price data	Monthly high & low quotations of shares traded at Bombay Stock Exchange Limited for the year 2018- 2019:



SHEETAL DIAMONDS LIMITED

The monthly High, Low stock prices during the financial year 2018-2019 are as follows:-

Month	Bombay Stock Exchange	
	High	Low
April, 2018	7.77	7.03
May, 2018	6.99	6.99
June, 2018	-	-
July, 2018	6.99	6.32
August, 2018	5.47	5.47
September, 2018	5.47	4.94
October, 2018	4.94	4.94
November, 2018	4.94	4.70
December, 2018	4.70	4.70
January, 2019	-	-
February, 2019	4.69	4.03
March, 2019	3.83	3.47

Source: BSE Website

Registrar & Transfer Agents

: M/s. Purva Share Registry India Private Limited
9 Shiv Shakti Industrial Estate. J.R. Boricha Marg, Kasturba Hospital Lower
Parel, Mumbai – 400 011
Phone : 022-23018261/6761 Fax : 022-23012517
Email : busicomp@vsnl.com
Website : www.purvashare.com

Share Transfer System

: Share transfers in physical form have to be lodged with the Registrar and Transfer Agents. All shares received for transfer are registered and returned within a period of thirty days from the date of lodgment, provided the documents are valid and complete in all respects.

In accordance with the SEBI guidelines, the Company offers the facility of transfer-cum-demat to shareholders after share transfers are affected in physical form.

Distribution of shareholding by ownership as on March 31, 2019

Category	No. of Shares held
Promoters	843536
Foreign Body Corporate	-
Insurance Companies	-
Mutual Funds/UTI/Banks	31,400
Clearing Members	-
NRIs	-
Bodies Corporate	-
Individuals/others	4125064
Total	50,00,000

Dematerialization of Shares

Outstanding GR/Warrants or an Convertible instruments

Plant Location

For and on behalf of the board of Directors

Sd/-

Vinod T. Shah
Managing Director
DIN: 01859634

Place : Mumbai
Date : 22/05/2019



SHEETAL DIAMONDSLIMITED

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 arms 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 contract s/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) 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:
N.A	N.A	N.A	N.A	N.A	NIL



SHEETAL DIAMONDSLIMITED

Annexure II Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st March 2019

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L56912MH1994PLC083945
ii.	Registration Date	21/12/1994
iii.	Name of the Company	SHEETAL DIAMONDS LIMITED
iv.	Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non- Govt Company
v.	Address of the Registered office and contact details	BW - 2030, BHARAT DIAMOND BOURSE,, BKC, BANDRA EAST, MUMBAI 400051
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Purva Share Registry (I) Pvt. Ltd. 9, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai – 400011 Tel: 23018261/6761, Fax: 23012517

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading in Diamond & Diamond Jewelers	52393	99.75%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	N. A.	N. A.	N. A.	N. A.	N. A.

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other Director & Director Relative	8,44,000	0	8,44,000	16.88	8,43,758	0	8,43,758	16.88	0
Sub-total(A) (1): -	8,44,000	0	8,44,000	16.88	8,43,758	0	8,43,758	16.88	0
2) Foreign									
g) NRIs- Individuals	0	0	0	0	0	0	0	0	0
h) Other- Individuals	0	0	0	0	0	0	0	0	0

j) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2) :-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	31,400	31,400	0.63	0	31,400	31,400	0.63	0
b) Banks / FI	0	200	200	0	0	200	200	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	0	31,600	31,600	0	0	31,600	31,600	0.63	0
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	2,63,368	1,600	2,64,968	5.84	421224	0	0	0	0
(ii) Overseas	0.00	26,500	26,500	0.53	26500	0	0	0	0
b) Individuals									
(i) Individual shareholders holding nominal share capital uptoRs. 2 lakh	5,34,720	4,90,400	10,25,120	20.36	1311290	0	0	0	0
(ii) Individual shareholders holding nominal share capital in excess ofRs 2 lakh	19,97,327	2,72,700	22,70,027	45.96	2034101	0	0	0	0
c) Others(Specify)	0	0	0	0	0	0	0	0	0
d) NRI (Repat& Non)	10,010	86,100	96,110	2.02	90646	0	0	0	0
e) HUF	3,88,888	0	3,88,888	7.78	768630	0	3,90,638	7.81	0.03
f) Clearing Members	52,787	0	52,787	0	30915	0	52,787	0	0
Sub-total(B)(2)	32,47,100	8,77,300	41,24,400	82.49	4124642	0	4124642	82.49	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	32,47,100	9,08,900	41,56,000	83.12	4124642	31600	4156242	83.12	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	40,91,100	9,08,900	50,00,000	100.00	40,91,100	31600	50,00,000	100.00	0

ii.ShareholdingofPromoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Vinod T Shah	1,71,000	3.42	0	1,71,000	3.42	NA	NA
2.	Vinod T. Shah HUF	1,46,900	2.93	0	1,46,900	2.93	NA	NA
3.	BinalMiteshDoshi	1,10,000	2.20	0	109758	2.20	NA	NA
4.	Sheetal V Shah	1,06,100	2.12	0	1,06,100	2.12	NA	NA
5.	Surekha V Shah	1,04,600	2.09	0	1,04,600	2.09	NA	NA
6.	BhavitaGauravVora	1,04,600	2.09	0	1,04,600	2.09	NA	NA
7.	Rimesh V Shah	1,00,800	2.01	0	1,00,800	2.01	NA	NA
	Total	8,44,000	16.88		8 43 758	16.88		

