

32nd
ANNUAL REPORT
2017-2018

enchanté

Enchanté Jewellery Limited

Enchanté Jewellery Limited

BOARD OF DIRECTORS

Mr. Charanjit Lal Mehra	Director
Mr. Pawan Mehra	Director
Mr. Shanti Swarup Bhatia	Independent Director
Mrs. Lata Rani Mehra	Director
Mr. Kunal Sharma	Independent Director
Mrs. Mrigna Raikhy	Independent Director

REGISTERED OFFICE & WORKS

Plot No. 3 & 4,
Udyog Vihar, Phase-IV,
Gurgaon, Haryana

CIN

L74899HR1995PLC032759

STATUTORY AUDITOR

Raj K Sri & Company
Chartered Accounted, FRN-014141N
202A, Arunachal, Barakhamba Road
New Delhi-110001

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LIMITED
A-31, 2rd Floor, Phase-I,
Naraina Industrial Area,
New Delhi-110 028

Enchanté Jewellery Limited

NOTICE OF 32nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that 32nd Annual General Meeting of Members of Enchanté Jewellery Limited will be held at 9:30 a.m. on Saturday, 29th September, 2018 at Plot No. 3&4, Udyog Vihar, Phase IV, Gurgaon, Haryana-122015 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the audited Profit & Loss A/c and Balance Sheet for the year ended 31st March 2018 and Report of Board and Auditor therein.
2. To Re-appoint Mr Pawan Mehra, who retires by rotation and, being eligible, offer himself for reappointment.
3. Appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM to be held for the Financial Year 2018-2019 and to fix their remuneration.

"**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, **M/s Manoj C.Agarwal and Co., Chartered Accountants, (Firm Registration No. 011072C)**, be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of five consecutive Annual General Meeting (subject to annual ratification by the Members at the Annual General Meeting), at such remuneration recommended by the Audit Committee of the Company and finalized by the Board of Directors in consultation with the Statutory Auditors."

"**FURTHER RESOLVED THAT** Mr Pawan Mehra Director of the Company is authorised to do such acts to give effect to the resolution"

SPECIAL BUSINESS

4. To appoint Mrs. Mrigna Raikhy as an Independent Director on the Board of the Company and in this regard to consider and if thought fit to pass the following resolution with or without modification (s) as an Ordinary resolution:

"**RESOLVED that** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013, Mrs. Mrigna Raikhy ,(DIN 08113554) was appointed by the board on April 07, 2018, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years from April 07, 2018 up to April 07, 2023."

"**FURTHER RESOLVED THAT** Mr Pawan Mehra ,Director of the Company be and is hereby authorised to do the acts necessary to give effect to the above mentioned resolution"

By Order of the Board
For Enchanté Jewellery Limited

Sd/-
C.L.Mehra
Director

Place : Gurgaon
Date: 04.09.2018

Note:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY

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2. Proxy form, in order to be effective, must be deposited at the Registered Office of the Company duly completed and signed not less than 48 hours before the time of the Meeting. Proxies submitted on behalf of the companies, societies etc must be accompanied by an appropriate resolution, as applicable
3. The Register of Members & Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive).
4. Members are requested to send their Share Certificates for transfer/demat to the Registrar & Share Transfer Agent at Link Intime India Pvt. Ltd., A-31, 2nd Floor, Phase-I, Naraina Industrial Area, New Delhi-110 028
5. In terms of Clause 35 B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 21st September, 2018, i.e. the cut-off date taken by the Company for dispatch of the Annual Report and the Notice (including notice for e-voting) calling the Annual General Meeting. The 'Step-by-Step' procedure and instructions for casting your vote electronically are as under:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Physical Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA00001234 in the PAN field Demat Shareholders who have not updated their PAN with their Depository Participant are requested to use the first two letters of their name in Capital Letter followed by 8 digit CDSL/ NSDL client id. For example: in case of name is Rahul Mishra and Demat A/c No. is 12058700 00001234 then default value of PAN is 'RA00001234.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company the number of shares held by you as on 21st September, 2018 in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen.

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However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be 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.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN 180906085 for the Enchante Jewellery Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from S. No. (i) to S. No. (xvi) above to cast vote.

