

**Date: 28.08.2023**

**The Department of Corporate Services  
BSE Limited,  
25<sup>th</sup>, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai-400001**

**Re: Submission of Annual Report of the Company for the Financial Year 2022-23**

**Ref: Scrip Code: 539518**

Dear Sir/ Madam,

Pursuant to Regulations 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith the Annual Report for the Financial Year 2022-23.

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

Thanking you,

Yours truly,

For **UDAY JEWELLERY INDUSTRIES LIMITED**

**B. Kiran Kumar  
Company Secretary & Compliance Officer**

Encl: As stated above



**Uday Jewellery Industries Limited**  
manufacturers • exporters • distributors

# 24<sup>th</sup> ANNUAL REPORT



## 2022-2023

UDAY JEWELLERY INDUSTRIES LIMITED

Manufacturers & Exporters



**KUBIX**<sup>TM</sup>  
cz jewellery

## UDAY JEWELLERY INDUSTRIES LIMITED

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## UDAY JEWELLERY INDUSTRIES LIMITED

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### BOARD OF DIRECTORS

Mr. Ritesh Kumar Sanghi	-	Chairperson- Managing Director
Mr. Sanjay Kumar Sanghi	-	Director
Ms. Pritha Sanghi	-	Director
Mr. Ramprasad Vempati	-	Independent Director
Mr. Vikram Goel	-	Independent Director
Mr. Sunil Garg	-	Independent Director

### Other Key Managerial Personnel:

Mr. Rakesh Agarwal	-	Chief Financial Officer
CS. Sarita Panchal	-	Company Secretary & Compliance Officer (w.e.f.03.06.2022 to 26.10.2022)
CS. B. Kiran Kumar	-	Company Secretary & Compliance Officer(w.e.f.15.04.2023)

### AUDITORS

M/s Anant Rao & Malik  
Chartered Accountants,  
Khairatabad,  
Hyderabad – 500004

### BANKERS

KOTAK MAHINDRA BANK LTD  
STATE BANK OF INDIA

### REGISTERED OFFICE

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

### REGISTRAR & SHARE TRANSFER AGENTS

**Bigshare Services Private Limited**  
306, Right Wing, 03rd Floor, Amrutha Ville  
Opp Yashoda Hospital, Somajiguda  
Raj Bhavan Road, Hyderabad – 500082  
Telangana.  
Phone: 040-40144967/582  
Fax: 040-23370295  
Email: [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

# UDAY JEWELLERY INDUSTRIES LIMITED

## NOTICE

Notice is hereby given that the Twenty-Fourth Annual General Meeting (“the Meeting” or “AGM”) of UDAY JEWELLERY INDUSTRIES LIMITED (“the Company”) will be held on Thursday, 21st September 2023 at 11:30 A.M. (IST) through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2023, together with the Report of the Board of Directors and Auditors thereon.
2. To appoint director in place of Mrs. Pritha Sanghi, Director (DIN: 02681491), who retires by rotation and being eligible, offers herself for re-appointment (Brief Profile Annexure - A to this Notice).

### SPECIAL BUSINESS:

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

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

S. No.	Name of related parties	Nature of relationship	Type of Contract/ Transaction	Transaction Limit	Duration
1.	Sanghi Jewellers Private Limited	Company having common directors	Purchase/ sale of various manufactured products and availing Jobwork services at prevailing market rates and on arm’s length basis	Rs. 50,00,00,000/- (Rupees Fifty Crores only)	From 01.10.2023 to 30.09.2024
2.	Narbada Gems and Jewellery Limited	Company having common directors	Sale/ purchase of various manufactured products at prevailing market rates and on arm’s length basis	Rs. 50,00,00,000/- (Rupees Fifty Crores only)	From 01.10.2023 to 30.09.2024

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

**4. To approve the remuneration payable to Mrs. Mahima Sanghi, as Head - Designs, a relative of the Director in Office or Place of Profit.**

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) and other applicable provisions, if any, read with Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in accordance with the Company’s policy on Related Party transaction(s), approval of the members be and is hereby accorded for the appointment as Head- Designs and payment of remuneration to Mrs. Mahima Sanghi, a relative of the Director, in position of Office or Place of Profit on the recommendation of Nomination and remuneration committee.”

**Remuneration:**

Remuneration per month payable in INR shall be adjusted as follows and subject to deduction of Tax at source as per prevailing Income Tax Rules:

Consolidated Salary of Rs. 3,50,000 per month bifurcated as under:

- |                          |                    |
|--------------------------|--------------------|
| a. Basic Salary:         | 1,75,000 per Month |
| b. Dearness Allowance:   | 70,000 per Month   |
| c. House Rent Allowance: | 1,05,000 per Month |

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, and things, as may be necessary, proper things as may be considered necessary or expedient to give effect to this resolution.”

**By Order of the Board**

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

**Date: 16.08.2023  
Place: Hyderabad**

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### NOTES:

1. In view of the ongoing situation of the COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, and Circular No. 20/2020 dated May 05, 2020. General Circular nos. 02/2021 and 21/2021 dated January 13, 2021, and December 14, 2021, respectively in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. Annual General Meeting (AGM) will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to a least 1000 members on first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The Members attending the AGM through VC/OAVM will be counted to ascertain the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, this AGM is being held through VC/OAVM, and physical attendance of Members has been dispensed with. Accordingly, the facility to appoint a proxy to attend and cast votes for the members is not available for the AGM, and hence the Proxy Form, Attendance Slip, and route map of AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In furtherance of the Green Initiative, Notice calling the AGM along with the Annual Report 2022-23 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories unless any Member has requested for a physical copy of the same. Further, the Notice of AGM has been uploaded on the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com). The Notice can also be accessed from the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
6. The Explanatory Statement under Section 102(1) of the Companies Act, 2013 in respect of Item No. 3 & 4 is annexed herewith.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:



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- a) **For shares held in electronic form:** to their Depository Participants (DPs)
- b) **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters through its RTA for furnishing the required details. Members may also refer to the link available on Company's website [www.udayjewellery.com](http://www.udayjewellery.com)
8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; a claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at [www.udayjewellery.com](http://www.udayjewellery.com) and on the website of the Company's Registrar and Transfer Agents, Bigshare Services Private Limited. It may be noted that any service request can be processed only after the folio is KYC Compliant.
9. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Bigshare Services Private Limited, for assistance in this regard.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Bigshare Services Private Limited, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
11. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.udayjewellery.com](http://www.udayjewellery.com) Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Bigshare Services Private Limited in case the shares are held in physical form.
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, and MCA Circular No. 17/2020 dated April 13, 2020, and MCA Circular No. 20/2020 dated May 05, 2020.
13. The Register of Members and Share Transfer Books of the Company will remain closed from 14th September 2023 to 21st September 2023 (both days inclusive) for the purpose of the Annual General Meeting.
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14. Shri Ajay Suman Shrivastava, Practicing Company Secretary has been appointed as “Scrutinizer” for the Business mentioned to be conducted by e-voting.
15. The Results of the e-voting will be declared by Director by 23rd September, 2023, by 05:00 P.M. at the Registered Office of the Company in Hyderabad and shall be hosted on the website of the Company; [www.udayjewellery.com](http://www.udayjewellery.com). And on the Website of the Stock Exchange; [www.bseindia.com](http://www.bseindia.com).
16. The details pertaining to Director(s) liable to retire by rotation and director(s) proposed to be appointed/ re-appointed as required to be provided pursuant to the Listing Agreement with the Stock Exchange are as follows:

### **THE INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS UNDER:**

17. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
19. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
20. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
21. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

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22. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.udayjewellery.com](http://www.udayjewellery.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
23. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
24. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Monday, 18th September 2023 at 09:00 AM and ends on Wednesday, 20th September 2023 at 05:00 PM**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **14th September 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL on 20th September at 5.00 PM.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register

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again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



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<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for I D e A S “ P o r t a l o r c l i c k a t <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Uday Jewellery Industries Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

## UDAY JEWELLERY INDUSTRIES LIMITED

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(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [info@udayjewellery.com](mailto:info@udayjewellery.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their



## UDAY JEWELLERY INDUSTRIES LIMITED

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respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

## UDAY JEWELLERY INDUSTRIES LIMITED

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

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

#### Item no. 3:

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

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

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

Hence, approval of the shareholders is being sought for the said Related Party Transactions proposed to be entered into by your Company with Narbada Gems and Jewellery Limited (NGJL) and Sanghi Jewellers Private Limited (SJPL) for a period of 12 months starting from 1st October, 2023 to 30th September, 2024.

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

S. No.	Name of related parties	Nature of relationship	Type of Contract/ Transaction	Transaction Limit	Duration
1.	Sanghi Jewellers Private Limited	Company having common directors	Purchase/ sale of various manufactured products and availing Jobwork services at prevailing market rates and on arm’s length basis	Rs. 50,00,00,000/- (Rupees Fifty Crores only)	From 01.10.2023 to 30.09.2024
2.	Narbada Gems and Jewellery Limited	Company having common directors	Sale/ purchase of various manufactured products at prevailing market rates and on arm’s length basis	Rs. 50,00,00,000/- (Rupees Fifty Crores only)	From 01.10.2023 to 30.09.2024

## UDAY JEWELLERY INDUSTRIES LIMITED

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

The Board of Directors recommends passing the resolution as set out in item no. 3 of this Notice as an Ordinary Resolution.

### **Item no. 4:**

In accordance with the provisions of section 188(1)(f) of the Companies Act, 2013, which governs the related party transactions, it is required for a company to obtain prior approval of the Board of Directors and Shareholders for the remuneration of the related party appointed at any office or place of profit.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, at their meeting, held on August 16, 2023, had approved remuneration of Mrs. Mahima Sanghi as Head – Designs, of the Company, subject to the approval of the shareholders by way of an Ordinary Resolution.

### **Remuneration:**

Remuneration per month payable in INR shall be adjusted as follows and subject to deduction of Tax at source as per prevailing Income Tax Rules:

Consolidated Salary of Rs. 3,50,000 per month bifurcated as under:

- |                          |                    |
|--------------------------|--------------------|
| a. Basic Salary:         | 1,70,000 per Month |
| b. Dearness Allowance:   | 70,000 per Month   |
| c. House Rent Allowance: | 1,05,000 per Month |

Mrs. Mahima Sanghi is part of the promoter group of the Company as well. Further, she and her relatives are interested in this item of the Business to the extent of their shareholding.

Other than this none of the Directors or KMP or relatives of the Directors, are in any way concerned with or interested financially or otherwise in the resolution at item no. 4 of the accompanying notice.

Your directors recommend passing the foregoing resolution of this Notice as an Ordinary Resolution.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### ANNEXURE-A: ITEM NO. 2 OF THE NOTICE.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

Name of the Director	Mrs. Pritha Sanghi
Designation	Director
DIN	02681491
Date of Birth	11/09/1969
Age	53 Years
Date of First Appointment on the Board	14/05/2014
Qualification and Experience	Mrs. Pritha Sanghi, aged about 53 years is graduate having rich and varied experience Gem Stones jewellery which the Company is engaged, as well as in strategy formulation and management. She has an experience of more than 25 years in the Jewellery Industry. She has an expert knowledge and interest in precious and semi- precious gems and stones used in the manufacturing of jewellery.
Expertise in specific functional area	Operations & valuable and assistance to the design and development of Gem stones Jewellery.
Relationships between Directors inter se	Mrs. Pritha Sanghi is the Wife of Mr. Sanjay Kumar Sanghi and hence are related to each other.
Name of the Listed entities in which the person also holds the directorship and the membership of the committees of the Board along with the Listed entities from which the person has resigned in the past three years*	Operations & valuable and assistance to the design and development of Gem stones Jewellery.
Number of shares held in the Company	20,54,260 Equity Shares (9.33% of the Paid-up equity share capital)
Skills and capabilities required for the role and the manner in which the Directors meet the requirements (Independent Directors)	NA

# UDAY JEWELLERY INDUSTRIES LIMITED

## DIRECTORS' REPORT

Dear Members,

It is our pleasure to present the Twenty - Fourth Annual Report together with the Audited Financial Statement of Uday Jewellery Industries Limited for the Financial Year ended 31st March 2023.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS:

The highlights of the financial statements of the Company for the financial year ended March 31, 2023, are as under:

Particulars	(Rs. in Lakhs)	
	31.03.2023	31.03.2022
Revenue from operations	17,673.09	12,153.53
Other Income	155.06	96.20
<b>Total income</b>	<b>17,828.14</b>	<b>12,249.73</b>
Profit before tax	1,283.73	779.30
Current Tax	337.24	207.30
Deferred Tax	(3.98)	(3.19)
Income tax pertaining to earlier years	0.28	3.82
Profit after Tax	950.19	571.36
Earnings per share		
Basic	4.31	2.59
Diluted	4.31	2.59

### 2. REVIEW OF OPERATIONS:

The Company witnessed strong demand across its businesses achieving significant revenue uplift and ending the year on a strong note. Revenue from operations was recorded as Rs. 17,673.09 Lakhs against Rs. 12,153.53 Lakhs during previous year registering increase of 45.41% over the previous year. The Company reported a Net Profit of Rs. 950.19 Lakhs as against Rs. 571.36 Lakhs earned during previous year registering increase of 66.30% over the previous year.

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

During the period under review and the date of Board's Report there was no change in the nature of Business.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### 4. FUTURE PROSPECTS:

Being in the organised Jewellery manufacturing business, the factors that have aided growth of organised players Industry interactions indicate national and regional jewellery retailers (organised segment) enjoy an edge over their smaller, standalone counterparts due to the following advantages:

- Widespread presence across cities and locations: National and regional jewellery retailers typically have a wider presence across several cities and locations compared with their smaller, standalone counterparts. Geographical diversification via owned as well as franchisee stores allows them to capitalise on growing consumer awareness about quality, brands and design trends, and gain share from the unorganised segment
- Rise in migration: In recent years, many young Indians have ventured out of their hometowns for better career opportunities. Rise in the migratory population augurs well for organised jewellers since these consumers mostly do not have strong relationships with local jewellers and are typically more inclined towards organised stores that offer contemporary designs
- Focus on quality and trust: Several national and regional jewellery retailers are laying a strong emphasis on quality with regard to cartage, an aspect that was previously undermined, especially before BIS hallmarking of jewellery. An increasing number of national and regional jewellers are opting for hallmarking registration to win customer trust. Launch of other schemes such as buyback of gold further helps reinforce their focus on quality
- Better inventory management: Typically, national and regional players have better inventory management systems owing to higher number of stores and, thus, presence over a wider region. This enables the players to shift inventory from stores showing low demand for a particular product to stores where there is more demand for the same or similar items. Further, an inventory-tracking system enables companies to monitor consumer preferences and enhance consumer satisfaction based on demand from the region
- Product raw material sourcing: Players largely rely on imports to source raw gold since India has negligible diamond and gold mining operations. With raw materials accounting for the largest share of a jeweller's operating costs, ability to source them efficiently is a major success factor. Owing to large volumes of purchases, large organised players have easier access to credit at more competitive rates than smaller, unorganised jewellers
- Launch of new collections and brands: Given their scale and size of operations, national and regional jewellery retailers are able to develop and design jewellery according to regional tastes as well as global trends, and launch new collections and brands at regular intervals, thus providing the customer with a wider choice • Investments in brand building: Typically, national and regional jewellery retailers invest large amounts in brand building and advertising initiatives compared with the standalone players, which helps establish trust and create brand recall value for customers
- Ability to attract better talent: Typically, national and regional jewellery retailers have the ability to attract and retain better talent owing to a well-established brand name, faster growth opportunities and better profitability, which enable them to offer competitive salaries • Emergence of online formats: Players are increasingly adopting the online format as an alternative sales channel, especially in metropolitan cities. As per industry sources, although



## UDAY JEWELLERY INDUSTRIES LIMITED

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the share of online in total gems and jewellery sales is currently miniscule (around 4% of the total industry), it is poised for fast growth of 28-33% and is expected to account for 7-8% of the gems and jewellery segment by fiscal 2025. Apart from physical brick-and-mortar (B&M) stores, players have created an online presence via their own websites, mobile applications, or tie-ups with marketplace websites such as Amazon and Flipkart. Many prominent jewellers such as Tanishq, Kalyan Jewellers, Joyalukkas, Malabar Gold & Diamonds, 163 Senco Gold & Diamonds, PC Jeweller, and Tribhovandas Bhimji Zaveri have started retailing jewellery online.