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8,44,000	16.88	8,44,000	16.88
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	(242)	0	(242)	0
	At the End of the year	8 43 758	16.88	8 43 758	16.88

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Vinod T Shah		4,80,000
2.	Stock Option	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A
4.	Commission - as % of profit - Others, specify...	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A
6.	Total (A)	N.A	N.A	N.A
	Ceiling as per the Act	N.A	N.A	N.A

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u>	Mr. Pankaj V Shah	Mrs. Nita P Shah	
	· Fee for attending board committee meetings	7,500	7,500	15,000
	· Commission			
	· Others, please specify			
	Total(1)			
	<u>Other Non-Executive Directors</u>			
	· Fee for attending board committee meetings			
	· Commission			
	· Others, please specify			
	Total(2)			
	Total(B)=(1+2)			
	Total Managerial Remuneration	7,500	7,500	15,000
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	VINITA RATHOD 12,000	N.A	12,000
2.	Stock Option	N.A	N.A	N.A	N.A
3.	Sweat Equity	N.A	N.A	N.A	N.A
4.	Commission - as % of profit - others, specify...	N.A	N.A	N.A	N.A
5.	Others, please specify	N.A	N.A	N.A	N.A
6.	Total	N.A	12,000	N.A	12,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
B. Directors					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A
C. Other Officers In Default					
Penalty	N.A	N.A	N.A	N.A	N.A
Punishment	N.A	N.A	N.A	N.A	N.A
Compounding	N.A	N.A	N.A	N.A	N.A



SHEETAL DIAMONDS LIMITED

ANNEXURE III

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 2018-19 (Rs.)	Ratio Of Wtd Directors Remuneration To MRE*
Mr.Vinod T Shah	4,80,000	-----

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	7,500
Mrs. Nita P. Shah	7,500

ANNEXURE IV

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2019
[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 Board of Directors
M/s. Sheetal Diamonds Limited
CIN: L56912MH1994PLC083945
BW - 2030, Bharat Diamond Bourse,
BKC, Bandra East, Mumbai - 400051

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Sheetal Diamonds Limited**. (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 31st March 2019, complied with the statutory provisions listed hereunder, EXCEPT FOR APPOINTMENT OF WHOLE TIME COMPANY SECRETARY, 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 31st March, 2019 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 applicable rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not Applicable**
- (vi) The laws as are applicable specifically to the Company are as under:
 - a) The Companies Act, 2013
 - b) The SEBI Act, 1992
 - c) Listing Agreement
 - d) The SEBI (Prohibition of insider trading) Regulations, 2015
 - e) The Income Tax Act, 1961
 - f) The Central Sales Tax 1956
 - g) Import Export Act 1947
 - h) The Foreign Exchange Management Act 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Listed,
- (iii) The Company has no subsidiary companies during the period under review.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I Further report that, during the year under review:

The status of the Company during the financial year has been that of a Listed Public Company.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that the Company has complied with the provisions of the Act and Rules made under that Act in carrying out no changes:

I Further Report that:

- a) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
- b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
- c) The company has advanced loans, given guarantees and provided securities to directors and/or persons or firms or companies in which directors were interested, and has complied with the provisions of the Companies Act, 2013- **Not Applicable**
- d) The Company has made loans and investments; or given guarantees or provided securities to other business entities and has complied with the provisions of the Companies Act, 2013 and any other statutes as may be applicable.- - **Not Applicable**
- e) The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
- f) The Company has not defaulted in the repayment of public deposits, unsecured loans and debentures, facilities granted by bank(s)/financial institution(s) and non-banking financial companies.
- g) The Company has not created modified or satisfied charges on the assets of the company and complied with the applicable laws.
- h) All registrations under the various state and local laws as applicable to the company are valid as on the date of report.
- i) The Company has issued and allotted the securities to the persons-entitled thereto and has also issued letters and certificates thereof as applicable to the concerned persons its shares within the stipulated time in compliance with the provisions of the Companies Act, 2013 and other relevant statutes during the period under review.
- j) The Company has not declared dividends to its shareholders due to loss during the period under review
- k) The Company has credited and paid to the Investor Education and Protection Fund within the stipulated time, all the unpaid dividends, repayment of principal and interest on debentures, repayment of principal and interest on fixed deposits as required to be so credited to the Fund during the period under review
- l) The Company has paid all its statutory dues during the period under review.
- m) The Company has complied with the provisions of the Listing Agreement during the period under review.