General

- (A) The voting period begins on 26th September, 2018 (10:00 am) and ends on 28th September, 2018 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) Mr Ankush Aggarwal Practising Company Secretary, of "AD & ASSOCIATES" (C.P. No. 9222), has been appointed as the Scrutinizer to scrutinize the e-voting process.
- (C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 21st September, 2018.

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- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
 - (E) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (F) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - (G) The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.
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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Explanatory Statement Item No. 4 Section 149 of the Companies Act, 2013, provides that every listed public company shall have at least one third of the total number of directors as independent directors. The independent Director can be appointed for any period up to 5 years but can be reappointed for other term of not more than 5 years by passing a special resolution. Mr Shanti Swarup Bhatia is retiring as an independent director on 4th October 2018. The Company needs to appoint an independent director at the Meeting of shareholders. Pursuant to Section 160 of the Companies Act, 2013, the Company has received in writing from Mrs Mrigna Raikhy for appointment as an Independent Director on the Board of the Company. The application received from her, was accompanied with the relevant documents declaring that, if appointed, she shall be considered independent for the purpose of Section 149, read with Schedule IV of the Companies Act, 2013 and the rules made there under. The Board has undertaken due diligence of aforesaid persons to determine their eligibility for appointment as Independent Director on the Board, bases upon their qualification, expertise, track record integrity etc. recommended their appointment to the shareholders for a period of Five years, i.e. up to 7th April. 2023. Further in the opinion of the Board, the independent directors proposed to be appointed fulfil the conditions specified in the Act and the rules made there under and that the proposed directors are independent of management .None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

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DIRECTOR'S REPORT

The Members of Enchante Jewellery Limited
Plot No. 3&4 Udyog Vihar, Phase IV,
Gurgaon, Haryana-122005

To,

The Members,

Your Directors have pleasure in presenting their 32nd Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

1. **Financial summary or highlights/Performance of the Company (Standalone)**

The Board's Report shall be prepared based on the stand alone financial statements of the company.

Particulars	2017-2018	2016-2017
Gross Income	10699376	7821581
Profit Before Interest and Depreciation	4378910.27	4259996.26
Finance Charges	72597	58990.12
Gross Profit		0
Provision for Depreciation	253856	255482.45
Net Profit Before Tax	4125054.13	4004511.81
Provision for Tax	35506	46387
Net Profit After Tax	4089548.13	3958124.81
Balance of Profit brought forward	(7,03,24,617.00)	(74282742.40)
Balance available for appropriation	4089548.13	3958124.81
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0
Transfer to General Reserve	4089548.13	3958124.81
Surplus carried to Balance Sheet	(6,62,35,069.00)	(70324617.59)

2. **Brief description of the Company's working during the year/State of Company's affair**

The Company has a manufacturing facility capable of manufacturing the following jewellery products: gold and silver jewellery including chains, rings, bangles, necklaces, earrings, medallions, and other jewellery products, plain as well as studded with precious / semi-precious gems. The Company's manufacturing facility was shut down in 2009-10 due to the paucity of working capital and the Company has not been able to mobilize the required working capital to restart manufacturing operations on account of certain pending issues pertaining to its financial rehabilitation. The Company is in the process of resolving the pending issues.

There has been a positive change in the Company's profit before tax (PBT) because of a reduction in expenses. The Company hopes to reduce the expenses further during the 2017-18 financial year, and also begin trading / manufacturing operations so as to increase its income.

3. **Change in the nature of business, if any**

There is no change in the nature of business of the company in the financial year 2017-2018.

4. **Dividend**

No dividend was distributed for the financial year 2017-2018 because the Company is not operative and it has only rental income.

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5. **Reserves**

The Board proposed to carry Rs. 4089548.13/-, amount of profit transferred from Profit & Loss A/c, to reserves.

6. **Change Of Name**

The Company has not changed its name during the financial year 2017-2018.

7. **Share Capital**

Issue Of Shares With Differential Rights

The company has not issued such shares under the provision of Section 43 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 [Chapter IV] for the financial year 2017-2018.

Issue Of Sweat Equity Share

The company has not issued such shares under the provision of Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 for the financial year 2017-2018.

8. **Directors and Key Managerial Personnel**

Mr Pawan Mehra, Director liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

Also, no appointment/ resignation has been incurred in respect of Chief Executive Officer, Chief Financial Officer.

9. **Particulars of Employees**

The Company does not have any managerial employees as per the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thus the company is not required to file statement of particulars of employees.

