DIRECTORS' REPORT

To,

The Members,
SDB DIAMOND BOURSE

Your Directors have the pleasure in presenting the 4th Annual Report together with the Audited Statement of Accounts of SDB Diamond Bourse for the year ended on 31st March, 2018.

1) Financial summary:

Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Gross Income	22,24,03,900	13,83,99,497
Expenses Before Depreciation	1,61,27,184	1,79,83,557
Surplus/(Deficit) Before Depreciation	20,62,76,716	12,04,15,940
Less: Depreciation	6,63,88,594	34,76,745
Surplus / (Deficit) After Depreciation Before Extraordinary Item and Taxation	13,98,88,122	11,69,39,195
Less: Extraordinary Item	15,572	5900
Less: Provision For Taxation		
- Current	--	--
- Deferred	--	--
Net Income / (Excess of Expenses over Income)	**13,98,72,550**	**11,69,33,295**
Amount Transferred to Reserves (If any)	13,98,72,550	11,69,33,295

2) State of the Company's affairs:

SDB Diamond Bourse, a not-for-profit company, within the meaning of section 8 of the Companies Act, 2013, was incorporated in India on 28th November, 2014. During the year under review, company has earned net income amounting to ₹13,98,72,550 as compared to earned net income amounting to ₹11,69,33,295 in the previous year.

3) Operational Review :

A) Trade Membership Fees Received :

During the year under review, the Company had additionally given new Trade Membership for office space in the proposed Diamond Bourse at Khajod to 16 individuals or entities engaged directly or indirectly with the Diamond, Gems & Jewellery business due to partial transfer of EOI for office space in the Proposed Diamond Bourse at Khajod by the existing trade members in conformance to the Articles of the Company along with entrance fees of Rs. 1000 (Inclusive of Indirect Taxes) in the nature of Trade members limited by guarantee. The said membership fees being in the nature of corpus funds, it is shown as such.

Particulars	FY 2017-18		FY 2016-17	
	No. of Applications	Amount (Rs.) (Incl. S.T. and GST)	No. of Applications	Amount (Rs.) (Incl. S.T.)
Members as on beginning of the year	3864	38,64,000	3,374	33,74,000
Total No. Of Subscribers	-	-	-	-
Total Applications Received by cash for Trade Membership (EMD Received in FY 2014-15)	-	-	-	-
Total Applications Received by cheque for Trade Membership	16	16,000	490	4,90,000
Less: Applications Rejected	-	-	-	-
Less: Applications Pending Approval for Trade Membership	-	-	-	-
Applicants granted Trade Membership during the year	16	16,000	490	4,90,000
Members as at close of the year	3,880	38,80,000	3,864	38,64,000

B) EMD for Office Space :

Amounts received from members of the Company during FY 2015-16 and FY 2016-17 were in the nature of EMD for office space pending allotment of land to the company for proposed bourse. Accordingly, the same was shown under the head Non-Current Liabilities. During FY 2017-18, land has been allotted to the company vide lease deed dated 13th April, 2017 by Diamond Research and Mercantile City Ltd ["DREAM Ltd"]. Accordingly, the amounts received from members, including the third installment received during the year under review, have been transferred to **Advance received from members** for office space and has been shown under the head Current Liabilities.

Advance from members as above, has been received from 3880 members (including 16 members added in FY 2017-18 through partial transfer of office space) for office and parking space in proposed bourse project.

C) Utilization of Fund :

The above advance received from members will be utilized for construction of the said Diamond Bourse over the period of construction.

4) Transfer to Reserves:

The Company has transferred amount of Rs. 13,98,72,550 to reserves during the year under review.

5) Dividend:

SDB Diamond Bourse is a section 8 company and is not allowed to declare dividend; hence this clause is not applicable to the company.

6) Extract of Annual Return:

In compliance of section 92(3), section 134(3)(a) and Rule 11 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return has been annexed with this report in Form MGT-9 as **Annexure - I**.

7) Number of meetings of the Board of Directors:

The notice of Board meeting was given well in advance to all the Directors. The Board met 11 times on 13th April, 2017; 27th May, 2017; 28th June, 2017 ; 28th July, 2017; 28th August, 2017 ; 13th October, 2017; 24th November, 2017; 29th November, 2017; 15th December, 2017; 20th February, 2018; 27th March, 2018 in financial year 2017-18.