Practicing Company Secretary

SD/-

NISHA UCHIL

ACS: 24798,

COP: 8995

Place: Mumbai

Date: 22ND MAY 2019



SHEETAL DIAMONDS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT – 2019

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.
- 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.

For and on behalf of the board of Directors

Sd/-
Vinod T. Shah
Managing Director
DIN 01859634

Place : Mumbai
Date : 22ND MAY, 2019



SHEETAL DIAMONDS LIMITED

Independent Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Sheetal Diamonds Limited

We have audited the accompanying statement of financial results of Sheetal Diamonds Limited ("the Company") for the quarter and for the year ended 31st March 2019 (the 'Statements') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 (hereafter referred to as "the Regulation").

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (the 'Act') read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India and in compliance with requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.

We conducted our audit in accordance with the standards on auditing issued by The Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:



SHEETAL DIAMONDS LIMITED

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (ii) gives a true and fair view of the net loss, total comprehensive income and other financial information for the quarter and year ended 31st March, 2019.

The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For A. T. Jain & Co.
Chartered Accountants
FRN: 103886W

SD/-
Sushil Jain
Partner
Membership no. 033809
Place: Mumbai
Date: 22nd May, 2019.



SHEETAL DIAMONDS LIMITED

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)

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, 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.
- ii. 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.
- iii. As informed and based on the records verified by us, the Company has not granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is 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. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 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, 2019 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, 2019 in respect of goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute.



SHEETAL DIAMONDS LIMITED

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the course of our year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank Of India Act, 1934.

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

SD/-
(Sushil T. Jain)
Partner
Membership No. 33809
Place : Mumbai
Date : 22nd MAY 2019



SHEETAL DIAMONDS LIMITED

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, 2019 in conjunction with our audit of the 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.



SHEETAL DIAMONDS LIMITED

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.

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, 2019, 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

SD/-
(Sushil T. Jain)
Partner
Membership No. 33809
Place : Mumbai
Date : 22nd MAY 2019



SHEETAL DIAMONDS LIMITED

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 financial statements of Sheetal Diamonds Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2019, 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 on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2019, the 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 the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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 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 preparation of 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.



SHEETAL DIAMONDS LIMITED

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

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

- Identify and assess the risks of material misstatement of the 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



SHEETAL DIAMONDS LIMITED

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 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 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, 2016 ("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



SHEETAL DIAMONDS LIMITED

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 financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

SD/-
(Sushil T. Jain)
Partner
Membership No. 33809
Place : Mumbai
Date : 22/05/2019



SHEETAL DIAMONDS LIMITED

Balance Sheet as at 31st March, 2019

(Amount in Rs.)

Particulars	Notes	As at	As at
		31st March, 2019	31st March, 2018
ASSETS			
1) NON - CURRENT ASSETS			
(a) Property, Plant & Equipment	3	985,162	1,241,561
(b) Financial assets			
(i) Deposits	4	22,000	22,000
(c) Deferred Tax Assets (Net)		169,877	269,267
(d) Other non current assets	5	-	113,090
TOTAL NON- CURRENT ASSETS		1,177,039	1,645,918
2) CURRENT ASSETS			
(a) Inventories	6	7,298,190	18,793,350
(b) Financial assets			
(i) Trade receivables	7	27,569,726	14,529,465
(ii) cash & cash equivalents	8	433,566	6,158,383
(iii) Loans & Advances	9	-	40,245
(c) Other current assets	10	2,169,056	3,301,514
TOTAL CURRENT ASSETS		37,470,538	42,822,957
TOTAL ASSETS		38,647,577	44,468,875
Particulars			
Note No.		As at	As at
		31st March, 2019	31st March, 2018
EQUITY AND LIABILITIES			
1) EQUITY			
(a) Equity share capital	11	50,000,000	50,000,000
(b) Other equity	12	(16,607,506)	(14,600,119)
TOTAL EQUITY		33,392,494	35,399,881
2) NON- CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	13	-	980,000
TOTAL NON- CURRENT LIABILITIES		-	980,000
3) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Trade payables	14	4,472,826	2,730,177
(b) Other current liabilities	15	782,257	5,358,817
TOTAL CURRENT LIABILITIES		5,255,083	8,088,994
TOTAL EQUITY AND LIABILITIES		38,647,577	44,468,875

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**

SD/-
Sushil Jain

Partner

Membership No :- 033809

Place : Mumbai

Date : 22/05/2019

SD/-
Vinita Rathod
Company Secretary as
Compliance Officer

PAN: AMQPR3191R

Place : Mumbai

Date : 22/05/2019

SD/-
Pankaj Shah
Director & CFO

DIN: 03579870

Place : Mumbai

Date : 22/05/2019

SD/-
Vinod Shah
Managing Director

DIN: 01859634

Place : Mumbai

Date : 22/05/2019



SHEETAL DIAMONDS LIMITED

Statement of Profit and Loss for the year ended 31st March, 2019

(Amount in Rs.)