10. **Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year seven Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

11. **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report in Annexure C

12. **Declaration by an Independent Director(s) and re- appointment, if any**

There are two independent directors on the Board of the Company. A declaration by an Independent Directors that he/they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been enclosed as Annexure II.

13. **Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report as Annexure A.

14. **Details of Subsidiary/Joint Ventures/Associate Companies**

Pursuant to sub-section (3) of section 129 of the Act, The Company does not have any subsidiaries, associate company or companies and joint venture therefore the company is not required to file the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

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15. Auditors

The Auditors, M/s Raj K Sri and Co.,Chartered Accountants, (Firm Registration No. 014141N),retire at the 32nd Annual General Meeting and, The auditors have completed their term of five consecutive years, The Audit Committee has proposed for the appointment of M/s Manoj C. Agarwal & Co. having registration no. 011072C for appointment as statutory auditors for 5 years from the conclusion of 32nd Annual General Meeting [AGM].

16. Auditors' Report

The Auditors' Report does not contain any qualification,Notes to Accounts and the Auditors remarks in their report are self-explanatory and do not call for any further explanation.

17. Disclosure About Cost Audit

As per the Cost Audit Orders, Cost Audit is not applicable to the Company.

18. Secretarial Audit Report

In terms of Section 204 of the Act and Rules made there under, M/s. AD & Associates Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure III to this report. The report is self-explanatory and do not call for any further comments.

19. Internal Audit & Controls

The Company continues to engage M/s Manoj Aggarwal., Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

20. Issue of employee stock options

The Board of directors, shall, inter alia, are not required to disclose in the Directors' Report for the year, the details as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, as the company has not issued such options during the financial year 2017-2018.

21. Vigil Mechanism

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.enchantejewellery.co.in under investors/Vigil Mechanism Policy link.

22. Risk management policy

A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the company. The policy is annexed to Corporate Governance Report as Annexure B

23. Extract Of Annual Return

As required pursuant to section 92(3) oftheCompaniesAct,2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as ANNEXURE I.

24. 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. There have not been any material changes or commitments.

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- 25. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;** There have not been any significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.
- 26. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**
Internal Auditors and Audit Committee ensure the adequacy of internal financial controls with reference to the Financial Statements.
- 27. Deposits**
The details relating to deposits, covered under Chapter V of the Act, cannot be disclosed as the company had no deposits in the financial year 2017-2018.
- 28. Particulars of loans, guarantees or investments under section 186**
The company did not incur any loans, guarantees or investments under section 186.
- 29. Particulars of contracts or arrangements with related parties**
The company did not enter into contracts or arrangements with any of the related parties, pursuant to sub-section (1) of section 188 of the Companies Act, 2013, or any arm's length transactions under third proviso.
- 30. Corporate Governance Certificate**
The Compliance certificate from the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement has been annexed as Annexure IV.
- 31. Management Discussion And Analysis**
The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March , 2018.
- 32. Statutory Disclosures**
In terms of the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the Company does not have any Employees.
- 33. Obligation Of Company Under The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**
The company does not have any employee thus the company is not required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any women employee.
- 34. Conservation of energy, technology absorption and foreign exchange earnings and outgo**
The company is not operative, therefore, details of conservation of energy, technology absorption, foreign exchange earnings and outgo are not provided.
- 35. Corporate Social Responsibility (CSR)**
The company is not required to provide disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 .
- 35. Human Resources**
The Company treats its "human resources" as one of its most important assets.
- 36. Directors' Responsibility Statement**
The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-
- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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

37. Transfer of Amounts to Investor Education and Protection Fund

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

38. Listing With Stock Exchanges:

The Bombay Stock Exchange had suspended the trading of the Shares since 2002 on account of non compliances. For the past 10 years the Company has been trying to revoke the suspension. We humbly requested that we are a sick company and we would not be able to pay the arrears of the listing fees and the interest there on. The officials at BSE did not respond to us on the same. BSE ordered the delisting of our Company on the 4th July 2018. The Company has decided to challenge the order of BSE.