Schedule of the meetings attended by each director:

Name of Director	Attendance at the last AGM held on	No. of Board meetings held and attended during tenure											% of attendance
		1	2	3	4	5	6	7	8	9	10	11	

Vallabhbhai Patel	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	100
Laljibhai Patel	yes	yes	yes	yes	yes	yes	yes	No	yes	No	yes	yes	81.82
Govindbhai Dholakia	yes	yes	yes	yes	yes	yes	yes	yes	yes	No	No	yes	81.82
Ashit v. Mehta	No	No	No	No	No	No	yes	No	No	No	No	No	9.09
Jitendra B. Shah	No	yes	No	No	No	No	No	yes	No	yes	No	yes	36.36
Mathurbhai Savani	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	100
Manubhai Davariya	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	100

8) Directors' Responsibility Statement:

The Company has taken utmost care in its operations, compliance, transparency, financial disclosures and the financial statements have been made to give a true and fair view of the state of affairs of the Company. As required under section 134(5) and 134(3)(c), and based upon the detailed representation, due diligence and inquiry thereof ,the directors assures and confirms as under:

a) In preparation of the accounts for the Financial Year Ended 31st March 2018, the applicable accounting standards had been followed and there are no material departures from the same;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the years under review;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Annual Accounts for the Financial Year ended 31st March, 2018 have been prepared on a going concern basis;

e) Internal financial controls have been laid down and are operating effectively; and

f) Proper systems had been devised in compliance with the provision of all the applicable laws and such systems were adequate and operating effectively.

9) Director's comment on qualified opinion of Auditor's:

The Report of Statutory Auditor does not contain any qualification. Notes to Accounts and Auditor's remarks in their report are self-explanatory and do not call for any further comments. Secretarial Audit Report is not applicable to the Company.

10) Declaration by Independent Directors:

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Hence no declaration has been obtained.

11) Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

The Company is registered under Section 8 of Companies Act, 2013 and hence it is not required to formulate a Nomination and Remuneration Committee and Stakeholders Relationship Committee under Section 178(1) of the Companies Act, 2013.

12) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

The Company paid a total sum of Rs. 26, 96, 00, 000 towards service tax under protest on account of demand raised by Service Tax Department. After the signing of the lease agreement, the company has lifted its protest on the service tax paid vide letter addressed to the service tax department on 26th May 2017 and has also shown the liability in the service tax return filed for the quarter ending 30th June 2017 to the extent of Rs. 24, 97,39, 246, claiming refund of excess amount paid of Rs. 1, 98, 60, 754 on the ground that the Company has paid excess Service Tax and cess by claiming abatement at the rate of 60% instead of 70%. However, as per Notification No. 08/2016 dated 01st March, 2016, abatement of 70% is available in case of construction of a complex, building, civil structure or a part thereof, intended for a sale to a buyer, wholly or partly except where entire consideration is received after issuance of completion certificate by the competent authority.

13) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

14) Change in the nature of business:

There is no change in the nature of the business of the company

15) Conservation of energy, technology absorption and foreign exchange earnings and outgo:

A) Conservation Of Energy:

With regard to the particulars as prescribed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the company is in the process of finding ways of controlling and reducing energy consumption as a commitment to Global Environment; this will cover office facilities, communications and transport.

B) Technology Absorption, Adoption And Innovation:

The Company continuously makes efforts towards research and developmental activities and has been constantly active in harnessing and tapping the latest and best technology in the industry.

C) Foreign Exchange Earnings And Outgo:

During the year under review, the Foreign Exchange Earnings and Outgo was as under:

(Amount in '000 Rs.)

	2017-18	2016-17
Earnings in Foreign Currency :	NIL	NIL
Expenditure in Foreign Currency :	NIL	NIL

16) Risk Management Policy:

Risk is an important element of corporate functioning and governance. The company has established the process of identifying, analyzing and treating risks, which could prevent the Company from effectively achieving its objectives. It ensures that all the risks are timely defined and mitigated in accordance with a well structured risk management process.