Particulars	Notes	For the Year ended	For the Year ended
		31st March, 2019	31st March, 2018
Revenue			
Revenue from operations	16	201,046,570	185,059,407
Other income	17	3,981,066	444,549
Total revenue		205,027,636	185,503,956
Expenses			
Purchase of stock-in-trade		185,403,380	180,466,297
Changes in inventories	18	11,495,160	(3,013,596)
Employee benefit expenses	19	2,664,944	1,927,653
Depreciation and amortization expenses	3	271,649	356,697
Other expenses	20	7,100,501	5,350,393
Total expenses		206,935,633	185,087,444
Profit before exceptional items and tax		(1,907,997)	416,512
Exceptional items		-	-
Profit before tax		(1,907,997)	416,512
Tax expenses			
Deferred tax		99,390	(269,267)
Profit(Loss) for the year		(2,007,387)	685,779
Other Comprehensive Income		-	-
Total Comprehensive Income		(2,007,387)	685,779
Earning per share			
Basic		(0.40)	0.14
Diluted		(0.40)	0.14

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**

**SD/-
Sushil Jain**

Partner

Membership No :- 033809

Place : Mumbai

Date : 22/05/2019

**SD/-
Vinita Rathod**

Company Secretary as
Compliance Officer

PAN: AMQPR3191R

Place : Mumbai

Date : 22/05/2019

**SD/-
Pankaj Shah**

Director & CFO

DIN: 03579870

Place : Mumbai

Date : 22/05/2019

**SD/-
Vinod Shah**

Managing Director

DIN: 01859634

Place : Mumbai

Date : 22/05/2019



SHEETAL DIAMONDS LIMITED

Cash flow statement for the year ended 31st March, 2019

(Amount in Rs.)

	Particulars	For the Year ended	
		31st March, 2019	31st March, 2018
A)	Cash flow from operating activities :-		
	Net Profit before tax		(1,907,997)
	Adjustment for:		
	Depreciation	271,649	356,697
	Operating Cashflow before working Capital changes	271,649	356,697
		(1,636,348)	773,209
	Adjustment for working capital changes		
	Trade Receivable	(13,040,261)	5,654,762
	Trade Payable	1,742,649	(1,377,113)
	Inventory	11,495,160	(3,013,596)
	Other Current Liabilities	(4,576,560)	(15,458)
	Short Term Loans & Advances	40,245	(645,792)
	Other Current Assets	1,132,458	-
	Borrowings	(980,000)	-
	(4,186,309)	602,804	
Cash generated from operation	(5,822,657)	1,376,012	
Less : Taxes Paid	-	-	
	(5,822,657)	1,376,012	
B)	Cash flow from Investing activities :-		
	Purchase of Fixed Assets	(15,250)	(72,035)
	Sale of Fixed Assets	-	51,600
	Other Inflow / (Outflows) of cash	113,090	18,848
Cash generated from Investing Activities	97,840	(1,587)	
C)	Cash flow from Financing activities :-		
	Cash generated from Financing Activities	-	-
	Net Increase/Decrease in cash or cash equivalent (A+B+C)	(5,724,817)	1,374,425
	Cash & cash equivalent as at Opening Date	6,158,383	4,783,958
Cash & cash equivalent as at Closing Date	433,566	6,158,383	

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**

SD/-
Sushil Jain
Partner
Membership No :- 033809
Place : Mumbai
Date : 22/05/2019

SD/- Vinita Rathod Company Secretary as Compliance Officer PAN: AMQPR3191R Place : Mumbai Date : 22/05/2019	SD/- Pankaj Shah Director & CFO DIN: 03579870 Place : Mumbai Date : 22/05/2019	SD/- Vinod Shah Managing Director DIN: 01859634 Place : Mumbai Date : 22/05/2019
---	---	---



SHEETAL DIAMONDS LIMITED

Cash flow statement for the year ended 31st March, 2019

	Balance as on 31st March,2019	Balance as on 31st March,2018
EQUITY SHARE CAPITAL	50,000,000	50,000,000
TOTAL	50,000,000	50,000,000
OTHER EQUITY	Balance as on 31st March 2019	Balance as on 31st March 2018
Reserve and Surplus		
Opening Balance	(14,600,119)	(15,285,898)
Add/(Less): profit/(loss) for the period	(2,007,387)	685,779
Add: transferred from reserves.		-
Add: Transf. from Deferred Tax		-
Balance carried to Balance sheet	(16,607,506)	(14,600,119)