Acknowledgements

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

By Order of the Board
For Enchante Jewellery Limited

Sd/-
C.L. Mehra
Director

Place : Gurgaon
Date: 04..09. 2018

Enchanté Jewellery Limited

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:

1.	CIN	L74899HR1995PLC032759
2.	Registration Date	07/07/1995
3.	Name of the Company	ENCHANTE JEWELLERY LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5.	Address of the Registered office & contact details	INDIAN NON-GOVERNMENT COMPANY
6.	Whether listed company	LISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/S. LINK INTIME INDIA PVT. LIMITED A-31,2RD FLOOR, PHASE-I, NARAINA INDUSTRIAL AREA, NEW DELHI-110028

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	MANUFACTURING JEWELLERY	32	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

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

IV. SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares Held at the beginning of the year(March 31, 2017)			No. of Shares held at the end of the year(March 31, 2018)			% Change during the year	
	Demat	Physical	Total	% of Total shares	Demat	Physical		Total
A. Promoters								
(1) Indian								
a. Individual/ HUF	33799	940597	974396	13.5836	33799	940597	974396	13.5836
b. Central Govt.	-	-	-	-	-	-	-	-
c. State Govt.(s)	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	3055400	3055400	42.5941	-	3055400	3055400	42.5941
e. Banks/Fl	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-
Total shareholding of promoter (A)	33799	3995997	4029796	56.1777	33799	3995997	4029897	56.1777
B. Public Shareholding								
1. Institutions								
a. Mutual funds	-	-	-	-	-	-	-	-
b. Banks/Fl	-	-	-	-	-	-	-	-
c. Central Govt	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-
g. Flls	-	-	-	-	-	-	-	-
h. UTI	-	-	-	-	-	-	-	-
i. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-
j. Others (specify)	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	-	-	-	-	-	-	-

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2.Non-institutions										
a. Bodies Corporate	98800	125200	224000	3.1227	73100	125200	198300	2.7644	-0.3583	
i) Indian	-	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	-	
b. Individuals										
i. Individual shareholders holding nominal share capital upto Rs.1 lakh	443831	1722072	2165903	30.1940	319098	1719272	2038370	28.41	-1.7779	
ii. Individual shareholders holding nominal share capital in excess of Rs.1 lakh	24401	104300	128701	1.7942	14000	272734	286734	3.9972	2.2030	
c. Other (specify)	-	-	-	-	-	-	-	-	-	
Non Resident Indians	-	-	-	-	-	-	-	-	-	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	
Foreign Nationals	-	612000	612000	8.5316	-	612000	612000	8.5316	-	
Clearing Members HUF	300 12600	-	300 12600	0.0042 0.1757	8100	-	8100	0.1129	-0.0042 -0.0628	
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-	
Sub total (B) (2)	579932	2563572	3143504	43.8223	414298	2729206	3143504	43.8223	-	
Total Public Shareholding (B)= (B)(1) + (B)(2)	579932	2563572	3143504	43.8223	414298	2729206	3143504	43.8223	-	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	612431	6560869	7173300	100.00	448097	6725203	7173300	100.00	-	

Enchanté Jewellery Limited

B) Shareholding of Promoter-

SN.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Barkha Exports Ltd.	2145000	29.9	-	2145000	29.9	-	-
2	Mehrasons Jewellers Pvt Ltd.	500000	6.97	-	500000	6.97	-	-
3	Naraini Gems And Investments Limited	379400	5.29	-	379400	5.29	-	-
4	C.L. Mehra	254900	3.55	-	254900	3.55	-	-
5	Chand Mehra	209293	2.91	-	209293	2.91	-	-
6	Vinay Mehra	200001	2.79	-	200001	2.79	-	-
7	Mehra Jewel Palace (P) Ltd.	31000	0.43	-	31000	0.43	-	-
8	Pawan Mehra	101	0.00	-	101	0.00	-	-
9	Namita Mehra	310101	4.32	-	310101	4.32	-	-

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

SN.	Name & Type of Transaction	No. of Shares Held	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares Held	% of total Shares of the company
1	Barkha Exports Ltd	2145000	29.9025			2145000	29.9025
	At the end of the year					2145000	29.9025
2	Mehrasons Jewellers Pvt Ltd	500000	6.9703			500000	6.9703
	At the end of the year					500000	6.9703
3	Naraini Gems And Investments Limited	379400	5.2905			379400	5.2905
	At the end of the year					379400	5.2905
4	C L Mehra`	254900	3.5536			254900	3.5536
	At the end of the year					254900	3.5536
5	Chand Mehra	208293	2.9037			208293	2.9037
	At the end of the year					208293	2.9037
6	Vinay Mehra	200001	2.7881			200001	2.7881
	At the end of the year					200001	2.7881
7	Mehra Jewel Palace (P) Ltd	31000	0.4322			31000	0.4322
	At the end of the year					31000	0.4322
8	Pawan Mehra	101	0.0014			101	0.0014
	At the end of the year					101	0.0014
9	Namita Mehra	310101	4.3231			310101	4.3231
	At the end of the year					310101	4.3231