- Regulatory changes: GST implementation reduced the erstwhile tax arbitrage aiding unorganised players. Furthermore, measures such as demonetization to curb unaccounted money flowing into the gold industry are expected to have aided organised players. The government has also introduced mandatory hallmarking of gold jewellery, which is expected to significantly reduce the price differential between organised and unorganised players. Currently, owing to the lack of awareness among consumers, unorganised retailers often sell non-hallmarked items with lower-than-stated caratage. This enables them to maintain profitability despite charging less than organised players. Proper implementation of this rule is likely to impact the profitability of unorganised players, who will then have to raise their making charges.
- Mandatory Hallmark Unique Identification (HUID) for gold jewellery: The government mandated a six-digit alphanumeric code HUID number for gold jewellery and other items from 1 April 2023. The hallmarking will enhance the attractiveness of standardized gold across India, and it will enable the tracking and auditing for the government thereby helping in controlling unaccounted transactions.
- Better customer service and policies: Organised players provide standard terms and conditions to all their customers in terms of exchange, refund and repairs, which play a pivotal role in driving repeat footfall and customer loyalty.

### REGIONAL MARKET:

Southern region dominates with 38-43% share Industry estimates indicate ~70% of India's gold demand emanates from rural areas, in line with the demographics of the country. Within India, the southern states dominate with 38-43% of gold demand. Demand is supported by higher per-capita income, lower poverty rates and strong non-resident Indian demand. Industry estimates also indicate southern India is predominantly a 22-carat traditional, handmade market. In contrast, eastern India accounts for only 13-18% of gold demand. Similar to southern India, demand for jewellery in the eastern region is focused largely on the 22-carat type. In contrast, the northern (23-28%) and western (18-23%) regions prefer 14- and 18-carat jewellery, respectively.

### COMPANY PLANS:

With a target of becoming the largest manufacturer of CZ with precious colour gemstones studded jewellery, the company is coming up with new facilities with an expansion of its capacity 4 times than the existing and the said facility of the Company will be well equipped with state-of-the-art Mechanization and technology thereby increasing the overall capacity and enhanced finishing of the products.

The Company is investing its own fund in research and innovative technology for sustainable growth instead of financing from outside sources.

## UDAY JEWELLERY INDUSTRIES LIMITED

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The company's production infrastructure includes a large pool of highly skilled artisans and craftsmen and furthermore the company is looking for a training center for fuller utilization of the labor force and to increase productivity at the same time.

The Company's in-house design and development team is supported by cutting-edge technology including 3D printing, laser engraving, CAD (computer-aided design), etc to make precise designs as per the requirement of the customers.

### **5. SHARE CAPITAL**

The Authorised Share Capital of the Company is Rs. 26,00,00,000/- divided into 2,60,00, Equity Shares of Rs.10/- each.

The Paid-up Equity Share Capital of the Company is Rs. 22,02,19,000/- divided into 2,20,21,900 Equity shares of Rs. 10/- each.

#### **a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:**

The Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

#### **b. Issue of Sweat Equity Shares:**

The Company has not issued any sweat equity share during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

#### **c. Issue of Equity Shares with Differential Voting Rights:**

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014.

#### **d. Issue of Employee Stock Option:**

The Company has not issued any employee stock option during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014

### **6. DIVIDEND**

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

#### **7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125 of the Companies Act, 2013 are not applicable for the Company as there was no dividend declared and paid in the previous financial years.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### 8. RESERVES

During the period under review, the Board of Directors has decided that Rs. 950.19/- Lakhs to be carried forward to the reserves being profit for the year.

### 9. PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review and hence there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

### 10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

During the year under review, no Company has ceased to be its subsidiaries, joint ventures or associate Company.

### 12. DEPOSITORY SYSTEM:

The Company's shares are available for dematerialization with National Securities Depository Ltd. (NSDL) 14.96% and Central Depository Services (I) Ltd. (CDSL). 84.21% of the total shareholding of the Company was held in dematerialized form as on 31st March 2023. Shares held in physical form was 0.83% of the issued Capital.

### 13. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL:

#### a) Appointments taken place during the year:

During the Year NIL. But after Financial Year and before Board Report dated, Mr. Bolledu Kiran Kumar has been appointed as Company Secretary and Compliance Officer of the Company w.e.f 15.04.2023

#### b) Resignations:

During the year, Ms. Sarita Panchal Company Secretary and Compliance Officer of the Company has resigned w.e.f 26.10.2022.

The Board placed on record their appreciation for the invaluable contribution made by the Ms. Sarita Panchal during her tenure.

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### c) Information u/r 36(3) of SEBI (LODR), Regulations, 2015:

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Director seeking appointment/re-appointments is given as Annexure A to the notice of the AGM forming part of this Annual Report.

### 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Your Board consists of Six Directors including three Independent (Non- Executive Directors). Shri Ramprasad Vempati (DIN: 01903161), Shri Vikram Goel (DIN: 05104754) and Shri Sunil Garg (DIN: 08851283) were the Independent Directors during the Financial Year 2022-23.

**Board Diversity** The Company recognizes and embraces the benefits of having a diverse Board of Directors to enhance the quality of its performance. The Company considers increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates.

In compliance with the requirements of Section 203 of the Companies Act, 2013, during the period, following are the Key Managerial Personnel of the Company.

1. Mr. Sanjay Kumar Sanghi - Managing Director
2. Mr. Rakesh Agarwal - Chief Financial officer
3. Mr. Bolledu Kiran Kumar # - Company Secretary and Compliance Officer

#Appointed w.e.f 15.04.2023.

### 15. DECLARATION BY INDEPENDENT DIRECTORS:

Shri Ramprasad Vempati (DIN: 01903161), Shri Vikram Goel (DIN: 05104754), Shri. Sunil Garg (DIN: 08851283) were the Independent Directors during the Financial Year 2022-23 and all have given declarations that they continue to meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and regulations 16(1)(b) of the SEBI (Listing Obligation Disclosure Regulation) Regulations, 2015 ("Listing Regulations") and that they are not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

There has been no change in terms and conditions of appointment of Independent Directors, the Policy relating to their appointment is available on the website of the Company [www.udayjewellery.com](http://www.udayjewellery.com).

### 16. CODE OF CONDUCT:

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct. The Code is applicable to the members of the Board, the executive officers, the members of the management one level below the executive directors, including all functional heads of the Company. The Code is available on the website of the Company [www.udayjewellery.com](http://www.udayjewellery.com). All members of the Board, the executive officers and senior financial officers have affirmed compliance to the Code as on March 31, 2023.

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### 17. ANNUAL RETURN:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an Draft Annual Return is uploaded on website of the Company with the following link  
[dev.udayjewellery.com/wp-content/uploads/2023/08/Draft-Form-MGT-7-31.03.2023.pdf](http://dev.udayjewellery.com/wp-content/uploads/2023/08/Draft-Form-MGT-7-31.03.2023.pdf)

### 18. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

### 19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the year, 9 (Nine) Board Meetings were convened and held. The dates on which the said meetings were held are: 11.04.2022, 23.05.2022, 03.06.2022, 16.06.2022, 11.08.2022, 18.08.2022, 16.09.2022, 12.11.2022 and 13.02.2023. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

### 20. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. The details of the familiarization programme of the Independent Directors are available on the website of the Company [www.udayjewellery.com](http://www.udayjewellery.com).

### 21. BOARD EVALUATION:

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

The criteria for performance evaluation of the Board and its Committees amongst others include their structure and composition, processes, information and functioning, terms of reference of the Committees, etc. The criteria for performance evaluation of individual Directors including Executive and Independent Directors amongst others include their attendance and contribution at the meetings, the devotion of time and efforts to understand the Company, its business, their duties and responsibilities, and adherence to the code of conduct, etc. The Independent Directors met separately on **13th February 2023** without the presence of Non-Independent Directors to discuss the performance of the Non-Independent Directors and the Board as a whole.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

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

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

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

The Nomination & Remuneration Policy as well as Criteria for Determining Qualifications, Positive Attributes and Independence of a Director are placed on the Company's website [www.udayjewellery.com](http://www.udayjewellery.com).

### **23. BOARD COMMITTEES:**

**The Board has constituted three committees at present:**

**Audit Committee**

**Nomination and Remuneration Committee**

**Stakeholders Relationship Committee**

**Corporate Social Responsibility Committee**

The committees of the Board meet at regular intervals and have the requisite subject expertise to handle and resolve matters expediently. The details of constitution, and meetings of the committees is given in the Corporate Governance report as **Annexure IV**.

### **24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation provides an overview of the affairs of the Company, its legal status and autonomy, business environment, mission & objectives, sectoral and segment-wise operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems is appended as **Annexure-V** for information of the Members.

### **25. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has zero tolerance towards sexual harassment at workplace. It has a well - defined policy in compliance with the requirements of the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding



## UDAY JEWELLERY INDUSTRIES LIMITED

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sexual harassment. All employees are covered under this policy. During the year 2022-2023, there were no complaints received by the Committee.

### 26. INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

### 27. DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS, IF ANY:

During the year under review, there has been no one-time settlement of loans taken from banks and financial Institutions.

### 28. CREDIT RATING OF BORROWING:

Your Company has taken Credit Rating from ICRA Credit Rating Agency and recent Credit Rating was given as follows:

Details of Bank Limits Rated by ICRA (Rated on Long-Term Scale)	Amount (Rs. in Lakhs)	Previous Rating	Present Rating
Kotak Mahindra Bank – Cash Credit	35.00		
Kotak Mahindra Bank – Guaranteed Emergency Credit Line	2.42	[ICRA] BBB -	[ICRA] BBB (Stable)
Unallocated Limits	3.50		
<b>Total</b>	<b>40.92</b>		

### 29. RISK MANAGEMENT:

The Management has put in place an adequate and effective system and manpower for the purposes of risk management. The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking and inventory management. It has the best quality products and a vigorous marketing team that helps to mitigate risk relating to price fluctuation of finished goods.

The Company, through its risk management process, aims to contain the risks within its risk appetite. There are no risks which in the opinion of the Board threaten the existence of the Company.

## UDAY JEWELLERY INDUSTRIES LIMITED

### 30. INTERNAL CONTROL SYSTEMS:

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

### 31. MANAGERIAL REMUNERATION

The Company's policy on Director's appointment and remuneration in accordance with Section 178 (3) of the Companies Act, 2013 No remuneration is being paid to the Managing Director or any other Director of the Company. The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration) Rules, 2014 and Companies (Particulars of Employees) Rules 1975, in respect of employees of the Company and Directors is furnished hereunder:

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

The Non-executive Directors do not have any pecuniary relationship or transactions with the Company.

#### b. Details of remuneration of each Director and CFO and Company Secretary in the Financial Year 2022-23 are as follows:

Name	Designation	Remuneration (in Rs.)		Increase in %
		2022-23	2021-22	
Ritesh Kumar Sanghi	Managing Director	-	-	-
Sanjay Kumar Sanghi	Director	-	-	-
Pritha Sanghi	Director	-	-	-
Rakesh Agarwal	Chief Financial Officer	8,64,000	6,67,597	29.41%
Mr. Lekhpal Sahu	Company Secretary	-	3,51,636*	-
Ms. Sarita Panchal	Company Secretary	2,05,235*	-	20%

\*For the part of the financial year

## UDAY JEWELLERY INDUSTRIES LIMITED

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- c. Details of a fixed component and performance-linked incentives, along with the performance criteria: The Company does not have any performance-linked incentives for the Directors and CFO the appointments are made for a fixed period of time on the terms and conditions in the respective resolution passed by the Board/Members in the Meeting.
- d. Number of permanent employees on the rolls of the Company as on 31st March 2023 are 93.
- e. Stock option details: Nil

### **32. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197 (12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure VI (a)** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure VI (b)**.

During the year, NONE of the employees are drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 other than those mentioned in **Annexure VI (b)**.

### **33. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Managing Director (Mr. Sanjay Kumar Sangi), Managing Director of the Company to the median remuneration of the employees is Not Applicable since Managing Director is not paid any remuneration for the Financial Year 2022-23.

### **34. HUMAN RESOURCES:**

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

### **35. MD & CFO CERTIFICATION:**

As required Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the MD/CFO certification is attached with the Annual report as Annexure **VII**.

### **36. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to

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## UDAY JEWELLERY INDUSTRIES LIMITED

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regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board and the Compliance Officer are responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code. The same has been displayed at the company's website at [www.udajewellery.com](http://www.udajewellery.com).

### 37. STATUTORY AUDITORS:

The Auditors, M/s Anant Rao & Malik, Chartered Accountants, Hyderabad, (Firm Regn No.- 006266S) appointed in the Annual General Meeting held on 29th September 2021 to hold office until the conclusion of the 27th Annual General Meeting of the Company to be held in the calendar year 2026. They have audited the financial statements of the Company for the financial year under review. The observations of Statutory Auditors in their Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation.

The Auditors' Report does not contain any qualification, reservation, adverse remark, or disclaimer of the Auditors that may call for any explanation from the Directors. The declaration for unmodified Auditor's Report in accordance with Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 as amended by SEBI vide notification no. SEBI/ LAD-NRO/GN/2016-17/001 dated 25.05.2016 has been submitted to the Stock Exchanges.

### 38. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, CS Arpita Dhar, Practicing Company Secretary, Shillong (COP No.- 24137) has been appointed as Secretarial Auditor of the Company for the financial year 2022-23. The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remarks. The report of the Secretarial Auditors in the prescribed Form MR-3 is enclosed as **Annexure I** to this report.

The report Annual Secretarial Compliance report for the FY 2022-23 as per Regulation 24A of Listing Regulations as amended, issued by Shri Ajay Suman Shrivastava, Practicing Company Secretary, Hyderabad (COP No. 3479), is enclosed as **Annexure-II** to this report.

**Annual Secretarial Compliance Report:** A Secretarial Compliance Report, pursuant to regulation 24A of the SEBI (LODR) Regulations, for the financial year 2022-23 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, has been obtained from CS Ajay Suman Shrivastava, Practicing Company Secretary and placed on the website of the Company and Stock Exchanges.

### SECRETARIAL STANDARDS

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and that such systems were adequate and operating effectively and the Company has complied with all applicable Secretarial Standards during the year under review.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### **COST RECORDS:**

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

### **39. VIGIL MECHANISM:**

The Whistle-blower Policy has been approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177 (9)&(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations which provides for a vigil mechanism that provides adequate safeguards against victimization of persons who use such mechanism and encourages its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. Further, the Whistle-blower Policy is available on the website of your company at [www.udayjewellery.com](http://www.udayjewellery.com).

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

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

### **41. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS UNDER SECTION 186:**

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

The Company has provided the unsecured loan to Trisa Retail Limited under Section 186 of the Companies Act, 2013 in yester years. As on the end of the period under review, the outstanding amount of such unsecured loan was paid off and Nil. Further, the Company has not given any guarantee or provided any security in connection with any loan to any other body corporate in accordance with Section 186 of the Companies Act, 2013.

### **42. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website [www.udayjewellery.com](http://www.udayjewellery.com)

The related party transactions during the year are in accordance with the approval of shareholders in Annual General Meeting held on 26th September, 2022.

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

### **43. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:**

Your Company is committed to maintaining the high standards of corporate governance and adhering to the requirements set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. The certificate from the Practicing Company Secretary confirming compliance with the

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## UDAY JEWELLERY INDUSTRIES LIMITED

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conditions of Corporate Governance as stipulated under Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure IV & IVA** to this report.

#### **44. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

##### **A. CONSERVATION OF ENERGY**

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

##### **B. TECHNOLOGY ABSORPTION**

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

##### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, the Actual Foreign Exchange Earnings: Rs. 35,93,65,004.80

Foreign Exchange Outgo: Rs. 61,24,586.18

#### **45. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

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

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure VIII of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the CSR Report. The Policy on CSR is available on the Company's website at [www.udayjewellery.com](http://www.udayjewellery.com)

#### **46. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

#### **47. DIRECTORS' RESPONSIBILITY STATEMENT:**

Your Directors would like to inform the members that the Audited Financial Statement for the financial year ended **31st March 2023** are in full conformity with the requirement of the Act and

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## UDAY JEWELLERY INDUSTRIES LIMITED

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they believe that the financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations. These Financial Statements are audited by M/s Anant Rao & Malik, Chartered Accountants, and Statutory Auditors of the Company.

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

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March 2023 and of the Profit and Loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The directors in the case of the listed company have laid down internal financial controls to be followed by the company and such controls are adequate and are operating effectively.
- f) The Directors have devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

**47. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

**48. LISTING:**

Your Company's equity shares are listed and traded on BSE limited. The listing of shares of Calcutta Stock Exchange Limited (CSE) is no more relevant as the CSE has been derecognized by SEBI. The Company has duly complied with all the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the amendments therein.