Also, Risk Management Policy indicating development & implementation of risk management matrix and identification there in of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company, is formulated and in place.

17) Corporate Social Responsibility Policy:

Your Company works with a deep sense of social Commitment and contributes generously towards the welfare of the society that it is part of. SDB Diamond Bourse considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of the society.

Company has constituted of CSR Committee and its initiatives are on the focus areas approved by the Board benefitting the community. However, the company has just embarked on the journey of ascertained CSR programs. The objective of our CSR is not just mere spending of amount, but every penny of spending amount has to reach the needy and the Company is endeavoured to ensure full utilization of the allocated CSR budget. The proposal of spending the CSR expenditure is still in process due to insufficient resources and time. This is the reason for which the Company could not spend the requisite amount towards CSR activities.

The remained unspent amount of Rs. 5,05,023/- has been added to the CSR budget for the Financial Year 2018-19.

18) Vigil Mechanism Policy:

In compliance with section 177 of the Companies Act, 2013 and relevant rules, borrowing from banks and public financial institutions is not exceeding Rs. 50 Crore during the year. Hence disclosure related to Vigil Mechanism is not applicable to the company. However the company has developed a strong system to report any fraud in the company.

19) Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

The company strives to foster a positive workplace environment, free from harassment of any nature, to provide equal employment opportunity and is committed to provide a work environment that ensures every women employee is treated with dignity and respect and afforded equitable treatment. To bring this, the company is continuously taking many actions. Total number of employees in the company is less than 10; hence the act is not applicable, still the company is committed to improve the working environment for women. The company has not received any complaints of sexual harassment during the financial year 2017-18.

20) Particulars of contracts or arrangements with related parties:

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the company during the year which may have potential conflict with the interest of the company. There are no material related party transactions which are not in Ordinary course of business or which are not on arm's length basis. The details of the related party transactions are provided in Form AOC-2 as an **Annexure - II** to this report. Members are requested to refer the same.

21) Details of Subsidiary/Joint Ventures/Associate Companies & Performance and financial position of each of such companies :

The Company has no subsidiaries as on March 31, 2018. Hence Form AOC-1 is not attached.

22) Details of Directors/ Key Managerial Personnel Appointed/ Resigned:

The Constitution of Board of Directors and Top management of the Company were changed during the year under review and till the date of signing this report in the following manner:

Mr. Haresh Pandya resigned from the post of Chief Financial Officer w.e.f. 31st October, 2017 and Mr. Gopal Phophaliya was appointed in his place w.e.f. 31st October, 2017.

Mr. Pratik Koralwala was appointed for the post of Company Secretary of the Company w.e.f. 15th December, 2017 and resigned from the post of Company Secretary w.e.f. 25th June, 2018.

Mr. Rajendrakumar Dalpatlal Shah (DIN: 07269107) was appointed as Additional Director (Non-Executive & Independent) of the Company w.e.f. 22nd August, 2018 for to hold office till the conclusion of the ensuing Annual General Meeting.

Mr. MaheshKumar Gadhavi was appointed for the Post of Chief Executive Officer (KMP) w.e.f. 22nd August, 2018.

23) Fixed Deposits:

The company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

24) Particulars of Employees & Disclosure on Managerial Remuneration:

The information required pursuant to section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable only for listed companies. Hence this clause is not applicable to the company.

None of the employees have drawn remuneration exceeding the limits prescribed under section 197 (12) read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (i.e. Rs. 60 Lacs for full year, or Rs. 5 Lacs per month for part of financial year). Hence disclosure under this clause is not applicable.

25) Auditors:

Pursuant to the provisions of Sec. 139 of the Companies Act, 2013 and rules framed thereunder, the Statutory Auditors M/S NDJ & Co., Chartered Accountants (Firm Reg. Number 136345W), retire and re-appointed as auditors from the close of this Annual General Meeting as per their Appointment done for Five years in the 2nd Annual General Meeting.

26) Internal Auditor:

In compliance with section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, turnover of the company is not exceeding Rs. 200 Cr., nor its Outstanding borrowings from banks or public financial institutions exceeding 100 Crore. Hence the Company is not required to appoint an Internal Auditors. However the company has appointed management and Internal auditors and has developed a strong Internal Control System to safeguard the assets of the company and to ensure there are no material misstatements.