Enchanté Jewellery Limited

D) Shareholding Pattern of top ten Shareholders:

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

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Puran Chand Sharma	300000	4.1821	300000	4.1821
2	Pramode Metre	162000	2.2583	162000	2.2583
3	Ratna DEVI Saraf	150000	2.0910	150000	2.0910
4	Chadha Finlease Ltd.	98000	1.3661	98000	1.3661
5	Nalin Satyakam Kohli	47100	0.6567	47100	0.6567
6	Vandana Kohli	28000	0.3903	28000	0.3903
7	Suryasakti Advisory Private Limited	17400	0.2426	17400	0.2426
8	Anupama Kohli	16400	0.22	16400	0.22
9	Hunger Ford Consultant Pvt Ltd	15600	0.22	15600	0.22
10	MLB Financial Services Ltd	15500	0.22	15500	0.22

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pawan Mehra	101	0.00	101	0.00
2	Charanjit Lal Mehra	254900	3.55	254900	3.55
3	Lata Rani Mehra	1	0.00	1	0.00

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	1015000	-	1015000
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	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	40350	-	40350
Net Change	-	40350	-	40350
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	974650	-	974650

Enchanté Jewellery Limited

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of Executive Director			Total Amount
		Pawan Mehra	C.L. Mehra	Lata Rani Mehra	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1200000		600000	1800000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	1200000		600000	1800000

The excess (as per section 197 of the Companies Act 2013) amount paid as remuneration to the directors has been recovered by the Company.

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

Enchanté Jewellery Limited

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel			TOTAL
		CEO	CS	CFO	
1	Gross salary	-	264000	-	264000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	264000	-	264000

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Enchanté Jewellery Limited

ANNEXURE II

Declaration under sub-section (6) of section 149:

To,

The Board of Directors,

Enchante Jewellery Limited

Plot No.3 & 4,Udyog Vihar, Phase-IV,

Gurgaon, Haryana

Sub: Declaration under sub-section (6) of section 149:

I, **Kunal Sharma**, hereby certify that I am a Non-executive Director of Enchante Jewellery Limited and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives-
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Yours faithfully,

Kunal Sharma

Independent Director

DIN: 00793241

Date : 24/07/2017

Place: Gurgaon

Enchanté Jewellery Limited

ANNEXURE II

Declaration under sub-section (6) of section 149:

To,

The Board of Directors,

Enchante Jewellery Limited

Plot No.3 & 4,Udyog Vihar, Phase-IV,

Gurgaon, Haryana

Sub: Declaration under sub-section (6) of section 149:

I, Shanti Swarup Bhatia, hereby certify that I am a Non-executive Director of Enchante Jewellery Limited and comply with all the criteria of independent director envisaged in Clause 49 of the Listing Agreement and applicable provisions of Companies Act, 2013 as & when it may be notified. I hereby certify that:

- I am not a promoter of the company or its holding, subsidiary or associate company;
- I am not related to promoters or directors in the company, its holding, subsidiary or associate company
- I have/had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of my relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or Rs. 50 Lacs or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- Neither Me nor any of my relatives-
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year of-
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
 - (iii) holds together with his relatives 2% or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company; or

Thanking you,

Yours faithfully,

Shanti Swarup Bhatia

Independent Director

DIN: 06708177

Date : 24/07/2017

Place: Gurgaon

ANNEXURE III TO THE DIRECTORS' REPORT

Form No. MR-3

Secretarial Audit Report

For The Financial Year Ended 31st March, 2018

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

To,

The Members,

ENCHANTE JEWELLERY LIMITED

CIN: L74899HR1995PLC032759

Add: PLOT NO.3 & 4, UDYOG VIHAR

Phase-IV, Gurgaon, Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ENCHANTE JEWELLERY LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on **31st March, 2018**, has reasonably complied with the statutory provisions listed hereunder and also that the Company has reasonable Board-processes and compliance-mechanism, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **ENCHANTE JEWELLERY LIMITED** ("**The Company**") for the period ended on **31st March, 2018** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. 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- Not applicable as the Company has not received any foreign currency in lieu of any Export and also has not paid any amount in foreign currency during the financial year related to this Audit Report;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client -**Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review**;
 - e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 -**Not applicable as the Company has not delisted /propose to delist its equity shares from any stock exchange during the financial year under review**;