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

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

## UDAY JEWELLERY INDUSTRIES LIMITED

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### 50. ENVIRONMENT, SOCIAL AND GOVERNANCE INITIATIVES:

The Company has taken pioneering steps in the line of business to undertake its manufacturing activity in a premises which is a IGBC certified GREEN Building and the installations have been very carefully structured for minimum use of polluting materials and electrical power. After few months, Company will take steps to fulfill its power requirements from the roof top solar power units also.

The Human capital is of prime importance in the jewellery business and the Company has been marching ahead with various initiative for its PEOPLE. The artisans are supported for their children education, the social aspect of their lives are well taken care.

Being a BSE listed Company, effective and orderly governance comes naturally to the Company which is spearheaded by the Board of Directors and the Standards of Practices to be followed for Board and Governance are well defined and are implemented with a flair of penchant and diligence.

### 51. ACKNOWLEDGMENT:

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

**On behalf of the Board of Directors**

**Date: 16.08.2023**  
**Place: Hyderabad**

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

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

## UDAY JEWELLERY INDUSTRIES LIMITED

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### ANNEXURE INDEX

I	Secretarial Audit Report- Form MR-3
II	Annual Secretarial Compliance report
III	Particulars of Contract with related parties- Form AOC-2
IV	Corporate Governance Report
IVA	Certificate on Compliance of Corporate Governance
V	Management Discussion Analysis Report
VI	Statement Showing the Names of Top Ten Employees
VII	MD and CFO Compliance Certificate
VIII	Corporate Social Responsibility Statement
IX	Certificate of Non-Disqualification of Directors

# UDAY JEWELLERY INDUSTRIES LIMITED

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**ANNEXURE-I**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2023**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

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

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UDAY JEWELLERY INDUSTRIES LIMITED (CIN: L74900TG1999PLC080813)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon. This Report is to be read with the letter of even date which is annexed to this as 'Annexure- 1' and forms an integral part of this report.

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

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

- (i) The Companies Act, 2013 Act and rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We further report that, the Company has generally complied with the provisions of:

- (i) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder;

## UDAY JEWELLERY INDUSTRIES LIMITED

- (ii) 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;
- (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2021; - Not applicable during the Audit period
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable during the Audit period
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended on 03.08.2023- Not applicable during the Audit period
- (vi) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended on 02.07.2023- To the extent disclosures.
- (vii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- Not applicable during the Audit period
- (viii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; as amended on 24.11.2022, including SDD Compliance.
- (ix) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended on 23.05.2023- requiring compliance thereof by the Company during the Audit Period.

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:

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks
<b>NIL</b>			

The Company has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2022.	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

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I report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following laws applicable specifically to the Labour laws as under:

- The Payment of Wages Act, 1936;
- The Minimum Wages Act, 1948;
- Factories Act, 1948
- Employees State Insurance Act, 1948
- Employee's Provident Funds and Miscellaneous Provisions Act, 1952
- Payment of Bonus Act, 1965 (reported inclusive in remuneration)
- Maternity Benefit Act, 1961
- Bureau of Indian Standard (BIS) (Hallmarking)
- Standard Weights & Measures Act
- The Workmen's Compensation Act, 1923

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

I further report that, during the Audit Period, there are no such events occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

**Place: Shillong**  
**Date: 14.08.2023**

**Sd/-**  
**ARPITA DHAR**  
**ACS No: A38304**  
**C.P. No: 24137**  
**UDIN: A038304E000797348**



## UDAY JEWELLERY INDUSTRIES LIMITED

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### Annexure- 1'

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

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

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

**Place: Shillong**  
**Date: 14.08.2023**

**Sd/-**  
**ARPITA DHAR**  
**ACS No: A38304**  
**C.P. No: 24137**  
**UDIN: A038304E000797348**

# UDAY JEWELLERY INDUSTRIES LIMITED

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## ANNEXURE-II

### SECRETARIAL COMPLIANCE REPORT OF UDAY JEWELLERY INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2023

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

To,

The Members

#### UDAY JEWELLERY INDUSTRIES LIMITED

3-6-291/4/B, 1st Floor, Hyderguda,

Hyderabad, Telangana-500029.

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Uday Jewellery Industries Limited** (“the listed entity”), (having BSE Scrip Code – 539518 and CIN: L74900TG1999PLC080813), having registered office at 3-6-291/4/B, 1st Floor, Hyderguda, Hyderabad, Telangana-500029. The Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity’s books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

#### **I Ajay Suman Shrivastava, have examined:**

- a) all the documents and records made available to us and explanations provided by Uday Jewellery Industries Limited (“**the listed entity**”)
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,  
for the year ended **31st March, 2023 (“Review Period”)** in respect of compliance with the provisions of:
  - a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
  - b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

## UDAY JEWELLERY INDUSTRIES LIMITED

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended to the extent applicable during the period under review;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **(Not applicable to the Company during the period under review)**;
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the period under review)**;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the period under review)**;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the period under review)**;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable during the year under review;
- i) other regulations and circulars/ guidelines issued thereunder; (as applicable)

and based on the above examination, I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

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

Sr. no.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-remarks of the Practicing Company Secretary	Management Response	Remarks
NIL during the Review Period										

## UDAY JEWELLERY INDUSTRIES LIMITED

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

Sr. no.	Compliance Requirement (Regulations/circulars / guidelines including specific clause)	Regulation/Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Re-remarks of the Practicing Company Secretary	Management Response	Remarks
NIL during the Review Period										

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sr. no.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<b>Compliances with the following conditions while appointing/re-appointing an auditor</b>		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NotApplicable	NA, since there is no such instance of change in Auditor due to resignation.
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	NA, since there is no such instance of change in Auditor due to resignation.
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	NA

## UDAY JEWELLERY INDUSTRIES LIMITED

2.	Other conditions relating to resignation of statutory auditor		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	NIL	NIL
	a. In Case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NIL	NIL
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.	NA	No such instance during the Review Period.
	c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA	No such instance during the Review Period.
	ii. Disclaimer in case of non-receipt of information:  The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	No such instance during the Review Period.

## UDAY JEWELLERY INDUSTRIES LIMITED

3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	No such instance during the Review Period.
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III. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. no.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<p><b>Secretarial Standards:</b></p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).</p>	Yes	NIL
2.	<p><b>Adoption and timely updation of the Policies:</b></p> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/ circulars/ guidelines issued by SEBI</li> </ul>	Yes  Yes	NIL  NIL
3	<p><b>Maintenance and disclosures on Website:</b></p> <ul style="list-style-type: none"> <li>• The listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</li> </ul>	Yes  Yes  Yes	NIL  NIL  NIL

## UDAY JEWELLERY INDUSTRIES LIMITED

4.	<p><b>Disqualification of Director:</b></p> <p>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.</p>	Yes	NIL
5.	<p><b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b></p> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>	NA  NA	No such subsidiary exists during the Review Period.
6.	<p><b>Preservation of Documents:</b></p> <p>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.</p>	Yes	NIL
7.	<p><b>Performance Evaluation:</b></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.</p>	Yes	NIL
8.	<p><b>Related Party Transactions:</b></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>	Yes  NA	NIL  No RPT were rejected at any time since all have Shareholders approval.



## UDAY JEWELLERY INDUSTRIES LIMITED

9.	<p><b>Disclosure of events or information:</b></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.</p>	Yes	NIL
10.	<p><b>Prohibition of Insider Trading:</b></p> <p>The listed entity is in compliance with Regulation 3(5) &amp; 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.</p>	Yes	NIL
11	<p><b>Actions taken by SEBI or Stock Exchange(s), if any:</b></p> <p>No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).</p>	NIL	No such instances of non-compliance or delay resulting in penalty have been observed for compliances during the year.
12.	<p><b>Additional Non-compliances, if any:</b></p> <p>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.</p>	NIL	No such instances of non-compliance or delay resulting in penalty have been observed for compliances during the year.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**Place: Hyderabad**  
**Date: 26.05.2023**

**Sd/-**  
**AJAY SUMAN SHRIVASTAVA**  
**FCS No.: 3489**  
**C.P. No.: 3479**  
**UDIN: F003489E000382428**

# UDAY JEWELLERY INDUSTRIES LIMITED

## ANNEXURE - III

### FORM NO. AOC -2

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

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

- 1. Details of contracts or arrangements or transactions not at Arm's length basis: No Contracts or arrangements or transactions entered which were not at Arms length basis.**
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<ol style="list-style-type: none"><li><b>Sanghi Jewellers Private Limited-</b> Company having common directorship</li><li><b>Narbada Gems and Jewellery Limited-</b> Company having common directorship</li><li><b>Trisa Retail Limited</b> Company having common directorship</li><li><b>Hanumanthrai Sanghi</b> Relative of Directors</li><li><b>Sarala Sanghi</b> Relative of Directors</li><li><b>Ritesh Kumar Sanghi</b> Managing Director</li><li><b>Sanjay Kumar Sanghi</b> Director</li><li><b>Pritha Sanghi</b> Director</li><li><b>Bhavan Sanghi</b> Relative of Directors</li><li><b>Uday Sanghi</b> Relative of Directors</li><li><b>Tejas Sanghi</b> Relative of Directors.</li></ol>

## UDAY JEWELLERY INDUSTRIES LIMITED

b)	Nature of contracts/ arrangements/ transaction	<ul style="list-style-type: none"> <li>i. Purchases and sales of manufactured products, and payment of Rent</li> <li>ii. Purchase and sales of manufactured products.</li> <li>iii. Payment of Rent.</li> <li>iv. Job work</li> <li>v. Remuneration</li> </ul>
c)	Duration of the contracts/ arrangements/ transaction	<ul style="list-style-type: none"> <li>i. Regular</li> <li>ii. Yearly</li> </ul>
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	<p>During the year 2022-23 the total value of transactions with the related parties are as follows:</p> <ul style="list-style-type: none"> <li><b>I. Sanghi Jewellers Private Limited-</b> <ul style="list-style-type: none"> <li>i. Purchases: Rs. 14,70,66,372/-</li> <li>ii. Sales: Rs. 38,62,122/-</li> <li>iii. Payment of Rent: Rs. 3,00,000/-</li> <li>iv. Job work: 4,48,500/-</li> </ul> </li> <li><b>II. Trisa Retail Limited</b> <ul style="list-style-type: none"> <li>i. Interest on Intercompany Loan: Rs. 14,58,605</li> </ul> </li> <li><b>III. Narbada Gems and Jewellery Limited-</b> <ul style="list-style-type: none"> <li>i. Purchase: NIL</li> <li>ii. Sale: Rs. 43,41,748</li> </ul> </li> <li><b>IV. Hanumanthrai Sanghi</b> <ul style="list-style-type: none"> <li>Payment of Rent: NIL</li> </ul> </li> <li><b>V. Sarala Sanghi</b> <ul style="list-style-type: none"> <li>Payment of Rent: NIL</li> </ul> </li> <li><b>VI. Ritesh Kumar Sanghi</b> <ul style="list-style-type: none"> <li>Payment of Rent Rs. 6,60,000/-</li> </ul> </li> <li><b>VII. Sanjay Kumar Sanghi</b> <ul style="list-style-type: none"> <li>Payment of Rent Rs. 6,60,000/-</li> </ul> </li> <li><b>VIII. Pritha Sanghi</b> <ul style="list-style-type: none"> <li>Payment of Rent Rs. 6,60,000/-</li> </ul> </li> </ul>

## UDAY JEWELLERY INDUSTRIES LIMITED

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		<p><b>IX. Bhavna Sanghi</b> Payment of Rent Rs. 6,60,000/-</p> <p><b>X. Uday Sanghi</b> Payment of Rent Rs. 6,60,000/-</p> <p><b>XI. Tejas Sanghi</b> Payment of Rent Rs. 6,60,000/-</p> <p><b>Total Payment of Rent- Rs. 39,60,000/- for Financial Year 2022-23.</b></p> <p><b>Remuneration to Relatives of Uday Jewellery Industries Limited</b></p> <p><b>i. Uday Sanghi (Business Development Head) Rs.42,00,000/-</b></p>
e)	Date of approval by the Board	Approval of the Board is duly taken as and when required. Transactions as per approval of shareholders
f)	Amount paid as advances, if any	-

**On behalf of the Board of Directors**

**Date: 16.08.2023**  
**Place: Hyderabad**

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

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

### REPORT ON CORPORATE GOVERNANCE- 2022-23

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Uday Jewellery Industries Limited ('the Company') as follows:

Corporate governance is the set of processes, customs, policies, laws, and institutions affecting the way a company is directed, administered, or controlled. It is the system of structuring, operating, and controlling with a view to achieving long-term strategic goals to satisfy shareholders, creditors, employees, customers, and suppliers.

#### A. PHILOSOPHY

The Company believes that timely disclosures, transparent accounting policies, and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust, and maximizing long-term corporate value. The Company's philosophy on Corporate Governance focuses on the attainment of the highest standards of transparency, accountability, ethics and equity with management flexibility, empowerment and responsiveness in the interest of shareholders, customers, employees, business associates and society at large.

#### B. BOARD OF DIRECTORS

The Board of Directors of the Company plays a pivotal role in ensuring that good corporate governance practices are followed within the Company. The Board of Directors oversees the functioning of the Company and that of its management; ensures that every decision taken is in the best interest of the stakeholders of the Company.

##### 1. Composition:

The Composition of the Board of Directors of the Company is in compliance with the Companies Act, 2013 read with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company has an optimum combination of Executive, Non-Executive, Women, and Independent Directors. The Board of Directors of your Company comprises Six Directors as on 31st March 2023.

## UDAY JEWELLERY INDUSTRIES LIMITED

The composition of the Board and category of each Director along with their shareholding in the Company as on 31st March 2023, is as follows:

Name	Designation	Date of Appointment at current designation	Category	No. of Equity shares held in the Company
Mr. Ritesh Kumar Sanghi	Managing Director	18.08.2022	Promoter-Executive	46,52,792
Mr. Sanjay Kumar Sanghi	Director	26.09.2022	Promoter-Non-Executive	45,18,256
Ms. Pritha Sanghi	Director	29.09.2021	Promoter- Non-Executive	20,54,260
Mr. Ram Prasad Vempati	Director	28.09.2019	Independent – Non-Executive	--
Mr. Vikram Goel	Director	28.09.2019	Independent –Non-Executive	--
Mr. Sunil Garg	Director	28.09.2020	Independent –Non-Executive	--

- Mr. Ritesh Kumar Sanghi (Managing Director) and Mr. Sanjay Kumar Sanghi are siblings.
- Mr. Sanjay Kumar Sanghi is the spouse of Mrs. Pritha Sanghi.
- Except for the above, none of the other Directors are related to any other director on the Board.

### 2. Directorships and Memberships of the Directors in other Companies/ Committees:

In accordance with the provisions of Section 165(1) of the Companies Act, 2013 read with Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; All the Directors are compliant with said regulations with respect to their number of Directorship in other Companies and chairmanship/membership on various Committees.

The details of the directorship of each Director on the Board of various other Companies along with their Chairmanship and Membership on the Board Committees are as follows:

Name of Director	No. of Directorships	Member/Chairperson of Committee*	
		Member	Chairperson
Mr. Ritesh Kumar Sanghi	5	-	-
Mr. Sanjay Kumar Sanghi	4	-	-
Mrs. Pritha Sanghi	2	-	-
Mr. Ram Prasad Vempati	2	4	2
Mr. Vikram Goel	2	1	1
Mr. Sunil Garg	1	4	-

\*Committees considered to reckon the limit are Audit Committee and Stakeholders Relationship Committee in public listed companies.



## UDAY JEWELLERY INDUSTRIES LIMITED

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### 3. Board Meetings:

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

During the Financial Year 2022-23, Nine Board Meetings were held on 11th April 2022, 23rd May 2022, 3rd June 2022, 16th June 2022, 11th August 2022, 18th August 2022, 16th September 2022, 12th November 2022, and 13th February 2023. The attendance of each director at the Board Meetings and last Annual General Meeting is as follows:

Sl. No	Name of Director	Board Meeting		AGM held on 26th September 2022
		Held	Attended	
01	Mr. Ritesh Kumar Sanghi	9	9	Present
02	Mr. Sanjay Kumar Sanghi	9	9	Present
03	Mrs. Pritha Sanghi	9	9	Not Present
04	Mr. Ram Prasad Vempati	9	9	Present
05	Mr. Vikram Goel	9	9	Not Present
06.	Mr. Sunil Garg	9	9	Not Present

### 4. Independent Directors

The Independent Directors on the Board of the Company are non-executive directors and follow the criteria as defined under Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

The Independent Directors met on 13th February 2023 in accordance with Regulation 25(3) of the Listing Regulations and discussed the

- The performance of Non-Independent Directors and the Board as a whole;
- The performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- The quality, quantity, and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The familiarization program for the new and continuing Independent Directors of the Company ensures that they understand the Company's business in-depth and that would facilitate their active participation in managing the Company. The details of the familiarization program are available on the Company's website at [www.udayjewellery.com](http://www.udayjewellery.com).