27) Share Capital:

No alterations or modifications were made in the share capital of the company.

28) Particulars of loans, guarantees or investments under section 186:

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

29) <u>Acknowledgements:</u>

We take the opportunity to express our deep sense of gratitude to the Members, Trade and Industry Associations, Government of Gujarat, Surat Municipal Corporation and other local authorities for their continued support.

Date: 22/08/2018

Place: Surat

On Behalf of Board of Directors

Mr. Vallabhbhai Patel
Director
DIN: 00091715

Mr. Mathurbhai Savani
Director
DIN: 03032750

Annexure-I
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U74140GJ2014NPL081370
ii	Registration Date	28.11.2014
iii	Name of the Company	SDB DIAMOND BOURSE
iv	Category/Sub-category of the Company	Public Company, Company limited by Guarantee
v	Address of the Registered office & contact details	Plot No. 66-67, 1ST Floor, Tapti Exports, Patel Faliya, Gotalawadi, Katargam, Surat, Gujarat
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Promote, develop, encourage and to encourage trade industries & profession of diamond bourse	74	0%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

No of Companies for which information is being filled	0

Sl. No	Name & Address of the Company	CIN/GLN	HOLDING / SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION

IV SHAREHOLDING PATTERN

(Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	-	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	8	8	100%	-	8	8	100%	0	0
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)		8	8	100%		8	8	100%	0	0
(2) Foreign	-	-	-	-	-	-	-	-	-	-
a) NRI- Individuals	-	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-	-
e) Any other…	-	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)		8	8	100%		8	8	100%	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):										

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
(2) Non Institutions										
a) Bodies corporates	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		8	8	100%		8	8	100%	0	0

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Shri. Ashit Mehta (Nominee of Surat Rough Diamond Sourcing (India) Pvt. Ltd.)	1	12.50%	-	1	12.50%	-	0%
2	Shri. Dharambhai Patel (Nominee of Tapti Exports)	1	12.50%	-	1	12.50%	-	0%
3	Shri. Nagjibhai Mohanbhai Sakariya (Nominee of HVK International Pvt. Ltd.)	1	12.50%	-	1	12.50%	-	0%
4	Shri. Laljibhai Tulsibhai Patel (Nominee of Dharamanandan Diamonds Pvt. Ltd.)	1	12.50%	-	1	12.50%	-	0%
5	Shri. Diyalbhai Kalabhai Vaghani (Nominee of Kapu Gems)	1	12.50%	-	1	12.50%	-	0%
6	Shri. Govindbhai Laljibhai Dholakia (Nominee of Shree Ramkrishna Exports Pvt. Ltd.)	1	12.50%	-	1	12.50%	-	0%

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
7	Shri. Vallabhbhai Shamjibhai Patel (Nominee of Kiran Gems)	1	12.50%	-	1	12.50%	-	0%
8	Shri. Sevantilal Premchand Shah (Nominee of Venus Jewel)	1	12.50%	-	1	12.50%	-	0%
	Total	**8**	**100.00%**	-	**8**	**100.00%**	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	No Change	No Change	No Change	No Change
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No Change	No Change	No Change	No Change

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the end of the year	No Change	No Change	No Change	No Change

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached
	At the end of the year (or on the date of separation, if separated during the year)	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached	As per (Annexure A) Attached

(v) **Shareholding of Directors & KMP**

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	4	50%	4	50%

	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year	4	50%	4	50%

Note: The aforesaid shareholding of Directors is on behalf of their respective companies as beneficial holders and subscribed as such on MOA-AOA at the time of formatting of the company.