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**

SD/-
Sushil Jain

Partner

Membership No :- 033809

Place : Mumbai

Date : 22/05/2019

SD/-
Vinita Rathod

Company Secretary as
 Compliance Officer

PAN: AMQPR3191R

Place : Mumbai

Date : 22/05/2019

SD/-
Pankaj Shah

Director & CFO

DIN: 03579870

Place : Mumbai

Date : 22/05/2019

SD/-
Vinod Shah

Managing Director

DIN: 01859634

Place : Mumbai

Date : 22/05/2019



SHEETAL DIAMONDS LIMITED

Notes to the Financial Statements for the year ended March 31, 2019

1. Corporate Information

SHEETAL DIAMONDS LIMITED ("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.

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

Use of estimates and judgment

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. 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

The company classifies all other liabilities as non-current.

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



SHEETAL DIAMONDS LIMITED

Revenue Recognition

Sale of Goods:

Sales are recorded net of trade discounts, sales tax/ value added tax, rebates and excise duty. 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 recognised on a time proportion basis.

Property, Plant and Equipment

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.

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 it's 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.

Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense in the period in which it incurs.



SHEETAL DIAMONDS LIMITED

Foreign Currency Transactions:

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

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

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.

Contingent Liabilities / Assets

Contingent Liabilities

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

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

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

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

Current tax

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



SHEETAL DIAMONDS LIMITED

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

Financial instruments consist of:

Financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;

Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Financial instruments are recognized initially at fair value including any directly attributable transaction costs. Subsequent to initial recognition, financial instruments are measured as described below:

Cash and cash equivalents

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

Investments in Equity Securities

Investments in equity securities (other than those in Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in Other Comprehensive Income. The impairment losses, if any, are reclassified from equity into statement of profit and loss. On de-recognition of such assets, the related cumulative gain or losses recognised in other comprehensive income are transferred within equity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than



SHEETAL DIAMONDS LIMITED

12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets. The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

Trade and other payables

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

Impairment

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



SHEETAL DIAMONDS LIMITED

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 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.

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 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.

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.



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 3: Property, Plant & Equipment

(Amount in Rs.)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2018	Additions / Capitalisations	Disposal / Transfer	Balance as at 31st March 2019	Balance as at 1st April 2018	Depreciation charge for the year	On disposals	Balance as at 31st March 2019	Balance as at 31st March 2019	Balance as at 31st March 2018
Tangible Assets										
Furniture and Fixture	618,052	-	-	618,052	500,468	86,777	-	587,245	30,807	117,584
Plant and Machinery	3,565,831	-	-	3,565,831	2,444,828	181,944	-	2,626,771	939,060	1,121,004
Computer System	225,265	11,500	-	236,765	222,291	2,734	-	225,025	11,740	2,974
Office Equipments	-	3,750	-	3,750	-	195	-	195	3,555	-
Total F.Y. 2018-19	4,409,148	15,250	-	4,424,398	3,167,587	271,649	-	3,439,236	985,162	1,241,561
Total F.Y. 2017-18	4,388,713	72,035	51,600	4,409,147.88	2,810,890	356,697	-	3,167,587	1,241,561.38	1,577,823

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April 2017	Additions / Capitalisations	Disposal / Transfer	Balance as at 31st March 2018	Balance as at 1st April 2017	Depreciation charge for the year	On disposals	Balance as at 31st March 2018	Balance as at 31st March 2018	Balance as at 31st March 2017
Tangible Assets										
Furniture and Fixture	618,052	-	-	618,052	459,392	41,076	-	500,468	117,584	158,660
Plant and Machinery	3,565,831	-	-	3,565,831	2,154,708	290,120	-	2,444,828	1,121,004	1,411,123
Computer System	204,830	72,035	51,600	225,265	196,790	25,501	-	222,291	2,974	8,040
Total F.Y. 2017-18	4,388,713	72,035	51,600	4,409,148	2,810,890	356,697	-	3,167,587	1,241,561	1,577,823
Total F.Y. 2016-17	4,337,413	51,300	-	4,388,713	2,358,743	452,147	-	2,810,890	1,577,823	1,978,670



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 4 :- Deposits

Particulars	As at 31-03-2019	As at 31-03-2018
Interco System Deposit	2,000	2,000
Sales Tax Deposit	20,000	20,000
Total	22,000	22,000

Note 5 :- Other Non Current Assets

Particulars	As at 31-03-2019	As at 31-03-2018
Miscellaneous expenditure not written off	-	113,090
Total	-	113,090

Note 6 :- Inventories

Particulars	As at 31-03-2019	As at 31-03-2018
Finished Goods	7,298,190	18,793,350
Total	7,298,190	18,793,350

Note No. 7 :- Trade Receivables

Particulars	As at 31-03-2019	As at 31-03-2018
Less than six months		
Unsecured, Considered Good	27,569,726	14,529,465
Total	27,569,726	14,529,465