## UDAY JEWELLERY INDUSTRIES LIMITED

### C. COMMITTEES OF THE BOARD:

The Board of the Company has four committees- Audit Committee, the Stakeholders' Grievance Committee, the Nomination and Remuneration Committee, and Corporate Social Responsibility Committee. The Committees play a pivotal role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Committees meet at regular intervals and the minutes of the meetings of all Committees are placed before the Board for review.

#### 1. Audit Committee

The Audit Committee of the Board is constituted in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Audit Committee comprises three members, all of them being Independent Directors. The Committee oversees the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible. It also reviews the annual financial statements, auditor's report thereon, and quarterly financial results and monitors the auditor's independence and performance, and effectiveness of the audit process and other roles in accordance with Part C of Schedule II of the Listing Regulations.

During the Financial Year 2022-23, the Committee met (5) Five times on 23.05.2022, 11.08.2022, 18.08.2022, 12.11.2022 and 13.02.2023 in accordance with Regulation 18(2) of Listing Regulations. The composition of the Audit Committee and details of meetings attended by its members are as under:

S No.	Name of the Director	Category I	Category II	Number of meetings during the FY 2022-23	
				Held	Attended
1.	Mr. Ramprasad Vempati	Chairman	Independent, Non-Executive	5	5
2.	Mr. Vikram Goel	Member	Independent, Non-Executive	5	5
3.	Mr. Sunil Garg	Member	Independent, Non-Executive	5	5

#### 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations. The Nomination and Remuneration Committee encompasses three members and all of them are Independent Directors. The roles and responsibilities of the Committee and the terms of reference are in accordance with the requirements as specified in accordance with Para A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013.

## UDAY JEWELLERY INDUSTRIES LIMITED

During the Financial Year 2022-23 the Committee met (2) Two Times on 03.06.2022 and 18.08.2022, in accordance with Regulation 19 of SEBI Listing Regulations. The composition of the Nomination and Remuneration Committee and details of meetings attended by its members are as under:

S No.	Name of the Director	Category I	Category II	Number of meetings during the FY 2022-23	
				Held	Attended
1.	Mr. Ramprasad Vempati	Chairman	Independent, Non-Executive	2	2
2.	Mr. Vikram Goel	Member	Independent, Non-Executive	2	2
3.	Mr. Sunil Garg (Chairman)	Member	Independent, Non-Executive	2	2

### 3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations. The Stakeholders' Relationship Committee encompasses three members and all of them are Independent Directors. The roles and responsibilities of the Committee are in accordance with the requirements as specified in accordance with Para B of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013.

During the Financial Year 2022-23, the Committee met (1) One time on 13th February 2023 in accordance with Regulation 19 of SEBI Listing Regulations. The composition of the committee and details of meetings attended by its members are as under;

S No.	Name of the Director	Category I	Category II	Number of meetings during the FY 2022-23	
				Held	Attended
1.	Mr. Vikram Goel	Chairman	Independent, Non-Executive	1	1
2.	Mr. Ramprasad Vempati	Member	Independent, Non-Executive	1	1
3.	Mr. Sunil Garg	Member	Independent, Non-Executive	1	1

## UDAY JEWELLERY INDUSTRIES LIMITED

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### D. ANNUAL GENERAL MEETINGS:

#### A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL/ORDINARY RESOLUTIONS THERE AT AS UNDER:

Financial Year	Venue	Date / Time
2021-22	Through Video Conference (VC)/ Other Audio-Visual Means (OAVM).	26th September 2022 at 04:30 P.M.
2020-21	Through Video Conference (VC)/ Other Audio-Visual Means (OAVM).	29th September 2021 at 01:00 P.M.
2019-20	Through Video Conference (VC)/ Other Audio-Visual Means (OAVM).	11th December 2020 at 01:30 P.M.

#### B. PASSING OF RESOLUTION BY POSTAL BALLOT:

There were no resolutions passed by the Company through Postal Ballot during the financial year 2022-23.

#### E. MEANS OF COMMUNICATION:

The Company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes prompt, continuous, efficient, and relevant communication to all external constituencies. In accordance with Regulation 46 of the SEBI Listing Regulations, the Company maintains a functional website containing the basic information about the listed entity at – [www.udayjewellery.com](http://www.udayjewellery.com). The quarterly, half-yearly, and annual financial results of the Company are made available on the website of the Company at <https://www.udayjewellery.com/investors/performance> and the same is also published in the newspapers in one English National daily newspaper viz; “Business Standard” or “Financial Express” and one Regional Language Newspaper “Nava Telangana” or “Namasthe Telangana”.

Website also displays vital information relating to the Company and its performance. The Quarterly Results, Shareholding Pattern, and all other corporate communication to the Stock Exchanges are filed through BSE Listing Centre, for dissemination on their website.

#### F. GENERAL SHAREHOLDER INFORMATION:

##### 1. ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2022-23

Date	21st September 2023
Time	11:30 A.M.
Venue	Through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)
Book Closure Date	14th September 2023 to 21st September 2023
Dividend Payment date	No dividend has been recommended

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## UDAY JEWELLERY INDUSTRIES LIMITED

### 2. FINANCIAL YEAR:-

The Company follows April-March as the Financial Year. The Board meeting calendar of the Financial Year, 2023-24 for approval of quarterly financial results is as follows:

Financial Year	2023-24
First Quarterly Results	On or before 14.08.2023
Second Quarterly Results	On or before 14.11.2023
Third Quarterly Results	On or before 14.02.2024
Fourth Quarterly Results	On or before 30.05.2024
Annual General Meeting for year ending March 31, 2024	On or before 30.09.2024

### 3. LISTING DETAILS

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

The Annual Listing fee for the Financial Year 2022-23 has been duly paid to BSE Ltd.

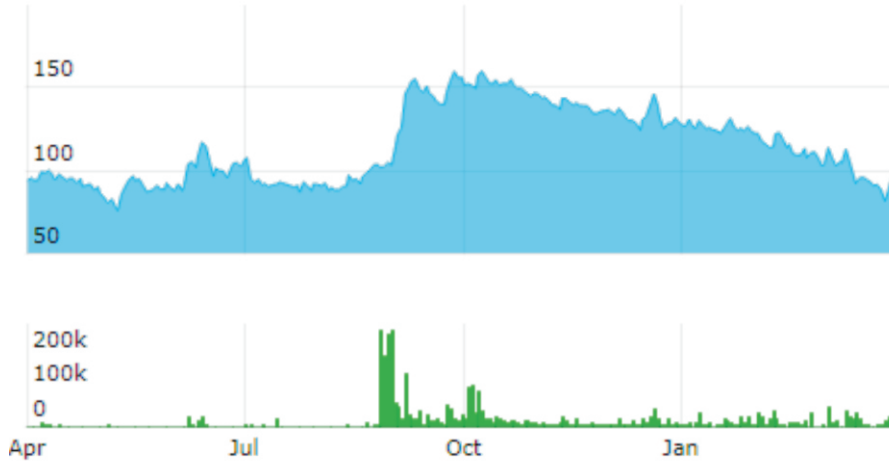
### 4. MARKET PRICE DATA

The Equity Shares of the Company are listed at BSE Limited. The market price data of the shares of the Company traded during each month for the financial year ended 31st March 2023 at Bombay Stock Exchange (BSE Limited) is as under:

Month	Open Price (in Rs.)	High Price (in Rs.)	Low Price (in Rs.)	Close Price (in Rs.)	No. of Shares Traded
Apr-22	92.45	105.65	90.00	91.90	45,492
May-22	91.00	99.00	75.00	88.70	22,944
Jun-22	91.85	123.90	85.90	102.35	95,044
Jul-22	96.65	110.00	85.00	91.95	54,820
Aug-22	86.10	108.95	84.00	102.40	5,17,846
Sep-22	104.95	164.70	99.00	156.00	12,80,965
Oct-22	155.60	164.65	140.35	146.35	6,54,720
Nov-22	142.10	148.00	129.90	135.60	1,88,544
Dec-22	135.60	150.00	119.35	130.00	2,79,791
Jan-23	127.40	134.00	117.00	123.15	2,33,553
Feb-23	122.60	132.85	102.00	102.55	2,92,278
Mar-23	102.55	115.20	75.80	98.85	3,56,305

# UDAY JEWELLERY INDUSTRIES LIMITED

ON BSE : Share Price movement during 2022-23:



## 5. PERFORMANCE OF THE COMPANY COMPARED TO BSE INDEX DURING THE FINANCIAL YEAR 2022-23



Blue Line: Uday Jewellery Industries Limited  
Yellow Line: BSE Sensex

## UDAY JEWELLERY INDUSTRIES LIMITED

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### 6. REGISTRAR AND SHARE TRANSFER AGENT

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

Bigshare Services Private Limited  
306, Right Wing, 3rd Floor Amrutha Ville,  
Opp. Yashoda Hospital, Somajiguda  
Rajbhavan Road, Hyderabad – 500082  
Ph:-040- 40144967/582  
Fax:-040-23370295  
Email:-bsshyd@bigshareonline.com  
Website:-www.bigshareonline.com

### 7. SHARE TRANSFER SYSTEM

The share transfers which are received in physical form are processed by the Registrar and Transfer Agents and the share certificates are returned after affecting the transfer, subject to the documents being valid and complete in all respects but during the FY 2022-23 no request for physical transfer received the Registrar and Transfer Agents.

### 8. DISTRIBUTION OF SHAREHOLDING AS AT 31ST MARCH, 2023

Category (No. of shares)	Number of holders	% of total holders	Amount of shares	% of total shares
Upto 5000	8081	94.60	3439800	1.57
5001- 10000	227	2.66	1902020	0.86
10001- 20000	84	0.98	1238990	0.57
20001- 30000	28	0.33	693600	0.31
30001- 40000	12	0.14	415900	0.18
40001-50000	13	0.15	598950	0.27
50001- 100000	25	0.29	1877340	0.86
100001 and above	72	0.85	210052400	95.38
<b>Total</b>	<b>8542</b>	<b>100</b>	<b>220219000</b>	<b>100.00</b>



## UDAY JEWELLERY INDUSTRIES LIMITED

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### 9. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company's shares are available for trading in both "National Securities Depository Limited" and "Central Depository Services (India) Limited". As on 31st March, 2023, below are the following details.

Particulars	No. of Shares	% Share Capital
CDSL	1,85,44,448	84.21
NSDL	32,93,804	14.96
Physical	1,83,648	0.83
<b>Total</b>	<b>2,11,57,310</b>	<b>100.00</b>

### 10. ADDRESS FOR CORRESPONDENCE

**Registered Office:** 3-6-291/4/A, 1st Floor,  
Hyderguda,  
Hyderabad- 500029.  
Email:- info@udayjewellery.com.

### 11. LIST OF ALL CREDIT RATINGS OBTAINED BY THE ENTITY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF SUCH ENTITY OR ANY FIXED DEPOSIT PROGRAMME:

Not Applicable since the Company does not have any debt instruments.

### 12. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued these types of securities.

### 13. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

NIL Charges for Monitoring Foreign Investment Limit

### G. OTHER DISCLOSURES:

#### A. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF LISTED ENTITY AT LARGE:

There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

## UDAY JEWELLERY INDUSTRIES LIMITED

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**B. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS;**

There was no penalty imposed on company by stock exchange during the year 2022-23.

**C. WHISTLE BLOWER POLICY:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Audit Committee.

**D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

**E. WEB LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED;**

The Company does not have any material subsidiary as defined under Listing Regulations.

**F. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's Website web link

[dev.udayjewellery.com/wp-content/uploads/2023/08/Uday\\_RPT\\_Policy\\_09062022.18232152.pdf](http://dev.udayjewellery.com/wp-content/uploads/2023/08/Uday_RPT_Policy_09062022.18232152.pdf)

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subjected to independent review by the statutory auditor to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### **G. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES**

The Company is not materially exposed to commodity price risks nor does the company do any commodity hedging.

### **H. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A).**

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement during the financial year 2022-23.

### **I. CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. And the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

### **J. RECOMMENDATIONS OF COMMITTEES**

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

### **K. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR**

The Total Audit Fee for all services on a consolidated basis of the statutory auditor (s) is Rs. 50,000/-

### **L. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

<b>Particulars</b>	<b>Number</b>
No. of Complaints filed during the financial year	Nil
No. of Complaints disposed of during the financial year	Nil
No. of Complaints pending as on end of the financial year	Nil

### **M. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT**

Neither the listed company nor the subsidiary company has advanced any loan to firm/ companies in which directors are interested.

## UDAY JEWELLERY INDUSTRIES LIMITED

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**N. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY; INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES: NIL**

**H. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.**

The company has complied with the requirement of Corporate Governance Report of sub-paragraphs (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

**I. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015.**

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

**J. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:**

Regulation	Particulars	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of Listed company	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Website	Yes

## UDAY JEWELLERY INDUSTRIES LIMITED

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### **K. CODE OF CONDUCT**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

### **L. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2022-23.**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2023 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

### **M. MD/ CFO Certification**

The Managing Director and CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Financial Year 2022-2023 is provided elsewhere in this Annual Report.

### **N. RECONCILIATION OF SHARE CAPITAL:**

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### **O. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- Audit qualifications: Company's financial statements have no qualifications.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

### **P. DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has complied with the appropriate accounting policies and has ensured that they

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## UDAY JEWELLERY INDUSTRIES LIMITED

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have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

### **Q. GREEN INITIATIVE IN THE COPORATE GOVERNANCE**

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, by email are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

### **DECLARATION REGARDING CODE OF CONDUCT:**

To the Shareholders,

I hereby declare that in terms of Regulation 26(3) of the SEBI Listing Regulations, all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company as on 31st March 2023.

**Date: 16.08.2023**  
**Place: Hyderabad**

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

# UDAY JEWELLERY INDUSTRIES LIMITED

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ANNEXURE-IV A

## CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Regulation 46 read with Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

I have examined the records of **Uday Jewellery Industries Limited**, Hyderabad (BSE Scrip Code - 539518), for the purpose of certifying compliance with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D, of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended, with BSE Limited for the financial year ended 31st March 2023 as made available physically and remotely. I have obtained the required information which is to the best of my knowledge and belief were necessary for the purpose of certification.

Compliance with the conditions of Corporate Governance is the responsibility of the management. My examination has been in the manner prescribed in the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India and has been limited to a review of the procedures and implementation thereof adopted by the Company. It is not an assurance of the efficacy or effectiveness with which the management has conducted the affairs of the Company nor an audit or expression of opinion on the financial statements of the Company.

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

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

Place: Hyderabad  
Date: 12.08.2023

Sd/-  
**AJAY SUMAN SHRIVASTAVA**  
Practicing Company Secretary  
Membership No: 3489; PCS: 3479  
UDIN: F003489E000794906



### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report covers the operations and financial performance of the Company for the year ended March 31, 2023. The Company operates in one segment which is Jewellery manufacturing. Your Board of Directors places herewith the Management Discussion and Analysis Report on the business of the Company as applicable to the extent relevant.

#### INDUSTRY OVERVIEW:

India's formidable position as the second-largest gold market, where an impressive 70% of the demand is attributed to exquisite jewellery, underscores the immense growth opportunities awaiting the organized retail segment. It is also the third-highest component of retail consumption in India. Moreover, gold jewellery demand has experienced a steady and consistent upward trend for several reasons.

Firstly, most of the demand can be attributed to weddings, where gold holds great cultural and sentimental value. As weddings remain an integral part of many societies, the demand for gold jewellery continues to rise. Secondly, gold is considered a reliable store of value, especially in times of economic uncertainty, making it an attractive investment option for individuals. The growth in disposable income across various regions has also played a crucial role in boosting demand, as people have more financial capacity to invest in gold jewellery. Thirdly, gold jewellery holds strong linkages to traditions and customs, further driving its popularity. Lastly, evolving fashion trends and styles have increased the demand for gold jewellery as consumers seek innovative and contemporary designs. The jewellery market in India is a sizeable and attractive industry, propelled by several favorable factors.

These include shifting customer behaviors, superior organizational capabilities, and supportive regulatory and legislative changes. These combined elements create significant tailwinds for the growth and prosperity of the jewellery sector in India.

The vision of the company is to be a leading manufacturing Company for the CZ with studded color stone jewellery in India to fulfill the demand from Generation to Generation who have higher disposable income and look for aesthetic value with investment grade buying of jewellery products.

#### GLOBAL JEWELLERY INDUSTRY

The global jewellery market is expected to witness substantial growth. This growth is primarily driven by Evolving consumer preferences towards distinctive jewellery styles, including oversized hoops and geometric shapes like rectangles, spheres, and squares. The rising popularity of personalized and environmentally sustainable jewellery further fuels this trend. The global gold jewellery market will grow during the forecasted period due to rising GDP per capita, increasing consumer disposable income, and the appeal of gold as a long-term investment.