(V) INDEBTEDNESS

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

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Total (i+ii+iii)	-	-	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	**Gross salary**	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-
B.	**Remuneration to other directors:**		
Sl. No	**Particulars of Remuneration**	**Name of the Directors**	**Total Amount**
1	Independent Directors	-	-
	(a) Fee for attending board committee meetings	-	-
	(b) Commission	-	-
	(c) Others, please specify	-	-
	Director Remuneration	-	-
	Director Remuneration	-	-

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
	Total (1)	-	-
	(a) Fee for attending board committee meetings	-	-
	(b) Commission	-	-
	(c) Others, please specify.	-	-
	Total (2)	-	-
	Total (B)=(1+2)	-	-
	Total Managerial Remuneration	-	-
	Overall Ceiling as per the Act		
C.	**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**		

Sl. No	Particulars of Remuneration	Name	Total Amount
1	**Gross salary**	Gopal Phophaliya	9,45,000
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Gopal Phophaliya	9,45,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others (specify)		
5	Others, please specify	-	-
	Total (A)	**Gopal Phophaliya**	**9,45,000**

VII PENALTIES/ PUNISHMENT/ COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					

Date: 22nd August, 2018

Place: Surat

On Behalf of Board of Directors

Mr. Vallabhbhai Patel	**Mr. Mathurbhai Savani**
Director	**Director**
DIN: 00091715	**DIN: 03032750**

Annexure-II
FORM NO. AOC-2
(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Venus Jewel(Mr. Sevantilal Premchand Shah- Nominee of M/s. Venus Jewel and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or	Rs. 2,48,64,000/- for Additional

	transactions including the value, if any:	Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Dharmanandan Diamonds Private Limited (Mr. Laljibhai Tulsibhai Patel- Director in Above mentioned company and SDB Diamond Bourse
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 5,26,40,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	HVK International Private Limited (Mr. Nagjibhai Mohanbhai Sakariya- Director in Above mentioned company and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 2,31,60,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details

a)	Name(s) of the related party and nature of relationship	Tapti Exports (Mr. Dharambhai Patel- Nominee of M/s. Tapti Exports and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution & Leave and License agreement
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 35,28,000/- for Additional Member's Contribution Rs. 15,14,160/- for Rent Paid
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Shree Ramkrishna Exports Private Limited (Mr. Govindbhai Laljibhai Dholakja- Director in above mentioned company and SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 7,99,32,500/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Kapu Gems (Mr. Diyalbhai Kalabhai Vaghani- Nominee of M/s. Tapti Exports and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution

c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 2,04,96,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Kiran Gems Private Limited (Mr. Vallabhbhai Samjibhai Patel - Director in above mentioned company and SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 11,20,00,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Davariya Brothers Private Limited (Mr. Manubhai Bholabhai Davariya- Director in above mentioned company and SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 31,92,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

Sr.	Particulars	Details

No.		
a)	Name(s) of the related party and nature of relationship	Mr. Gopal Phophaliya & Pankaj Phophaliya- (Mr. Gopal Phophaliya is Trade Member and Chief Financial Officer (KMP) of SDB Diamond Bourse
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2017-18
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 2,68,800/- for Additional Member's Contribution 9,45,800/- for Salary paid to Mr. Gopal Phophaliya
e)	Date(s) of approval by the Board, if any:	30.04.2018
f)	Amount paid as advances, if any	-

On Behalf of Board of Directors

Mr. Vallabhbhai Patel
Director
DIN: 00091715

Mr. Mathurbhai Savani
Director
DIN: 03032750

Annexure -III

DETAILS OF MEMBERS, DEBENTURE HOLDERS AND OTHER SECURITY HOLDERS AS ON 31/03/2018

SI. NO.	L. F No	Shareholder's name	Father/ Husband Name	Joint holder's name	Address	Type of share	No. of shares held	Amount of share	% Holding
1	1	Shri. Ashit Vasantlal Mehta (Nominee of Surat Rough Diamond Sourcing (India) Pvt. Ltd.)	N.A	-	DELLA FAILLELAAN 19 ANTWERPEN 2020 BE	Equity	1	100	12.50%
2	2	Shri. Dharambhai Patel (Nominee of Tapti Exports)	N.A	-	93, Sarjan Society, Sargam Shoping Center, Parple point, Piplod, Surat	Equity	1	100	12.50%
3	3	Shri. Nagjibhai Mohanbhai Sakariya (Nominee of HVK International Pvt. Ltd.)	N.A	-	Davanand Society, B/h Navyug College, Rander, Surat	Equity	1	100	12.50%
4	4	Shri. Laljibhai Tulsibhai Patel (Nominee of Dharamanandan Diamonds Pvt. Ltd.)	N.A	-	52, Narayanmuni Nagar, Ved Road, Surat -395004	Equity	1	100	12.50%
5	5	Shri. Diyalbhai Kalabhai Vaghani (Nominee of Kapu Gems)	N.A	-	601, Ashary 5th Road, Jvpd Scheme, Vile Parle(West), Mumbai-400056	Equity	1	100	12.50%
6	6	Shri. Govindbhai Laljibhai Dholakia (Nominee of Shree Ramkrishna	N.A	-	3, vrundavandham Society, Katargam Road, Surat-	Equity	1	100	12.50%