Note No. 8 :- Cash & Cash Equivalents

Particulars	As at 31-03-2019	As at 31-03-2018
Balance with Banks	322,876	5,936,956
Cash on Hand	110,691	221,427
Total	433,567	6,158,383

Note No. 9 :- Short term Loans & Advances

Particulars	As at 31-03-2019	As at 31-03-2018
Paypal Account	-	40,245
Total	-	40,245

Note No. 10 :- Other Current Assets

Particulars	As at 31-03-2019	As at 31-03-2018
Prepaid expense	8,555	-
VAT Receivable	287,764	993,926
Bajaj Allianz General Insurance Company Limited	-	40,833
GST Receivable	1,212,355	2,266,755
Advance to Suppliers	660,383	-
Total	2,169,056	3,301,514



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 11 :- Share Capital

Particulars	As at 31-03-2019	As at 31-03-2018
Authorised :		
6000000 Equity shares of Rs. 10/- each	60,000,000	60,000,000
Issued :		
5000000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
Subscribed and paid-up :		
5000000 Equity Shares of Rs. 10/- each	50,000,000	50,000,000
Total	50,000,000	50,000,000

Equity Shares

Particulars	As at 31-03-2019		As at 31-03-2018	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the period	5,000,000	50,000,000	5,000,000	50,000,000
Issued during the period	-	-	-	-
Redeemed or bought back during the period	-	-	-	-
Outstanding at end of the period	5,000,000	50,000,000	5,000,000	50,000,000

Note 12 :- Reserves & Surplus

Particulars	As at 31-03-2019	As at 31-03-2018
Surplus		
Opening Balance	(14,600,119)	(15,285,898)
Add: Profit for the year	-	685,779
Less: Loss for the year	(2,007,387)	-
Balance carried to Balance Sheet	(16,607,506)	(14,600,119)

Note 13:- Borrowings

Particulars	As at 31-03-2019	As at 31-03-2018
Trijal Industries Ltd.	-	980,000
Total	-	980,000

Note 14:- Trade Payables

Particulars	As at 31-03-2019	As at 31-03-2018
Trade Payables	4,472,826	2,730,177
Total	4,472,826	2,730,177

Note 15:- Other Current Liabilities

Particulars	As at 31-03-2019	As at 31-03-2018
Other Payables		
Statutory Dues	7,851	8,047
Salary Payable	238,282	-
Advance received against sales	536,124	5,350,770
Total	782,257	5,358,817



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 16:- Revenue from Operations

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Sale of products	201,046,570	185,059,407
Revenue from operations	201,046,570	185,059,407

Note 17:- Other Income

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Other Non-operating Income		
Foreign Exchange Differene Income	2,969,971	331,115
Freight & Insurance	923,994	61,944
VAT Interest received	21,346	51,490
Amount written back	65,756	-
Total	3,981,066	444,549

Note 18:- Changes in Inventory

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Inventory at the end of the year	7,298,190	18,793,350
Inventory at the beginning of the year	18,793,350	15,779,754
(Increase)/Decrease in Inventories	11,495,160	(3,013,596)
Total	11,495,160	(3,013,596)

Note 19:- Employee Benefit Expense

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Salaries & Wages	2,664,944	1,927,653
Total	2,664,944	1,927,653

Note 20:- Other Expenses

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Rent	168,000	191,971
Motor Car expense	56,671	83,242
Travelling Expense	1,774,198	1,243,149
Printing & Stationery	29,081	82,439
Legal & Professional fees	439,700	479,736
Audit Fees	45,000	10,000
Director Remuneration & Sitting Fees	495,000	491,000
Office Expense	1,073,110	1,333,217
Electricity Expense	57,963	36,602
Telephone & Internet	106,325	195,210
Sundry Balance w/off	154,017	81
Membership Fees	276,965	134,561
Preliminary Expense	113,090	18,848
Exhibition Expense	572,652	723,352
Bank charges	130,660	326,985
Clearing & Forwarding	1,115,050	-
Interest on TDS	3,451	-
Interest on others	2,196	-
Penalty charges	76,000	-
Miscellaneous expenses	411,371	-
Total	7,100,501	5,350,393



SHEETAL DIAMONDS LIMITED

Notes forming part of the financial statements

Note 21: Auditors Remuneration

Particulars	for the year ended 31-03-2019	for the year ended 31-03-2018
Audit Fees	45,000	10,000
Total	45,000	10,000

Note 22: Related party disclosures (as identified by the management)

Note 22.1: Relationships during the year

Sr No	Name of the Related Party	Relationship
1	Vinod T Shah MANAGING DIRECTOR	Key Management Personnel
2	Pankaj V Shah DIRECTOR & CFO	
3	Nita P Shah DIRECTOR	
4	Vinita Rathod Company Secretary & Compliance officer	