#### INDIA:

Market estimated at ~Rs 4,700 billion in fiscal 2023 The domestic gems and jewellery market was roughly ~Rs 4,700 billion in fiscal 2023 with gold jewellery dominating the overall market with a 66% share. Domestic jewellery demand has historically been dominated by consumption. Consumption of jewellery studded with diamond, pearls and other precious and semi-precious stones, has also

## UDAY JEWELLERY INDUSTRIES LIMITED

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been rising over the past five years but remains significantly lower than that of gold jewellery. Growing demand for studded jewellery could be attributed to changing consumer preferences, a rising presence of organized players and aggressive advertising campaigns.

The year 2022 was memorable for India as the nation celebrated its 75th year of independence while claiming its place as the world's fifth-largest economy, boasting a nominal GDP of \$3.5 trillion. According to CSO estimates, the Indian economy grew by 7.2%, the fastest among major economies, driven by strong domestic private consumption, government expenditure on infrastructure and a favorable investment climate. Although India, too, faced high inflation, the Reserve Bank of India undertook a series of policy rate hikes to bring it down within its comfort range. Despite the challenges of higher oil prices leading to increased import bills and trade deficits, concerns about the current account deficit and its financing has eased over time.

### **MARKET SIZE:**

The Indian jewellery retail sector is currently valued at approximately \$76.3 billion in FY23 and is expected to grow substantially. This market is expected to grow at a CAGR of 5.54% by 2027. This projection signifies the sector's potential for significant expansion and economic impact in the coming years.

The organized retail segment currently holds a share of approximately 35%, featuring prominent national and regional players. In contrast, the unorganized sector, comprising a vast network of over 5,00,000 local goldsmiths and jewellers, dominates the remainder. The organized sector displayed remarkable resilience, bouncing back swiftly and accelerating after the pandemic. This revival was propelled by a combination of factors, spanning both the supply side and the resurgence of consumer demand.

While India traditionally boasts a deep-rooted affinity for gold jewellery, capturing a substantial share of approximately 85% of the market, an intriguing trend is emerging. With its sparkling allure, studded jewellery is gaining momentum and attracting growing participation in the jewellery retail landscape. The prominence of gold jewellery stems from its profound cultural and religious significance, intertwined with a legacy of trust and reliability that gold embodies.

Gold jewellery demand in India is primarily driven by weddings' significant role in the culture. Weddings in India holds immense importance and is marked by grand celebrations and traditions. Gold jewellery is essential to Indian weddings, representing prosperity, blessings, and the eternal bond between couples. The demand for gold jewellery remains resilient in India due to the enduring wedding demand. Families consider gold jewellery as a valuable asset, both financial and emotionally, and often pass it down through generations. This cultural significance and belief in the auspiciousness of gold ensure its continued demand in the Indian market.

Jewellery consumption in India can be broadly categorised as bridal, daily wear and fashion jewellery. Weddings play an important role in jewellery demand since Indian culture necessitates purchase of jewellery during weddings. This is based on the ancient concept of 'streedhan', which loosely translates into property or assets given as security to the bride at the time of marriage. Immediate family members of the bride and groom are also gifted jewellery. Since bridal jewellery accounts for the maximum share of jewellery demand, it tends to be concentrated in months considered auspicious for weddings in India. Another key trend is families now tending to spread their wedding jewellery purchases based on factors such as availability of surplus income, drop in gold

## UDAY JEWELLERY INDUSTRIES LIMITED

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prices, and availability of schemes offered by jewellers. In some cases, families tend to purchase gold bars or coins on a regular basis, which are then converted to bridal jewellery as and when required.

In contrast, daily wear and fashion jewellery, which is more lightweight and of contemporary design, has started gaining market share with changing demographics, such as increase in working women, exposure to global designs, and increase in per-capita income.

<b>Trends by jewellery type/particulars</b>	<b>Bridal</b>	<b>Daily wear</b>	<b>Fashion</b>
Indicative market share by weight (%)	50-55%	35-40%	5-10%
Carat preference	23k, 22k, 18k	22k, 18k	18k, 14k
Average weight (gm)	20-250	5-30	5-20

Note: The data is of fiscal 2022

Source: Industry, CRISIL MI&A Research

### **Increasing preference for lightweight jewellery :**

With an increasing number of working women, exposure to global designs, and a rising number of young consumers who prefer to purchase jewellery for adornment rather than investment, consumer preference is shifting away from traditional bulky jewellery towards lightweight fashion items. Hence, jewellery makers have started manufacturing lightweight fashion jewellery of contemporary designs, suitable for daily use, which has been the focus area of the Uday Jewellery for several years and that gives the Company an added advantage in business growth in coming years.

### **SWOT ANALYSIS:**

#### **STRENGTHS:**

1. Customized service gives a unique identity to the company distinct from other players.
2. Use of synergy optimization at various functional verticals gives a huge advantage.
3. Advanced Technology strength to support business operations and expansion.
4. Company with Low Debt.
5. Strong cash generating ability from core business - Improving Cash Flow from operation for last 2 years.

#### **WEAKNESSES:**

1. Low-margin products
2. Limited line of business is the bottleneck to exploiting untapped markets.
3. Frequent change in customer taste and preference for jewellery designs.

## UDAY JEWELLERY INDUSTRIES LIMITED

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### OPPORTUNITIES:

1. Rural development
2. Customer's preference in choosing hallmarked products over products made by un-organized manufacturers.
3. Concentrating in one sector makes the company mature in the industry and gain efficiency in operations.

### THREATS:

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

1. Macro economic factors such as Rupee fluctuations, enactment of new laws such as GST, KYC norms and quality consciousness amongst export markets.
2. Adapting to fast-changing consumer preferences and buying patterns.
3. Volatility in the market prices of gold and diamonds.
4. Recession affects the industry growth in general.
5. Unpredictable Covid situation may lead to unavailability of Artisans/ workers.

### OUTLOOK:

In the coming years, there will be a spurt in demand for Indian jewellery in the global market and the growth in the gems & Jewellery sector would be largely contributed by the development of large Manufacturers/brands due to the ongoing structural changes together with strong macro-demographic trends. Regulatory changes introduced by the Government of India over the last few years are likely to rise the preference for branded jewellery and shift the scales in favor of the organized sector at the cost of the unorganized sector. The demand for jewellery is expected to remain robust, given India's demographics and the consumer's affinity towards gold for both wedding-related purchases and as store of value. Overall, India is expected to play a more important role in the global gems & jewellery sector, with significant investment seen in the manufacturing units by the domestic players, foreign players, and private equity investors.

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

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

### Strategizing the Marketing & Business Development:

- a. Customer Acquisition Policy: Customer acquisition is important for businesses of any age and size. The goal of this process is to create a systematic, sustainable customer who can sell the Company's products in the long term.

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- b. Business Development Policy: A Business Development Policy is being evolved to cater to ever-changing market preferences, but with a focus on growth and how to achieve it. It's a long-term plan that outlines strategies for steady and sustainable business growth over the coming years. Its scope covers both the marketing and sales functions, as they are interlinked in the Jewellery Industry.

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

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

The Company is developing new collections to cover a large area of the market on a worldwide basis and to target selected and renowned jewelers in each city which has big stores with a colossal capacity of displaying a variety of products to escalate the network and for the same Company is looking forward to signing Memorandum of Understanding with at least one Distributor in Second half of the Financial Year 2021-22.

The various initiatives the Company took in formulating strategies and implementing them in all spheres of business activities will result in sustainable revenue and profit growth over time.

### **RISKS AND CONCERNS:**

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

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

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

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of internal control systems, adherence to management policies and compliance with the applicable laws and regulations.

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

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

The following key control measures are also in place to monitor and control the effectiveness of the internal control system:

1. Quality control: Company has the professional equipment to assure the quality fulfills good standard and the hallmarking system is there to ensure the jewellery is not adding more other metals and a lesser amount of gold;
2. Cash flow management: Daily available fund report is reviewed to monitor the cash flows against budgets/forecast;
3. The policies and practices on compliance with legal and regulatory requirements shall be reviewed and monitored by the Board Committee;

### **FINANCIAL PERFORMANCE:**

During the year under review, your Company has achieved a turnover of Rs. 17,828.14 Lakhs against Rs. 12,249.73 Lakhs during the previous year registering a growth of 45.53% over the previous year. The Company reported a Net Profit after Tax of Rs. 950.19 Lakhs as against Rs. 571.36 Lakhs earned during previous year registering a growth of 66.30%.

### **OTHER FINANCIAL SYNOPSIS OF THE COMPANY:**

#### **Share Capital:**

The Authorized Capital of your Company is Rs. 26,00,00,000/- divided into 2,60,00,000 Equity shares of Rs. 10/- each as on 31st March 2023.

The Paid-up equity share capital of the Company is Rs. 22,02,19,000/- divided into 2,20,21,900 Equity shares of Rs. 10/- each as on 31st March 2023.

During the year under review, the Company has allotted NIL Equity shares.

Share Forfeited account amounts to Rs. 79.07 Lakhs as on 31st March 2023.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES & INDUSTRIAL RELATIONS:**

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

## UDAY JEWELLERY INDUSTRIES LIMITED

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

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

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

In order to keep the employee's skills, knowledge and business facilities updated, ongoing in-house and external training is provided to the employees at all levels. The effort to rationalize and streamline the workforce is a continuous process. The industrial relations scenario remained harmonious throughout the year.

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

### CHANGES IN KEY FINANCIAL RATIOS:

Pursuant to provisions of Regulation 34 (3) of SEBI (LODR) Regulation, 2015 read with Schedule V part B (1) details of changes in Key Financial Ratios is given hereunder:

S.No	Ratio Type	F.Y.22-23	F.Y.21-22	% of Change	Reasons/Remarks for variation of 25%
1	Current Asset Ratio	2.76	3.02	-8.59%	-
2	Debt Equity Ratio	0.49	0.47	4.55%	-
3	Debt Service Coverage Ratio	5.93	9.06	-34.50%	Increased the utilization of funds, more than 1 is favorable
4	Return on Equity Ratio	15.18%	10.39%	46.09%	Efficiently utilised the funds to generate income.
5	Inventory Turnover Ratio	3.31	3.02	9.78%	-
6	Trade Receivable Turnover Ratio	4.50	3.84	17.23%	-
7	Trade Payable Turnover Ratio	71.90	130.37	-44.85%	The payable period from the supplier has increased.

## UDAY JEWELLERY INDUSTRIES LIMITED

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<b>8</b>	Net Capital Turnover Ratio	2.73	2.17	25.71%	The Company has efficiently utilized its working capital.
<b>9</b>	Net Profit Ratio	5.38%	4.70%	14.36%	-
<b>10</b>	Return on Capital Employed	12.48%	8.49%	47.06%	Efficient utilization of capital in business operations.
<b>11</b>	Return on Investment	NA	NA	-8.59%	-

### CAUTIONARY STATEMENT:

The Statement made in Management Discussion and Analysis report which seeks to describe the objectives, projections, estimates, and predictions may be considered to be forward-looking statements and are stated as required by applicable laws and regulations. Actual results could differ from those expressed or implied and are determined by many factors including global and domestic demand-supply conditions, process, raw materials availability, tax laws, governmental policies, and other statutes which may affect actual results which may be different from what the Directors envisaged in terms of future performance and outlook



## UDAY JEWELLERY INDUSTRIES LIMITED

### ANNEXURE – VI(a)

**STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- 1. The Ratio of remuneration to each director to the median remuneration of the employees of the company for the Financial Year.**

(Amount in Lakhs)

Director	Total Remuneration	Ratio to median remuneration
Ritesh Kumar Sanghi	-	-
Sanjay Kumar Sanghi	-	-
Pritha Sanghi	-	-

- 2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.**

(Amount in INR)

Name	Designation	Remuneration		Increase/ (Decrease) %
		FY 2022-23	FY 2021-22	
Ritesh Kumar Sanghi	-	-	-	-
Sanjay Kumar Sanghi	-	-	-	-
Pritha Sanghi	-	-	-	-
Rakesh Agarwal	Chief Financial Officer	8,64,000	6,67,597	29%
Lekhpal Sahu	Company Secretary	-	3,51,636*	-
Saritha Panchal	Company Secretary	2,05,235*	-	20%

\*Part of Financial year

- 3. The percentage increase in the remuneration of employees in the financial year**

(Amount in INR)

Particulars	Remuneration		Increase/ (Decrease) %
	FY 2022-23	FY 2021-22	
Median Remuneration of all the employees per annum*	2,58,000	2,58,000	-

## UDAY JEWELLERY INDUSTRIES LIMITED

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#### 4. No. of Employees on the Roll of Company:

Particulars	Number
The number of employees on the rolls of the company as on March 31, 2023	93

#### 5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration

Particulars	Increase/ (Decrease) %
Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel)	NIL
Average Percentage increase in the Remuneration of Key Managerial Personnel	25%

\*Employees who have served for whole of the respective financial years have been considered.

#### 6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

# UDAY JEWELLERY INDUSTRIES LIMITED

## ANNEXURE – VI (b)

Statement showing the names of the Top Ten Employees in terms of Remuneration drawn as per Rule 5 (3) of the Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

S No.	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Uday Sanghi	Business-Head	54,00,000	Permanent	BBA	2016	30	-	4.79%	Son of Mr. Sanjay Kumar Sanghi
2	Sriram Subramanian	Vice President - Sales	13,20,000	Permanent	BA	2022	40	Emerald Jewellers		
3	Rakesh Agarwal	Chief Financial Officer	8,64,000	Permanent	B.Com	2016	50	-		
4	Sreenivas G	HR	7,80,000	Permanent	MBA	2022	40	DSD Group		
5	CH Serish Kumar	Dep. Manager	6,60,000	Permanent	MBA	2022	45	Avanika Infra Tech		
6	Ujjal Kumar Saha	Manager Gold Desk	5,66,400	Permanent	BA	2022	47	Religare Broking Ltd		
7	Venkat Lakshmi Koyya	Sr. Accounts	5,40,000	Permanent	B.Com	2022	50	-		
8	Sarita Panchal	Company Secretary	5,04,000	Permanent	CS	2021	29	Associates		
9	Supriya Bag	Admin	4,80,000	Permanent	B.Com	2022	35	-		
10	Ankit Bajaj	Sales Manager	4,20,000	Permanent	M.Engneering	2016	31	-		

# UDAY JEWELLERY INDUSTRIES LIMITED

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ANNEXURE-VII

## COMPLIANCE CERTIFICATE

[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Board of Directors,

Uday Jewellery Industries Limited,

Hyderabad.

We, **Ritesh Kumar Sanghi** (Managing Director) and **Rakesh Agarwal** (Chief Financial Officer) of the Company do hereby certify in accordance with Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II thereto, that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March 2023 and to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We jointly accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors namely M/s Anant Rao & Malik, Chartered Accountants, Hyderabad and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that have been taken or proposed to be taken to rectify these deficiencies.
- D. We have indicated, to the Auditors and Audit Committee:
- i) Significant changes, in the internal control over financial reporting during the year; if any;
  - ii) Significant changes, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements if any; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 16.08.2023  
Place: Hyderabad

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

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

# UDAY JEWELLERY INDUSTRIES LIMITED

Annexure- VIII

## ANNUAL REPORT ON CSR ACTIVITIES

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

The policy on Corporate Social Responsibility (CSR) is adopted by the Company to align its philosophy to initiate measures and pursue socially useful projects and programs with the objectives and CSR activities as recommended by the Corporate Social Responsibility Committee from time to time in accordance with Section 135 read with Schedule VII to the Companies Act, 2013 ("The Act").

### 2. The Composition of the CSR Committee:

Sl No.	Name	Designation	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Shri. Ritesh Kumar Sanghi	Chairman, Managing Director of the Company	1	1
2.	Smt. Pritha Sanghi	Member, Director	1	1
3.	Shri. Ramprasad Vempati	Member, Independent Director	1	1

### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

www.udayjewellery.com and Weblink is

dev.udayjewellery.com/wp-content/uploads/2023/08/Uday\_Jewellery\_CSR\_Policy.18232839.pdf

### 4. Provide the executive summary along with the web-link of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable since the Company's average CSR obligation is less than Rupees Ten Crores in the three immediately preceding financial years.