Enchanté Jewellery Limited

- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 -**Not applicable as the Company has neither bought back nor proposed to buyback any of its securities during the financial year under review;**
- g. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 I Securities And Exchange Board of India (Share Based Employee Benefits) Regulations,2014 (effective 28th October2014) -**Not Applicable as the Company has not issued any shares under the Scheme to any of its employees;**
- h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -**Not applicable as the Company has not issued any debt securities;**

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

- i) Secretarial Standards of The Institute of Company Secretaries of India (ICSI) with respect to General and Board Meetings were approved by the Central Government under Section 118(10) of the Companies Act, 2013 on April 10, 2015 vide letter No. 1/3/2014-CI/I and were published in the Official Gazette on April 23, 2015 vide ICSI Notification No. (1) SS of 2015. Companies were required to use the Secretarial Standards with effect from July 1, 2015. However, SS-1 and SS-2 have now been revised by ICSI and the same have been approved by the Ministry of Corporate Affairs (MCA) vide its letter No. 1/3/2014-CL.I dated 14th June, 2017.
- ii) The Listing Agreements entered into by the Company with the BSE Limited.
- iii) The Balance sheet of the Company has been made in compliance Ind AS standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP.

During the period under review the Company has complied with most of the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

2. We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The 31st Annual General Meeting held on 29th September, 2017;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;

Enchanté Jewellery Limited

- n) Declaration and payment of dividends;
- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) Investment of the Company's funds including investments and loans to others;
- r) Form of Balance Sheet in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.
- s) Directors' report;
- t) Contracts, common seal, registered office and publication of name of the Company; and
- u) Generally, all other applicable provisions of the Act and the Rules made under the Act.

3. We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, however, no notices have been served to the Stock Exchange as desired and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that:

The Company is a Sick Company and has applied under BIFR because of weak financial condition of the Company. During the financial year, the Company:

- *No listing fees has been paid to the BSE for the Financial Year 2017-2018, although management has initiated the process of getting all dues clear with the exchange.*
- *Company is not declaring and publishing its quarterly results on time as required under listing agreement of BSE, however company's management is making efforts to revive financial position of the company, we can expect timely declaration of the results of the company in coming quarters*
- *Company is not complying with Clause 47 of BSE listing agreement.*
- *Company is not complying with Clause 49 of BSE listing agreement.*
- *Company is not complying with clause 35 of BSE listing agreement.*
- *Company has not intimated ROC with regard to approval of quarterly, half yearly and annual financial statements or financial results as the case may be and also with regard to Disclosure of Interest by the Directors.*
- *Company is not regular in submitting Reconciliation of share Capital Audit certificate with the Stock Exchange.*
- *The Company has not appointed any Whole Time Director due to inadequate profits and financial position of the company. However company's management is making efforts to revive financial position of the company.*

Enchanté Jewellery Limited

- *The Company has paid remuneration to its directors without taking any approval from the shareholders of the Company and the Central Government. The remuneration paid is exceeding the prescribed limit under the Companies Act.*
- *The Company was delisted from the Bombay Stock Exchange on 4th July, 2018 on account of non-compliance of listing agreements and non-payment of the Annual Listing fees.*

We further report that the Company is undergoing Financial Stress and continuously striving for its revival. However, there has been no substantial change in the financial position of the company and compliances with respect to various statutory Acts(s) and provisions remained questionable and doubtful.

The Company was registered with BIFR as a sick industrial Company since 2000, was declared a sick industrial company vide BIFR's order dated 28/10/2002, and was awaiting the approval of its draft rehabilitation scheme by BIFR. After the repeal of SICA in year 2016, all matters pending before BIFR were transferred to the NCLT. The Company is working towards resolving the pending issues towards its revival on its own, e.g., revocation of its suspension by BSE, and will move an appropriate application before the NCLT for the condonation / compounding of violations that occurred inadvertently during the period that the Company suffered from the paucity of funds and was registered with BIFR as a sick industrial company.