Note 22.2: Transactions with related parties during the year :

Previous Year's Figures are given in brackets

Sr No	Particulars	2018-2019
		Key Managerial Personnel
1	MD Remuneration (I) Vinod T Shah	480,000 (480,000)
2	Director's Sitting Fees (I) Pankaj V Shah (II) Nita P Shah	7,500 (5,000) 7,500 (5,000)
3	Company Secretary as Compliance Officer (I) Vinita P. Rathod	12,000

Note 23: Earnings per share (EPS) - (Ind AS 33)

Particulars	March 31st, 2019	March 31st, 2018
Net profit after tax as per statement of profit and loss	(2,007,387)	685,779
Weighted average number of equity shares outstanding	5,000,000	5,000,000
Nominal value per equity share	10	10
Basic and diluted earnings per share	(0.40)	0.14

Note 24: 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 25: 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 26: Previous Year figures

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



SHEETAL DIAMONDS LIMITED

SHEETAL DIAMONDS LIMITED

Notes forming part of the Financial Statements

27. Fair Value Measurement

Financial Instrument by category and hierarchy:

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

(Amount in Rs.)

Particulars	Carrying Amount as at 31 st March 2019	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Trade receivables	2,75,69,726	-	-	2,75,69,726
Cash and cash equivalents	4,33,566	-	-	4,33,566
Loans and Advances (Current)	-	-	-	-
Other current assets	21,69,056	-	-	21,69,056
Total	3,01,72,348	-	-	3,01,72,348
Financial Liabilities at Amortised cost				
Trade payables	44,72,826	-	-	44,72,826
Other current liabilities	7,82,257	-	-	7,82,257
Total	52,55,083	-	-	52,55,083



SHEETAL DIAMONDS LIMITED

(Amount in Rs.)

Particulars	Carrying Amount as at 31 st March 2018	Fair value		
		Level 1	Level 2	Level 3
Financial Assets at Amortised cost				
Trade receivables	1,45,29,465	-	-	1,45,29,465
Cash and cash equivalents	61,58,383	-	-	61,58,383
Loans and Advances (Current)	40,245	-	-	40,245
Other current assets	33,01,514	-	-	33,01,514
Total	2,40,29,607	-	-	2,40,29,607
Financial Liabilities at Amortised cost				
Trade payables	27,30,177	-	-	27,30,177
Other current liabilities	53,58,817	-	-	53,58,817
Total	80,88,994	-	-	80,88,994

28. Financial Risk Management Objectives and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Management Board.

Market Risk is the risk of loss of future earning, fair values or future cash flow that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market Risk is attributable to all market risk sensitive financial instruments including investment and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through its finance department, which evaluate and exercises independent control over the entire process of market risk management. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

Foreign Currency Risk

The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Liquidity Risk

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts on the basis of expected cash flows.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligation as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking in to account the financial condition,



SHEETAL DIAMONDS LIMITED

current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limit are set accordingly.

29. Capital Risk Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

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**

SD/-

Sushil Jain

Partner

Membership No :- 033809

Place : Mumbai

Date : 22/05/2019

SD/-

Vinita Rathod

Company Secretary
as Compliance

Officer

PAN: AMQPR3191R

Place : Mumbai

Date : 22/05/2019

SD/-

Pankaj Shah

Director & CFO

DIN: 03579870

Place : Mumbai

Date : 22/05/2019

SD/-

Vinod Shah

Managing Director

DIN: 01859634

Place : Mumbai

Date : 22/05/2019

GENERAL INSTRUCTIONS TO SHAREHOLDERS FOR FILLING IN THE POLL PAPER

Regarding Putting (Tick) Mark

- Please cast your vote by putting a mark in either of the boxes provided in the Poll Paper.
- If you want to cast your vote in favour of the resolution, you have to put a mark in the box “**For**”.
- If you want to cast your vote against the resolution, you have to put a mark in the box “**Against**”.
- If you put a mark in **both** the boxes, your vote will be treated as **invalid**.
- If you **do not** put a mark in either of the boxes, the Poll Paper will be treated as **invalid**.
- If you put any mark **other than a mark, say X (cross) etc.**, your vote will be treated as **invalid**.
- If you want to use your **vote differently**, you may cast your vote by using **separate Poll Paper** and mention therein the number of votes.

Regarding Folio or Client Id / DP Id.

- In case you hold Shares in physical form, please write your master Folio Number at the place provided for in the Poll Paper.
- In case you hold Shares in electronic form, please write your Client Id. Number and DP Id. Number at the place provided for in the Poll Paper.