### 5. Details of Amounts

Sl. No.	Particulars	Amount in Rs.
(a)	Average Net Profit of the Company as per sub-section (5) of section 135	8,34,40,792
(b)	Two percent of average net profit of the company as per sub-section (5) of section 135	16,68,900
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0
(d)	Amount required to be set off for the financial year, if any	2,32,000
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	14,36,900

## UDAY JEWELLERY INDUSTRIES LIMITED

### 6. Amount Spent on CSR Projects (both ongoing Project and other than ongoing project):

#### a) Ongoing Project:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number.
-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-	-	-	-

#### b) Other than Ongoing Project:

Sl. No.	CSR project or Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2)Specify the State And district where projects or Programs was undertaken	Amount outlay (budget) project or programs-wise (Rs. in Lakhs)	Amount spent on the projects or programs Sub-heads 1. Direct Expenditure on projects or programs 2.Overheads: (Rs. in lakhs)	Cumulative expenditure upto the reporting period (Rs. in Lakhs)	Amount spent Direct or through Implementing agency
01.	Setting up, maintaining and providing financial assistance in running schools and colleges, promoting education in physical training, handicrafts, fine arts and maintaining kala-kendras and other welfare centers.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Local Area-Hyderabad District, Telangana	1,20,000	-Direct Expenditure	1,20,000	Through implementing agency- "Vivekanand Educational Centre".

## UDAY JEWELLERY INDUSTRIES LIMITED

03.	Mid-Day Meal Scheme run by the Akshaya Patra Foundation.	Eradicating hunger, poverty, and malnutrition	Pan India	1,50,000	- Direct Expenditure	1,50,000	Through implementing agency- „The Akshaya Patra Foundation. □
04.	Adoption of One Teacher School	Comprehensive development of tribals and also efforts brethren particularly Literacy of Children and health and economic care	Local Area- Telangana and Andhra Pradesh.	7,26,000	- Direct Expenditure	7,26,000	Through implementing agency- “Friends of Tribal Society”
05.	Flood Relief Donation	Disaster Management and support to the any Emergencies.	Pan India	2,26,500	- Direct Expenditure	2,26,500	Through implementing agency- “Seva Bharathi”
	Total			14,86,500		14,86,500	

c) Amount spent in Administrative Overheads: Nil

d) Amount spent on Impact Assessment, if applicable: NA

e) Total amount spent for the Financial Year [(a)+ (b) +(c)]: Rs. 14,86,500 /-

f) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
14,86,500	NIL	NA	NA	NA	NA

## UDAY JEWELLERY INDUSTRIES LIMITED

**(f) Excess amount for set off, if any**

Sl. No.	Particular	Amount (in Rs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	16,68,900
(ii)	Total Obligation for the Financial Year	14,36,900
(iii)	Total amount spent for the Financial Year	14,86,500
(iv)	Excess amount spent for the financial year	49,600
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
	<b>Amount available for set off in succeeding financial years</b>	<b>49,600</b>

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
1.	NA	0	0	0	0		0	0
	Total	0	0	0	0		0	0



## UDAY JEWELLERY INDUSTRIES LIMITED

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such assets so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short Particulars of the property or asset [including complete address and location of the property]	Pin code of the property or asset	Date of Creation	Amount of CSR amount spent	Details of the entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
NA	NA	NA	NA	NA	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal office/ Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries).

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.- NA**

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

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy, are in compliance with the CSR objectives and Policy of the Company.

**Sd/-**  
**(Ritesh Kumar Sanghi)**  
**MD and Chairman of the CSR**

# UDAY JEWELLERY INDUSTRIES LIMITED

## ANNEXURE-IX

### CERTIFICATE OF NON- DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of my information and verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, We hereby certify that None of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	Designation	DIN	Date of Appointment/ Re-appointment
1.	Mr. Ritesh Kumar Sanghi	Managing Director	00628033	22.08.2011/18.08.2022
2.	Mr. Sanjay Kumar Sanghi	Director	00629693	22.08.2011/26.09.2022
3.	Mrs. Pritha Sanghi	Director	02681491	14.05.2014/29.09.2021
4.	Mr. Ramprasad Vempati	Director	01903161	18.08.2011/28.09.2019
5.	Mr. Vikram Goel	Director	05104754	28.03.2013/28.09.2019
6.	Mr. Sunil Garg	Director	08851283	27.08.2020/28.09.2020

## **UDAY JEWELLERY INDUSTRIES LIMITED**

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

**Place: Hyderabad**  
**Date: 12.08.2023**

**Sd/-**  
**AJAY SUMAN SHRIVASTAVA**  
**Practicing Company Secretary**  
**Membership No: 3489; PCS: 3479**  
**UDIN: F003489E000794873**

# UDAY JEWELLERY INDUSTRIES LIMITED

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of UDAY JEWELLERY INDUSTRIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the standalone Ind AS financial statements of **UDAY JEWELLERY INDUSTRIES LIMITED** ("the Company"), which comprises the balance sheet as at 31st March 2023, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## UDAY JEWELLERY INDUSTRIES LIMITED

Key Audit Matters	Auditor's response
<p><b>Revenue Recognition:</b></p> <p>The Company recognizes revenue when the control of goods being sold is transferred to the customer. A substantial part of Company's revenue relates to jewelry which involves large number of sales contracts having varied contractual terms. This increases the risk of misstatement of the timing and amount of revenue recognized to achieve specific performance targets or expectations.</p> <p>The Company and its external stakeholders focus on revenue as a key performance indicator.</p> <p>In view of the above we have identified revenue recognition as a key audit matter.</p> <p><b>"Inventory"</b></p> <p>The Company's inventories primarily comprises jewellery of gold, diamonds, gemstones etc. ("inventory") We have considered existence of inventory to be a key focus area for our audit due to the high value and nature of inventory involved could lead to a significant risk of loss of inventory</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> <li>1. Assessed the appropriateness of the accounting policy for revenue recognition as per relevant accounting standard.</li> <li>2. We evaluated the design and implementation of key internal financial controls and their operating effectiveness with respect to revenue recognition transactions selected on a sample basis. These included general IT controls and key application controls over the IT systems which govern revenue recognition, including access controls, controls over program changes and interfaces between different systems.</li> <li>3. We perused selected samples of key contracts with customers to understand terms and conditions particularly relating to acceptance of goods.</li> <li>4. We performed substantive testing of retail sales by selecting samples of sales using statistical sampling and tested the underlying documentation including verification of invoices and collections thereon.</li> <li>5. We tested, selected samples of sales transactions made immediately pre and post year end, agreed the period of revenue recognition to the underlying documents.</li> <li>6. We scrutinized manual journals posted to revenue to identify unusual items.</li> </ol>

## UDAY JEWELLERY INDUSTRIES LIMITED

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	<p>Our principal audit procedures performed, among other procedures, included the following:</p> <ul style="list-style-type: none"><li>• obtained an understanding of the management's process for safeguarding and physical verification of inventories including the appropriateness of the Company's procedures for conducting, reconciling and recording physical verification of inventories.</li><li>• evaluated the design and implementation of relevant controls and carried out the testing of operating effectiveness of controls over conducting, reconciling and recording physical verification of inventories.</li><li>• tested the operating effectiveness of controls around the IT systems for recording of inward and outward movements of inventory</li></ul>
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### Other information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India,

## UDAY JEWELLERY INDUSTRIES LIMITED

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including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial

## UDAY JEWELLERY INDUSTRIES LIMITED

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statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

### **As required by Section 143(3) of the Act, we report that:**

1. 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;
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
5. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
6. 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".



## UDAY JEWELLERY INDUSTRIES LIMITED

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7. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. According to the information and explanations given to us and based on our examination of the records the Company, the Company has not paid any managerial remuneration to any director.
8. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
  - b. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There were no amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
  - d. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts:
    - (i), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (ii) no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - e. No dividend declared/paid during the year has been made/ provided by the Company, accordingly compliance of Section 123 of the Act, is not

**For ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
V. ANANT RAO  
Partner**

**Membership No.022644  
UDIN : 23022644BGUPKZ6864**

**Place : Hyderabad  
Date : 29-05-2023**

## UDAY JEWELLERY INDUSTRIES LIMITED

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### Annexure - A to the Auditors' Report

The Annexure A referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2023, we report that:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, Capital work-in-progress and relevant details of right-of-use of assets.

(B) The Company has maintained proper records showing full particulars of intangible Assets

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified during the year. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not held any immovable properties. Consequently, clauses 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

#### ii. In respect of Inventories :

(a) (A) The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.

(B) The coverage and procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(C) The Company has maintained proper records of the said stocks. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and statements on ageing analysis of the debtors/other receivables filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

## UDAY JEWELLERY INDUSTRIES LIMITED

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- iii. During the year, the Company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Act. Hence, paragraph 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- v. The Company has not accepted any deposits, within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. In our opinion and according to the information and explanations given to us, the Company is not required to maintain Cost records under Central Government under sub-section (1) of the section 148 of the Act.
- vii. In respect of statutory dues :
  - a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, Goods and services tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the dues of Sales tax, Service tax, Duty of Custom and Duty of Excise which have not been deposited on March 31, 2023 on account of any dispute, are as follows :

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

- viii. According to the information and explanations given to us and on the basis of examination of the records, there were no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of examination of the records, the company has not defaulted in the repayment of loans along with interest to the Banks.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender;

## UDAY JEWELLERY INDUSTRIES LIMITED

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- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken funds from any entity or person on account of or to meet the obligations of its subsidiaries or Associates.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates.
- x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (x) of the Order is not applicable.  
  
(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (full or partly or optionally) and hence reporting under clause (x)(b) of Order is not applicable
- xi. (a) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.  
  
(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
  
(c) According to the information and explanations given to us, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
  
(b) We have considered the internal audit reports issued to the Company during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

## UDAY JEWELLERY INDUSTRIES LIMITED

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- xvi. (a) According to the information and explanations given to us, The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable
- (b) According to the information and explanations given to us, The Company does not have any Core Investment Company as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. As we are the continuing auditor for this branch office of the Company, clause 3(xviii) is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company does not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the financial year. Hence, reporting under clause 3(xx)(b) of the Order is not applicable.
- xxi. The company does not have any investment in any entity. Hence, Company is not required to prepare consolidated financial statements and reporting under clause 3(xxi) of the Order is not applicable.

**For ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
V. ANANT RAO  
Partner**

**Membership No.022644  
UDIN : 23022644BGUPKZ6864**

**Place : Hyderabad  
Date : 29-05-2023**

## UDAY JEWELLERY INDUSTRIES LIMITED

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### **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of M/s. UDAY JEWELLERY INDUSTRIES LIMITED ("the Company") as of 31 March 2023 in conjunction with our audit of Ind AS financial statements of the Company for the year ended on that date.

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

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

### **Auditors' Responsibility**

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

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

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

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

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

## UDAY JEWELLERY INDUSTRIES LIMITED

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For ANANT RAO & MALLIK  
Chartered Accountants  
Firm Regn. No. 006266S**

**Sd/-  
V. ANANT RAO  
Partner  
Membership No.022644  
UDIN : 23022644BGUPKZ6864**

**Place : Hyderabad**

**Date : 29-05-2023**



# UDAY JEWELLERY INDUSTRIES LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. in lakhs)

	Particulars	Note No.	31st March, 2023	31st March, 2022
<b>A</b>	<b>Assets</b>			
<b>1</b>	<b>Non-Current assets</b>			
(a)	Property, Plant & Equipment	1A	139.49	77.27
(b)	Capital Work-in-progress	1B	240.68	60.45
(c)	Intangible Asset	1C	5.11	-
(d)	Financial assets			
(i)	Loans	2	-	230.70
(ii)	Others	3	45.27	45.30
(e)	Deferred tax Asset (net)	4	10.50	6.52
	<b>Total Non-Current Assets</b>		<b>441.06</b>	<b>420.24</b>
<b>2</b>	<b>Current assets</b>			
(a)	Inventories	5	5,081.10	4,569.14
(b)	Financial assets			
(i)	Trade receivables	6	4,432.49	3,424.86
(ii)	Cash & Cash Equivalents	7	388.15	4.53
(c)	Current tax assets (net)	8	134.36	130.00
(d)	Other Current assets	9	120.07	242.69
	<b>Total Current Assets</b>		<b>10,156.17</b>	<b>8,371.22</b>
	<b>Total Assets</b>		<b>10,597.23</b>	<b>8,791.46</b>
<b>B</b>	<b>Equity &amp; Liabilities</b>			
<b>1</b>	<b>Equity</b>			
(a)	Equity share capital	10	2,281.26	2,281.26
(b)	Other Equity	11	4,521.31	3,571.11
	<b>Total Equity</b>		<b>6,802.57</b>	<b>5,852.38</b>
<b>2</b>	<b>Liabilities</b>			
	<b>Non Current liabilities</b>			
(a)	Financial liabilities			
(i)	Borrowings	12	108.60	160.69
(b)	Deferred tax liabilities (net)		-	-
(d)	Provisions	13	6.03	5.71
	<b>Total Non Current Liabilities</b>		<b>114.64</b>	<b>166.41</b>
	<b>Current liabilities</b>			
(a)	Financial liabilities			
(i)	Borrowings	14	3,212.39	2,567.56
(ii)	Trade payables			
(a)	Total outstanding dues of micro and small enterprise	15	71.64	17.07
(b)	Total outstanding dues other than micro and small enterprise	15	246.67	109.00
(b)	Other current liabilities	16	34.19	42.28
(c)	Current tax liabilities (net)	17	115.12	36.77
	<b>Total Current Liabilities</b>		<b>3,680.02</b>	<b>2,772.68</b>
	<b>Total Equity and Liabilities</b>		<b>10,597.23</b>	<b>8,791.46</b>

Our Report attached,  
For Anant Rao & Mallik,  
Chartered Accountants,  
FRN:006266S

(V Anant Rao)  
Partner  
Membership No.022644

Hyderabad  
Date: 29.05.2023

For Uday Jewellery Industries Limited,

Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Sd/-  
Bolledu Kiran Kumar  
Company Secretary  
M.No:A67921



## UDAY JEWELLERY INDUSTRIES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2023

(Rs. In Lakhs)

Particulars	Note	31st March, 2023	31st March, 2022
Revenue from operations	18	17,673.09	12,153.53
Other income	19	155.06	96.20
<b>Total Revenue (I)</b>		<b>17,828.14</b>	<b>12,249.73</b>
<b>Expenses:</b>			
Cost of materials consumed	20	16,487.86	12,868.47
Changes in inventories	21	(511.95)	(1,796.04)
Employee benefits expense	22	236.67	170.47
Finance costs	23	175.42	89.79
Depreciation	1	25.97	19.15
Other expenses	24	130.45	118.59
<b>Total Expenses (II)</b>		<b>16,544.41</b>	<b>11,470.43</b>
<b>Profit before tax and exceptional items (I-II)</b>		<b>1,283.73</b>	<b>779.30</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>1,283.73</b>	<b>779.30</b>
<b>Tax expense:</b>			
Current tax		337.24	207.30
Income tax pertaining to earlier years		0.28	3.82
Deferred tax		(3.98)	(3.19)
<b>Profit after tax</b>		<b>950.19</b>	<b>571.36</b>
<b>Other Comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss (net of tax)		-	-
B (i) Items that will be reclassified to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income after tax</b>		<b>950.19</b>	<b>571.36</b>
<b>Earnings per equity share:</b>	25		
Basic		4.31	2.59
Diluted		4.31	2.59
Accounting Policies	26		

Our Report attached,  
For Anant Rao & Mallik,  
Chartered Accountants,  
FRN:006266S

(V Anant Rao)  
Partner  
Membership No.022644

Hyderabad  
Date: 29.05.2023

For Uday Jewellery Industries Limited,

Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Sd/-  
Bolledu Kiran Kumar  
Company Secretary  
M.No:A67921

## UDAY JEWELLERY INDUSTRIES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2023

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>A. Cash flows from Operating Activities</b>		
Net Profit before tax	1,283.73	779.30
<b>Adjustments for:</b>		
Depreciation	25.97	19.15
Finance Cost	175.42	89.79
Loss on Sale of Fixed Assets	-	-
Dividend Income	-	-
Interest Income	(17.64)	(24.24)
Gain on Shares investment	-	-
<b>Operating profit before working capital changes</b>	<b>1,467.48</b>	<b>863.99</b>
<b>Working capital changes:</b>		
(Increase) / Decrease in Inventories	(511.95)	(1796.04)
(Increase) / Decrease in Trade Receivables	(1007.63)	(515.29)
(Increase) / Decrease in Other Current financial Assets	0.00	36.06
(Increase) / Decrease in Other Financial Assets	230.73	0.04
(Increase) / Decrease in Other Non current Assets	0.00	0.00
(Increase) / Decrease in Other Current Assets	118.26	74.44
Increase / (Decrease) in Trade Payables & Provisions	192.25	76.44
Increase / (Decrease) in Other Current Liabilities	(8.08)	8.20
Increase / (Decrease) in Other Non-Current Liabilities	0.32	0.78
<b>Cash Generated from Operations</b>	<b>481.38</b>	<b>(1251.37)</b>
Direct Taxes	(259.17)	(191.17)
<b>Net Cash Flow from Operating Activities</b>	<b>222.20</b>	<b>(1442.54)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	-	-
Purchase of Property, Plant & Equipment	-273.53	-79.97
Interest Income	17.64	24.24
Gain on Shares investment	-	-
Dividend Income	-	-
<b>Net Cash used in investing Activities</b>	<b>(255.89)</b>	<b>(55.73)</b>
<b>C. Cash flows from Financing Activities</b>		
Finance Cost	-175.42	-89.79
Increase / (Decrease) in Borrowings	592.74	1,428.19
Issue of share warrants	-	-
<b>Net Cash used in Financing Activities</b>	<b>417.32</b>	<b>1,338.41</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>383.63</b>	<b>(159.87)</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>4.53</b>	<b>164.40</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>388.15</b>	<b>4.53</b>