SI. NO .	L. F No	Shareholder's name	Father/ Husband Name	Joint holder's name	Address	Type of share	No. of shares held	Amount of share	% Holding
		Exports Pvt. Ltd.)			395004				
7	7	Shri. Vallabhbhai Shamjibhai Patel (Nominee of Kiran Gems)	N.A	-	701/702, Munshi Manor, 174/175, 9th & 10th Road, JN Khar(West), Mumbai-400052	Equity	1	100	12.50%
8	8	Shri. Sevantilal Premchand Shah (Nominee of Venus Jewel)	N.A	-	Aavas Chowpaty, Petrol Pump, Athwalines, Surat-395001	Equity	1	100	12.50%
					TOTAL	Equity	8	800	100%

On Behalf of Board of Directors

Mr. Vallabhbhai Patel
Director
DIN: 00091715

Mr. Mathurbhai Savani
Director
DIN: 03032750

Annexure -IV

SIGNATORY DETAILS OF DIRECTORS AND KMP AS ON THE DATE OF SIGNING OF THE DIRECTOR'S REPORT:

Total No. of Directors and KMP : 8

DIN/DPIN/PAN	Full Name	Present Residential Address	Designation	Date of Appointment	Whether DSC Registered	Expiry Date of DSC	Surrendered DIN
00091715	VALLABHBHAI SHAMJIBHAI PATEL	701 Munshi Manor Junction of 9th & 10th Road Khar (West) Mumbai 400052 MH IN	Director	28/11/2014	Yes	06/01/2020	
00524146	GOVINDBHAI LALJIBHAI DHOLAKIA	3, VRUNDAVAN DHAM SOC. KATARGAM ROAD, KATARGAM, SURAT 395004 GJ IN	Director	28/11/2014	Yes	13/12/2018	
01539972	LALJIBHAI TULSIBHAI PATEL	52 NARAYANMUNI NAGAR, VED ROAD, SURAT SURAT 395004 GJ IN	Director	28/11/2014	Yes	22/08/2020	
01785632	ASHIT VASANTLAL MEHTA	DELLA FAILLELAAN 19 ANTWERPEN 2020 BE	Director	28/11/2014	Yes	31/08/2020	
03032750	MATHURBHAI MADHABHAI SAVANI	11-12 Royal Park Society, Karada Road, Jagirwadi, Ambatalwadi Katargam Surat 395004 GJ IN	Director	01/12/2014	Yes	21/08/2020	
05330035	MANUBHAI BHOLABHAI DAVARIYA	3-A, RAJ SHAILY RESIDENCY, OPP RAGHUVIR BANGLO), UMRA, SURAT 395007 GJ IN	Additional Director	25/04/2016	Yes	17/11/2019	
07008037	JITENDRA BABULAL SHAH	G-1114, ASHIRWAD PALACE, TOWER-G B/H JIVKOR NAGAR, JAMNA NAGAR RD., BHATA R, SURAT 395001 GJ IN	Director	28/11/2014	Expired	29/10/2016	
APSPP3803M	GOPAL PHOPHALIYA	100-JAGDAMBA COLONY JODHPUR, NEAR MAHESH HOSTEL JODHPUR SHASTRI NAGAR JODHPUR 342003 RJ IN	CFO(KMP)	31/10/2017	No	-	

On Behalf of Board of Directors

Mr. Vallabhbhai Patel	**Mr. Mathurbhai Savani**
Director	**Director**
DIN: 00091715	**DIN: 03032750**