Regarding Signing

- After writing your Folio Number or Client Id. Number / DP Id. Number, as the case may be, **please** sign at the place provided for in the Poll Paper.
- In case you are **Voting in person**, you must sign as per the **specimen signature** lodged with Company. In such case please strike out the words “**Proxy/Authorized Representative of Corporate Body**”.
- In case you are **voting as a Proxy**, then, after signing, strike out the words “**Member / Authorized Representative of Corporate Body**”.
- In case you are **voting as Authorized Representative of Corporate Body**, then after signing, strike out the words “**Members/Proxy**”.
- If you **do not sign** the Poll Paper your vote will be treated as **invalid**.
- Voting Rights : Shareholders holding equity shares shall have one vote per share as shown against their holding.

Regarding Shareholding / Names

- After writing the number of Shares held, please write your full name in **CAPITAL LETTERS**.
- In case you are a Proxy, write the name of the member in full in **CAPITAL LETTERS**, from whom you have obtained the Proxy.
- In case you are a representative of a Corporate Body, write the name of the Corporate Body whom you represent.
- After filling in the Poll Paper, please **deposit** the same **in the Box** at the Polling Booth.

Joint Holder

- Any of the joint holders is entitled to vote. However, if two or more joint holders are personally present at the meeting, then the Shareholder whose name stands first or higher (as the case may be) is alone entitled to vote.
- Joint holder attending the meeting should write the name of the first holder as also his name in item 1 of the poll paper.

FORM NO. MGT-12 Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company : **SHEETAL DIAMONDS LIMITED**
Registered Office : **Bw - 2030, Bharat Diamond Bourse, Bkc, Bandra East,**
Mumbai- 400051.

B A L L O T P A P E R

S.No.	Particulars	Details
1	Name of the First Named Shareholder (in block letters)	
2	Postal address	
3	Registered folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity Share Rs.10/- each

I hereby exercise my vote in respect of Ordinary / Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution (For)	I dissent from the resolution (Against)
1	Adoption of Financial Statement for the Year Ended March 31, 2019.			
2	Appointment of M/s. A. T. Jain & Co., Chartered Accountants as Auditor.			
3	Appointment of Mr. Atul Kothari as Director of the Company			

Place: MUMBAI

Date: 28th September 2019

(Signature of the shareholder/Proxy/Authorized Representative of Corporate Body)

Please note that those shareholders, who casted their vote in e-voting process conducted between 23.09.2019 to 26.09.2019 at CDSL e-voting portal at www.evotingindia.com, need not to vote through this Ballot Paper again.





SHEETAL DIAMONDS LIMITED

Regd. Off :Office No. BW-2030 , Bharat Diamond Bourse , BandraKurla Complex , Bandra (E) , Mumbai-400 051 (INDIA)

CIN:L56912MH1994PLC083945

Tel No: 022 40102666;

Email id: sheetaldiamond@gmail.com, website: www.heetaldiamonds.com

ATTENDANCE SLIP

25TH ANNUAL GENERAL MEETING ON 28TH SEPTEMBER 2019

Regd. Folio No	
Client ID/ D.P. ID	
Name and address of the shareholder(s)	
Joint Holder 1	
Joint Holder 2	
No. of Shares held	

I/we hereby record my/our presence at the **25TH ANNUAL GENERAL MEETING** of the Company, to be held on Saturday, 28th September, 2019 at 4.30 p.m. at the BW-2030, Bharat Diamond Bourse, BandraKurla Complex, Bandra (East), Mumbai - 400 051.

Member's Folio/DP ID/Client ID No. Member's/Proxy's name Member's/Proxy's Signature
(in Block Letters)

Note:

- Please fill in the Folio/DP ID-Client ID No., name and sign the Attendance Slip and hand it over at the Attendance Verification Counter at the **ENTRANCE OF THE MEETING HALL.**

Note: PLEASE BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

PROXY FORM

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

25TH ANNUAL GENERAL MEETING ON 28TH SEPTEMBER, 2019

Name of the Member (s) : _____

Registered Address : _____

Email Id : _____

Folio No/Client Id : _____

DP ID : _____

I/We, being a Member (s) of _____ shares of the above named Company hereby appoint:

- Name: _____
Address: _____
Email ID: _____
Signature: _____, or failing him
- Name: _____
Address: _____
Email ID: _____

Signature: _____, or failing him
- Name: _____
Address: _____
Email ID: _____
Signature: _____,

as my/our proxy to attend and vote (on poll) for me/us on my /our behalf of at the 25TH Annual General Meeting of the Company to be held on Saturday, 28th September, 2019 at 4.30 p.m. at the Bw-2030, Bharat Diamond Bourse, BandraKurla Complex, Bandra (East), Mumbai - 400 051 and at any adjournment thereof in respect of such resolution as are indicated below:

BOOK – POST
(Printed Matter)

TO,

If Undelivered please return to:

SHEETAL DIAMONDS LIMITED

Regd. Office: Office No. BW-2030, Bharat Diamond Bourse,
BandraKurla Complex, Bandra (E), Mumbai-400 051 (INDIA)
Tel: 91-22-40102666