Our Report attached,  
For Anant Rao & Mallik,  
Chartered Accountants,  
FRN:006266S

(V Anant Rao)  
Partner  
Membership No.022644

Hyderabad  
Date: 29.05.2023

For Uday Jewellery Industries Limited,

Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Sd/-  
Bolledu Kiran Kumar  
Company Secretary  
M.No:A67921

## UDAY JEWELLERY INDUSTRIES LIMITED

### Statement of Changes in Equity for the period ended 31.03.2023

#### STATEMENT OF CHANGES IN EQUITY

##### A. EQUITY SHARE CAPITAL

(Rs. In Lakhs)

Balance as on 01.04.2022	Changes in Equity share capital due to prior period errors	Restated balance as at 01.04.2022	Changes in Equity share capital during the current year	Balance as on 01.04.2023
2,281.26	-	2,281.26	-	2,281.26

(Rs. In Lakhs)

Balance as on 01.04.2021	Changes in Equity share capital due to prior period errors	Restated balance as at 01.04.2021	Changes in Equity share capital during the current year	Balance as on 01.04.2022
2,281.26	-	2,281.26	-	2,281.26

##### B. OTHER EQUITY

(Rs. in lakhs)

Particulars	Reserves and Surplus			Other Comprehensiv e income	Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings		
Balance as at April 1, 2022	1,502.74	68.12	2,000.25	-	3,571.11
Profit for the year		-	950.19	-	950.19
Othr comprehensive income/(losses)	-	-	-	-	-
<b>Balance as at 31st March, 2023</b>	<b>1,502.74</b>	<b>68.12</b>	<b>2,950.45</b>	<b>-</b>	<b>4,521.31</b>

(Rs. in lakhs)

Particulars	Reserves and Surplus			Other Comprehensiv e income	Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings		
Balance as at April 1, 2021	1,502.74	68.12	1,428.89	-	2,999.75
Profit for the year		-	571.36	-	571.36
Othr comprehensive income/(losses)	-	-	-	-	-
<b>Balance as at 31st March, 2022</b>	<b>1,502.74</b>	<b>68.12</b>	<b>2,000.25</b>	<b>-</b>	<b>3,571.11</b>

# UDAY JEWELLERY INDUSTRIES LIMITED

**NOTE 1A: Property, Plant & Equipment**

Asset	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2022	Additions during the Year	Sales/ Adjustments during the Year	As at 31.03.2023	As at 01.04.2022	For the Year	Sales/ Adjustments during the Year	As at 31.03.2023
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer	3.96	2.57	-	6.53	1.91	0.80	-	2.71
Furniture & Fixtures	15.88	-	-	15.88	6.36	1.60	-	7.96
Office equipment	16.62	3.78	-	20.39	12.33	1.77	-	14.10
Plant & Machinery	28.88	30.85	-	59.72	4.70	3.65	-	8.35
Vehicles	112.60	50.66	-	163.26	75.35	17.82	-	93.17
<b>TOTAL ASSET</b>	<b>177.93</b>	<b>87.85</b>	<b>-</b>	<b>265.78</b>	<b>100.66</b>	<b>25.63</b>	<b>-</b>	<b>139.49</b>
(Previous year)	156.15	21.77	-	177.93	81.51	19.15	-	100.66

**NOTE 1B: Capital Work-in-Progress  
Ageing of CWIP as on 31.03.2023**

	Amount in CWIP				Total
	(Rs. in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Particulars					
Projects in progress	180.23	58.20	2.25	0.00	240.68
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

**Ageing of CWIP as on 31.03.2022**

	Amount in CWIP				Total
	(Rs. in lakhs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Particulars					
Projects in progress	58.20	2.25	0.00	0.00	60.45
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00

**NOTE 1C: Intangible Asset**

Asset	GROSS BLOCK			AMORTIZATION			NET BLOCK	
	As at 01.04.2022	Additions during the Year	Sales/ Adjustments during the Year	As at 31.03.2023	As at 01.04.2022	For the Year	Sales/ Adjustments during the Year	As at 31.03.2023
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Software	-	5.45	-	5.45	0.00	0.34	-	0.34
<b>Total Intangible Asset</b>	<b>0.00</b>	<b>5.45</b>	<b>0.00</b>	<b>5.45</b>	<b>0.00</b>	<b>0.34</b>	<b>0.00</b>	<b>0.34</b>
(Previous year)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

## UDAY JEWELLERY INDUSTRIES LIMITED

### Notes to Financial statements

#### Note:2 Long term loans & Advances (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured Considered good</b>		
Loans Advanced	-	230.70
<b>Total</b>	<b>-</b>	<b>230.70</b>

#### Note:3 Other Financial Assets

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Unsecured Considered good</b>		
Deposits(others)	43.10	43.05
Others	2.17	2.26
<b>Total</b>	<b>45.27</b>	<b>45.30</b>

#### Note:4 Deferred tax Asset (Net)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Opening Balance	6.52	3.33
Less: During the year	3.98	3.19
<b>Total</b>	<b>10.50</b>	<b>6.52</b>

#### Note:5 Inventories

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Raw materials	-	-
Work-in-progress	3,625.05	3,127.51
Finished goods	1,456.05	1,441.64
<b>Total</b>	<b>5,081.10</b>	<b>4,569.14</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:6 Trade Receivables (Financial assets)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
a) Considered Good - Secured	-	-
b) Considered good - Unsecured	4,432.49	3,424.86
c) Which have significant increase in Credit Risk	-	-
d) Credit impaired	-	-
<b>Total</b>	<b>4,432.49</b>	<b>3,424.86</b>

### Ageing of Trade receivables as on 31.03.2023

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4140.28	288.27	3.50	0.44	-	4,432.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>4140.28</b>	<b>288.27</b>	<b>3.50</b>	<b>0.44</b>	<b>-</b>	<b>4,432.49</b>

### Ageing of Trade receivables as on 31.03.2022

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3422.38	-	0.63	1.86	-	3,424.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>3422.38</b>	<b>-</b>	<b>0.63</b>	<b>1.86</b>	<b>-</b>	<b>3,424.86</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:7 Cash & Bank Balances (Financial Assets)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Cash &amp; Cash equivalents:</b>		
Cash on hand	4.40	3.27
Balances with banks in current accounts	383.76	1.25
<b>Total</b>	<b>388.15</b>	<b>4.53</b>

### Note:8 Current tax Asset (net)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Income tax Refundable	134.36	130.00
<b>Total</b>	<b>134.36</b>	<b>130.00</b>

### Note:9 Other Current assets

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
GST Receivable	58.14	51.64
Advance to Suppliers	0.03	136.33
Others	61.41	52.41
Carry forward of Excess CSR spent	0.49	2.32
<b>Total</b>	<b>120.07</b>	<b>242.69</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note 10: Share Capital

Particulars	31-03-2023	31-03-2022
<b>Authorized share capital</b>		
26,00,00,000 Equity Shares of Rs.10/- each	2,600.00	2,600.00
<b>Issued, Subscribed and Paid up capital</b>		
(a) 2,20,21,900 Equity shares of Rs.10 Each, Fully paid up	2,202.19	2,202.19
(b) Shares Forfeited Account	79.07	79.07
<b>Changes during the year</b>		
(a) Zero Equity shares of Rs.10 Each, Fully paid up	-	-
<b>Total 2,20,21,900 Equity Shares outstanding as on 31.03.2021</b>	<b>2,281.26</b>	<b>2,281.26</b>

### Reconciliation of Number of Shares

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	(No. of shares)	(Rs. in lakhs)	(No. of shares)	(Rs. in lakhs)
Opening Balance	2,20,21,900	2202.19	2,20,21,900	2202.19
Changes during the year	-		-	
Closing Balance	2,20,21,900	2202.19	2,20,21,900	2202.19

### Number of shares held by each shareholder holding more than 5 percent of the issued share capital :

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	% of Issued Share Capital	(No. of shares)	% of Issued Share Capital	(No. of shares)
<b>Equity Shares:</b>				
Ritesh Kumar Sanghi	21.13%	46,52,792	21.09%	46,44,560
Sanjay Kumar Sanghi	20.52%	45,18,256	20.43%	44,98,800
Pritha Sanghi	9.33%	20,54,260	9.29%	20,45,300
Bhavna Sanghi	9.28%	20,44,500	9.28%	20,44,500
Tejas Sanghi	5.21%	11,46,356	5.18%	11,39,796



## UDAY JEWELLERY INDUSTRIES LIMITED

### Disclosure of Shareholding of Promoters

Particulars	Year ended March 31, 2023		Year ended March 31, 2022		% Change during the year
	(No. of shares)	% of Total Shares	(No. of shares)	% of Total Shares	
<b>Equity Shares:</b>					
Ritesh Kumar Sanghi	46,52,792	21.13%	46,44,560	21.09%	0.04%
Sanjay Kumar Sanghi	45,18,256	20.52%	44,98,800	20.43%	0.09%
Pritha Sanghi	20,54,260	9.33%	20,45,300	9.29%	0.04%
Bhavna Sanghi	20,44,500	9.28%	20,44,500	9.28%	0.00%
Tejas Sanghi	11,46,356	5.21%	11,39,796	5.18%	0.03%
Uday Sanghi	10,54,183	4.79%	10,48,983	4.76%	0.02%
Sarala Sanghi	4,95,200	2.25%	4,95,200	2.25%	0.00%
Hanumanthrai Sanghi	2,75,300	1.25%	2,74,700	1.25%	0.00%
Hanumanthrai Sanghi HUF	1,950	0.01%	-	0.00%	0.01%
	<b>1,62,42,797</b>	<b>73.75%</b>	<b>1,61,91,839</b>	<b>73.53%</b>	<b>0.23%</b>

### Statement of Changes in Equity for the period ended 31.03.2023

#### Note 11: Other Equity

(Rs. In Lakhs)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
<b>Securities Premium Reserve</b>				
Balance at the beginning of the year	1,502.74	-	1,502.74	-
Add: Additions during the year	-	-	-	-
Balance at the end of the year		1,502.74		1,502.74
<b>Capital Reserve</b>				
Balance at the beginning of the year	68.12		68.12	
Add: Additions during the year	-		-	
Balance at the end of the year		68.12		68.12
<b>Retained Earnings</b>				
Balance at the beginning of the year	2,000.25		1,428.89	
Add: Additions during the year	950.19		571.36	
Balance at the end of the year		2,950.45		2,000.25
<b>Total</b>		<b>4,521.31</b>		<b>3,571.11</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### NOTES TO RESERVES

**a) Securities premium**

The amount received in excess of face value of the equity shares is recognised in Securities Premium.

**b) Capital reserve**

The capital reserve represents the excess of the identifiable assets and liabilities over the consideration paid/received or vice versa in a common control sale/transfer of business/investment.

**c) Retained earnings**

Retained earnings are the profits that the Company has earned till date.

**Note:12 Long- Term Borrowings (Financial liabilities)**

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Secured Loans from banks:</b>		
Working Capital (GECL) Loan	85.00	160.69
Vehicle Loan	23.60	-
<b>Total</b>	<b>108.60</b>	<b>160.69</b>

**Note:13 Provisions**

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Provision for Gratuity	6.03	5.71
<b>Total</b>	<b>6.03</b>	<b>5.71</b>

**Note:14 Short-Term Borrowings (Financial liabilities)**

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Secured Loan from banks</b>		
Working capital loan(CC)	3,121.06	2,492.39
Current maturities of long term debts	91.33	75.17
<b>Total</b>	<b>3,212.39</b>	<b>2,567.56</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:15 Trade payables (Financial liabilities)

Particulars	31st March, 2023	31st March, 2022
<b>Trade Payables</b>		
(a)Outstanding dues of micro and small enterpriese for goods	66.62	12.43
(b)Outstanding dues of micro and small enterpriese for expenses	5.03	4.64
Sub-total:	71.64	17.07
(a)Outstanding dues other than micro and small enterpriese -goods	237.87	107.80
(b)Outstanding dues other than micro and small enterpriese -expense	8.80	1.20
Sub-total:	246.67	109.00
<b>Total</b>	<b>318.32</b>	<b>126.07</b>

### Ageing of Trade receivables as on 31.03.2023

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	-	-	-	-	-	-
(a) Disputed dues	-	-	-	-	-	71.64
(b) Undisputed dues	71.64	-	-	-	-	-
Outstanding dues other than micro and small enterprises	-	-	-	-	-	-
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	246.67	-	-	-	-	246.67
<b>Total</b>	<b>318.32</b>	-	-	-	-	318.32

### Ageing of Trade payables as on 31.03.2022

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Outstanding dues of micro and small enterprises	-	-	-	-	-	-
(a) Disputed dues	-	-	-	-	-	17.07
(b) Undisputed dues	17.07	-	-	-	-	-
Outstanding dues other than micro and small enterprises	-	-	-	-	-	-
(a) Disputed dues	-	-	-	-	-	-
(b) Undisputed dues	109.00	-	-	-	-	109.00
<b>Total</b>	<b>126.07</b>	-	-	-	-	<b>126.07</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:16 Other Current liabilities

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Others	34.19	42.28
<b>Total</b>	<b>34.19</b>	<b>42.28</b>

### Note:17 Current tax liabilities (net)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Provision for income tax	115.12	36.77
<b>Total</b>	<b>115.12</b>	<b>36.77</b>

### Note:18 Revenue from operations

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Sale of products</b>		
- Domestic Sales	14,160.15	9,558.39
- Export Sales	3,512.93	2,595.14
<b>Revenue from operations (net)</b>	<b>17,673.09</b>	<b>12,153.53</b>

### Note:19 Other income

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Exchange rate Fluctuation	119.41	59.16
Interest Income	17.64	24.24
Export Freight & Others	13.71	12.80
Other Income	4.30	
	<b>155.06</b>	<b>96.20</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:20 Cost of raw material consumed

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Purchases	16,487.86	12,868.47
<b>Total</b>	<b>16,487.86</b>	<b>12,868.47</b>

### Note:21 Changes in inventories

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>Work-in-progress</b>		
Inventory at the beginning of the year	3,127.51	1,450.49
Inventory at the closing of the year	(3,625.05)	(3,127.51)
	<b>(497.54)</b>	<b>(1,677.02)</b>
<b>Finished Goods</b>		
Inventory at the beginning of the year	1,441.64	1,322.62
Inventory at the closing of the year	(1,456.05)	(1,441.64)
	<b>(14.41)</b>	<b>(119.02)</b>
Changes in Inventories	<b>(511.95)</b>	<b>(1,796.04)</b>

### Note:22 Employee benefits expense

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Salaries, Wages and Bonus	229.85	167.85
Contribution to Provident Fund	4.93	1.09
Contribution to ESI	1.50	0.38
Staff Welfare	0.06	0.38
Gratuity	0.32	0.78
	<b>236.67</b>	<b>170.47</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

### Note:23 Finance costs

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Bank Charges and Interest	175.42	89.79
	<b>175.42</b>	<b>89.79</b>

### Note:18 Revenue from operations

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
<b>As Auditor</b>		
- Statutory Audit	0.50	0.50
- Tax Audit	0.15	0.15
	<b>0.65</b>	<b>0.65</b>
Power and Fuel	6.27	4.81
Repairs and Maintenance	2.60	5.73
Rates and Taxes	4.61	1.15
Postage, Telegrams & Telephones	2.16	0.66
Transportation Charges	6.96	8.14
Travelling & Conveyance	8.23	3.55
Printing & Stationery	1.69	0.63
Insurance	4.18	1.76
Advertisement and publicity	4.43	1.39
Jobwork charges	4.49	34.05
Consulting and professional fee	37.53	21.24
Rent	8.11	7.86
Membership fee	0.47	0.45
Security services	6.26	6.02
Interest paid	2.55	0.28
Factory Expenses	9.68	5.06
Miscellaneous Expenses	1.65	1.01
Donation	1.23	-
Corporate Social Responsibility	16.70	14.18
	<b>130.45</b>	<b>118.59</b>

## UDAY JEWELLERY INDUSTRIES LIMITED

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### Note 27: Earnings per share (EPS)

(Rs. In Lakhs)

Particulars	31st March, 2023	31st March, 2022
Profit after tax	950.19	571.36
Weighted average number of equity shares in calculating basic EPS (Nos In Lakhs)	220.22	220.22
Weighted average number of equity shares in calculating diluted EPS (Nos In Lakhs)	220.22	220.22
Basic Earnings per Equity Share	4.31	2.59
Diluted Earnings per Equity Share	4.31	2.59

# UDAY JEWELLERY INDUSTRIES LIMITED

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## Notes to the Financial Statements

### A. General Information

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

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

The significant accounting policies used in preparation of the standalone financial statements have been discussed in the respective notes.

The financial statements were approved by the board of directors and authorised for issue on 29-05-2023.

### 27. Accounting Policies under Ind AS:

#### 1. Significant Accounting Policies

##### 1.1 Statement of Compliance and basis of preparation of Financial Statements

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

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

The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

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

##### 1.2 Use of estimates and judgment

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates



## UDAY JEWELLERY INDUSTRIES LIMITED

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and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

### 1.3 Revenue Recognition

#### i) Operating Income

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

#### ii) Other Income

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

### 1.4 Property, Plant and Equipment's

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

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

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

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

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### 1.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that these are available for use.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives in the manner as prescribed in Schedule II of the Companies Act 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II of the Companies Act 2013 are used:

Computer software costing less than Rs. 1 lakh	100% in the year of purchase
Computer software costing more than Rs. 1 lakh (where the useful life is less than or equal to one year)	100% in the year of purchase
Computer software costing more than Rs. 1 lac (in other cases)	33.33% on SLM
Assets costing less than Rs. 5000	100% in the year of purchase

### 1.6 Depreciation

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

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

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

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### 1.7 Inventory

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

Basis of determination of cost remain as follows:

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

### 1.8 Provisions

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

### 1.9 Contingent Liabilities / Assets

#### Contingent Liabilities

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

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

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

#### Contingent Assets

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

### 1.10 Taxation

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

#### Current tax

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

#### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the

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

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

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

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

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

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

### **1.11 Impairment**

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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

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

### **Impairment of financial assets**

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

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

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

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

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

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

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

### **De-recognition of financial assets**

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

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

### **1.12 Financial instruments**

#### Non-derivative financial instruments

Non-derivative financial instruments consist of:

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

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

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

#### **a) Cash and cash equivalents**

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

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

### c) Loans and receivables

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

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

### d) Trade and other payables

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

### e) Foreign Currencies Transactions

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

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

## 1.13 Prior Period Errors

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

## 1.14 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

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### i. Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103.

### ii. Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

### iii. Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements

### iv. Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendments clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements

### v. Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements

## 28. Additional Notes to Accounts:

Secured Loans and Bank Overdrafts:

Name of bank	Balance due(Rs. in lakhs)	Secured against
Kotak Mahindra Bank Ltd	3283.90	Property of promoters
HDFC Bank	37.09	Vehicle

\*The above balance represents cheques issued but not presented for payment



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### Amount due to Micro, Small and Medium enterprises:

The Company identifies the enterprises which have provided goods and services to the Company and which qualify under the definition of Micro, Small and Medium Enterprises (MSME) as defined under Micro, Small and Medium Enterprises development Act, 2006. Accordingly, the disclosure in respect of amount payable to such enterprise as at 31st March 2023 has been made in the financial statements (as disclosed in Note No. 15 Trade Payables) on the basis of information received and available with the Company

(Rs. In Lakhs)

S. no	Particulars	31st March, 2023	31st March, 2022
1.	The Principal amount remaining unpaid to suppliers as at the end of the year	318.32	126.07
2.	The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
3.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the Supplier beyond the appointed day during the year	-	-
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-

\*No provision for interest is made for balance of MSME vendor outstanding for more than 45days as per the terms mutually agreed by the parties.

### Amounts due from an officer of the company

Particulars	Current year	Previous year
Amount due from an Officer of the company	NIL	NIL

During the financial year the company has incurred the expenditure on corporate social responsibility to the tune of Rs. 14.86 lakhs during the current year, details are as follows:

Particulars	Current year	Previous year
Amount required to be spent by the Company during the year	16.70	14.18
Balance available at the beginning of the year	2.32	
Amount of expenditure incurred on*:	-	-
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	14.86	16.50
Shortfall/(Excess) at the end of the year	(0.48)	(2.32)
Total of previous year shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	Promoting education, Setting up old age homes, Eradicating hunger, poverty, and malnutrition, setting up homes and hostels for women and orphans, Promoting health care.	

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Value of Raw Materials, Stores and Spares Consumed and Percentage

(Rs. In Lakhs)

Particulars	31st March, 2023		31st March, 2022	
	Percentage	Value	Percentage	Value
<b>a. Raw Materials</b>				
i. Indigenous	100.00	16,487.86	100.00	12,868.47
ii. Imported	-	-	-	-
	<b>100.00</b>	<b>16,487.86</b>	<b>100.00</b>	<b>12,868.47</b>

### 29. Financial Instruments- Fair Values and Risk Management

#### a. Financial Instruments by Categories

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

(Amount in lakhs as of March 31, 2023)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents (Ref Note No. 7)	388.15	-	-	388.15	388.15
Trade Receivable (Ref Note No.6 )	4432.49	-	-	4432.49	4432.49
Loans given (Ref Note No. 2)	-	-	-	-	-
Other Financial Assets (Ref Note No.3 )	45.27	-	-	45.27	45.27
<b>Liabilities:</b>					
Trade Payable (Ref Note No.15 )	318.32	-	-	318.32	318.32
Borrowings (Ref Note No 12 & 14 )	3320.99	-	-	3320.99	3320.99

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The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2022:

(Amount in lakhs as of March 31, 2022)

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents (Ref Note No. 7)	4.53	-	-	4.53	4.53
Trade Receivable (Ref Note No.6 )	3424.86	-	-	3424.86	3424.86
Loans given (Ref Note No. 2)	230.70	-	-	230.70	230.70
Other Financial Assets (Ref Note No.3 )	45.30	-	-	45.30	45.30
<b>Liabilities:</b>					
Trade Payable (Ref Note No.15 )	126.07	-	-	126.07	126.07
Borrowings (Ref Note No 12 & 14 )	2728.25	-	-	2728.25	2728.25

### b. Fair Value Hierarchy

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

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

(Amount in lakhs as of March 31, 2023)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial assets</b>						
Security deposits	-	-	43.10	43.10	-	-
Others	-	-	2.17	2.17	-	-
Interest Receivable	-	-	-	-	-	-
<b>Total financial assets</b>	-	-	45.27	45.27	-	-
<b>Financial Liabilities</b>						
Borrowings	-	-	3320.99	3320.99	-	-
<b>Total financial liabilities</b>	-	-	3320.99	3320.99	-	-

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(Amount in lakhs as of March 31, 2022)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
<b>Financial assets</b>						
Security deposits	-	-	43.05	43.05	-	-
Others	-	-	2.26	2.26	-	-
Interest Receivable	-	-	-	-	-	-
<b>Total financial assets</b>	-	-	45.31	45.31	-	-
<b>Financial Liabilities</b>						
Borrowings	-	-	2728.25	2728.25	-	-
<b>Total financial liabilities</b>	-	-	2728.25	2728.25	-	-

### a. Financial risk management

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

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

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

a) Market risk

#### (i) Foreign Exchange Risk

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

#### Foreign Currency Exposure

(Rs. In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
	USD	USD
Trade and Other Receivables	4.10	6.04
Trade and Other Payables	0.86	-
Borrowings	-	-

#### Sensitivity:

As of March 31, 2023 increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately INR 119.41(in Lakhs) respectively.

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### (ii) Price Risk

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

### b) Credit Risk

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

#### Trade Receivables:

The company has outstanding trade receivables amounting to INR 4432.49 (in lakhs) and INR 3424.86 (in lakhs) as of March 31, 2023 and March 31, 2022 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers.

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

#### Credit risk exposure:

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

(As at 31st March 2023, Amount in Rs lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Past due less than 30 days	1167.11	-	1167.11
Past due more than 30 days but not more than 60 days	1422.49	-	1422.49
Past due more than 60 days but not more than 90 days	354.63	-	354.63
Past due more than 90 days but not more than 120 days	1186.99	-	1186.99
Past due more than 120 days	301.27	-	301.27
<b>Total</b>	<b>4432.49</b>	-	<b>4432.49</b>

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(As at 31st March 2022, Amount in Rs lakhs)

Particulars	Gross amount	Impairment	Carrying Value
Past due less than 30 days	1381.18	-	1381.18
Past due more than 30 days but not more than 60 days	596.29	-	596.29
Past due more than 60 days but not more than 90 days	756.54	-	756.54
Past due more than 90 days but not more than 120 days	394.95	-	394.95
Past due more than 120 days	295.90	-	295.90
<b>Total</b>	<b>3424.86</b>	<b>-</b>	<b>3424.86</b>

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

### Financial assets:

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

### (c) Liquidity Risk

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

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

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

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

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

(Amount in Rs in lakhs as of March 31, 2023)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	318.32	-	-	-	-	318.32
Short term borrowings (cash credit)*	-	3212.39	-	-	-	3212.39
Other Financial Liabilities	-	108.60	-	-	-	108.60
<b>Total</b>	<b>318.32</b>	<b>3320.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3639.31</b>

\*Includes interest accrued on borrowings

(Amount in Rs in lakhs as of March 31, 2022)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	126.07	-	-	-	-	126.07
Short term borrowings (cash credit)*	-	2567.56	-	-	-	2567.56
Other Financial Liabilities	-	160.69	-	-	-	160.69
<b>Total</b>	<b>120.23</b>	<b>2728.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2848.48</b>

\*Includes interest accrued on borrowings

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

#### Related Party Disclosures

#### A. Key Managerial Personnel (KMP):

Sri Ritesh Kumar Sanghi – Managing Director

Sri Rakesh Agarwal - Chief Financial Officer

Ms Sarita Panchal - Company Secretary (3rd June 2022 to 26th Nov 2022)

Mr Bolledu Kiran Kumar - Company Secretary (w.e.f 15th April, 2023)

#### B. Non - Executive Directors

## UDAY JEWELLERY INDUSTRIES LIMITED

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

### C. Enterprises in which Key Management Personnel has significant influence

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

### D. Relatives of Key Management Personnel

Sri Sanjay Kumar Sanghi - Director  
 Smt. Pritha Sanghi – Director  
 Smt Bhavna Sanghi  
 Sri Tejas Sanghi  
 Sri Uday Sanghi - Business Development Head

### E. Related Party Transaction

Particulars	31st March, 2023	31st March, 2022
<b>Sanghi Jewellers Private Limited:</b>		
Purchases (Net of returns)	147,066,372/-	15,72,20,938/-
Sales (Net of returns)	3,862,122/-	23,77,670/-
Jobwork Charges (Expense)	-	34,04,974/-
Rent (Expense)	3,00,000/-	3,00,000/-
Amount Receivable/(Payable) as on	27,000/-	27,000/-
<b>Narbada Gems and Jewellery Limited:</b>		
Purchases (Net of returns)	-	1,26,02,332/-
Sales (Net of returns)	43,41,748/-	-
Amount Receivable/(Payable) as on	-	-
<b>Rent paid to KMP &amp; Relative of KMP</b>	39,60,000/-	39,60,000/-
<b>Salary paid to Relative of KMP</b>	42,00,000/-	26,31,855/-*
<b>Trisa Retail Limited:</b>		
Interest on Inter Corporate Loan (Income)	14,58,605/-	24,22,350/-
Amount Receivable from Trisa Retail Ltd as on:	-	-
Interest received on Inter Corporate Loan	14,58,605/-	60,28,558/-
Inter Corporate Loan	-	2,30,70,000/-

\*For part of the financial year



## UDAY JEWELLERY INDUSTRIES LIMITED

### 31. Gratuity

(Rs. in lakhs)

S. No.	Particulars	Balance as on 31/03/2023	Balance as on 31/03/2022
1	Opening Balance	5.71	4.93
2	Add: Provision for the Year	0.32	0.78
3	Less: Paid during the Year	-	-
4	Closing Balance	<b>6.03</b>	<b>5.71</b>

### 32. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 “Earnings Per Share (EPS)”

#### a) Basic EPS

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

(Amount in Rs lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Earnings used in calculation of basic earnings per share(A)</b>	950.19	571.36
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	220.22	220.22
<b>Basic EPS(A/B)</b>	4.31	2.59

#### Diluted EPS

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

(Amount in Rs lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Earnings used in calculation of basic earnings per share(A)</b>	950.19	571.36
Weighted average number of ordinary shares for the purpose of Diluted earnings per share(B)	220.22	220.22
<b>Diluted EPS(A/B)</b>	4.31	2.59

## UDAY JEWELLERY INDUSTRIES LIMITED

### 33. Disclosure in respect of Indian Accounting Standard (Ind AS)-115: “Revenue from Contract with Customers)

#### Transitional Provision

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

#### A. (i) Contracts with customers

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products	1,767,308,725	1,21,53,52,989
Total	1,767,308,725	1,21,53,52,989

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Impairment Loss	-	-

#### (ii) Disaggregation of Revenue

Particulars	For the year ended March 31, 2023	As % to Total Revenue	For the year ended March 31, 2022	As % to Total Revenue
Pure Gold	82,03,870	0.46%	1,01,66,969	0.84%
Studded Gold Jewellery	1,75,91,04,855	99.54%	1,20,51,86,020	99.16%
Total	1,76,73,08,725	100.00%	1,21,53,52,989	100.00%

#### (iii) Contract Balances Receivables

Particulars	As at March 31,2023	As at March 31,2022
Opening Balance	34,24,86,238	29,09,57,156
Addition/deduction during the year	10,07,63,182	5,15,29,082
Closing Balance	44,32,49,420	34,24,86,238

#### Contract Liabilities

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

## UDAY JEWELLERY INDUSTRIES LIMITED

### Practical expedients

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

### 34. Contingent Liabilities - Income Tax

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

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

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

### 35. Ratio Analysis

S.No	Ratio Type	F.Y.22 -23	F.Y.21 -22	% of Change	Reasons/Remarks for variation of 25%
1	Current Asset Ratio	2.76	3.02	-8.59%	-
2	Debt Equity Ratio	0.49	0.47	4.55%	-
3	Debt Service Coverage Ratio	5.93	9.06	-34.50%	Increased the utilization of funds, more than 1 is favorable
4	Return on Equity Ratio	15.18%	10.39%	46.09%	Efficiently utilised the funds to generate income.
5	Inventory Turnover Ratio	3.31	3.02	9.78%	-
6	Trade Receivable Turnover Ratio	4.50	3.84	17.23%	-
7	Trade Payable Turnover Ratio	71.90	130.37	-44.85%	The payable period from the supplier has increased.
8	Net Capital Turnover Ratio	2.73	2.17	25.71%	The Company has efficiently utilized its working capital.
9	Net Profit Ratio	5.38%	4.70%	14.36%	-
10	Return on Capital Employed	12.48%	8.49%	47.06%	Efficient utilization of capital in business operations.
11	Return on Investment	NA	NA	-8.59%	-

## UDAY JEWELLERY INDUSTRIES LIMITED

### 36. Details of Additional Regulatory Information

#### i) Details of immovable properties

(Rs. in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Unit
PPE	NA	NA	NA	NA	NA	NA

### 37. Regrouping:

In order to have better presentation the previous year's figures have been re-casted/restated/reclassified, wherever necessary, to conform to current year's classification.

Our Report attached,  
For Anant Rao & Mallik,  
Chartered Accountants,  
FRN:006266S

(V Anant Rao)  
Partner  
Membership No.022644

Hyderabad  
Date: 29.05.2023

For Uday Jewellery Industries Limited,

Sd/-  
Ritesh Kumar Sanghi  
Managing Director  
DIN: 00628033

Sd/-  
Rakesh Agarwal  
Chief Financial Officer

Sd/-  
Sanjay Kumar Sanghi  
Director  
DIN: 00629693

Sd/-  
Bolledu Kiran Kumar  
Company Secretary  
M.No:A67921

## UDAY JEWELLERY INDUSTRIES LIMITED

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### 24TH ANNUAL GENERAL MEETING

Day : Thursday  
Date : 21st September, 2023  
Time : 11:30 A.M.  
Mode : Through Video Conferencing (VC)/  
Other Audio-Visual Means (OAVM).  
On [www.evotingindia.com](http://www.evotingindia.com).







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