The Management in response to previous Secretarial Reports has assured that they are working hard for getting the situation under control and are hopeful that in coming future, the company will be revived and the stakeholders interest will be taken care of.

**For AD & ASSOCIATES
Company Secretaries**

**Sd/-
Ankush R Aggarwal
ACS No. 25049
C P No.9222**

Place: New Delhi

Date: 4th September, 2018

Enchanté Jewellery Limited

To

The Members,

Enchante Jewellery Limited

CIN: L74899HR1995PLC032759

Plot No. 3 & 4,

Udyog Vihar, Phase-IV,

Gurgaon, Haryana

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

Disclaimer

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For AD & ASSOCIATES
Company Secretaries**

Sd/-

Ankush R Aggarwal

ACS No. 25049

C P No.9222

Place: New Delhi

Date: 4th September, 2018

Enchanté Jewellery Limited

ANNEXURE IV

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of Enchante Jewellery Limited

We have reviewed the relevant records of Enchante Jewellery Limited (the company) for the year ended on 31st March, 2018 relating to compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and according to information and explanations given to us, we state that to the best of our knowledge the Company has complied with the conditions of Corporate Governance except the information and reports to be submitted to the Stock Exchange. The reasons are explained by the management to you in the Annual Report.

We have to state that no investor grievance against the Company is pending for a period exceeding one month as per the records maintained and certified by the Registrars of the Company.

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

**For Raj K. Sri & Co.
Chartered Accountants
FRN: 014141N**

**K. C. Goduka
(Partner)
M.No.: 088695**

**Place: New Delhi
Date: 24/07/2018**

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Board takes pleasure in presenting your Company's 32nd Annual Report for the year 2017-2018 along with the compliance report on corporate governance. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

The following Management Discussion and Analysis (MD &A) is intended to help the reader to understand the results of operation, financial condition of GOLDLINE:

The financial statements have been prepared in compliance with the requirements of the Companies Act 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and any other provisions as applicable, if any. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

The following discussions on our financial condition and result of operations should be read together with our audited consolidated financial statements and notes to these statements included in the Annual Report. MD & A is provided as a supplement to and should be read in conjunction with, our financial statements and the accompanying Notes to Financial Statements.

Strength

The Company was engaged in the manufacturing and selling of gold and diamond jewellery. The Company had established its brand and had built up considerable goodwill in the market for its branded Jewellery. The Company is a Sick Industrial Company and is in the process of working out its exit from BIFR. Its manufacturing infrastructure is intact and the Company hopes to restart manufacturing activities shortly. The Company is building rental income so as to provide it with a base with which to mobilize working capital and fund the Company's efforts to revive manufacturing. The Company's is creating a strong base from which to launch its revival.

Economy and Business Outlook

The domestic gems and Jewellery business in India is a Rs.1.2 lakh Crore business on account of the role Jewellery plays in our culture, heritage, traditions etc. As the size of our economy grow and the purchasing power of the India people increase, the potential of the Jewellery business will continue to increase.

Risk & Concern

The Company is mainly exposed to market risk. It does not have any borrowings from Banks / Financial Institutions and therefore does not have any interest or credit risk.

Internal Control System & their Adequacy

The Company strongly believes that internal control systems are necessary for Good Corporate Governance and has in place an effective system of internal controls to ensure that all assets are properly safeguarded and protected and used optimally and financial transactions are reported accurately.

Cautionary Statement

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be forward looking statement within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important development that could affect the Company's operations include a downtrend in the Industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigation etc.

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Corporate Governance Report for the year ended on 31st March 2018

1 Company Philosophy:

We continue to believe that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company was a listed company on the Bombay Stock Exchange. The securities are not being traded at Stock Exchanges because of a legacy issue that exists from the time that the Company became a sick Company, was registered with the Hon'ble BIFR, and wherein because of the Company's sickness the Company was unable to pay the listing fees, and the Company's trading was suspended. The situation was on account of factors beyond the Company's control and the Company was working to resolve the matter with the BSE. BSE ordered the delisting of our Company on the 4th July 2018. The Company has decided to challenge the order of BSE.

2 Board of Directors:

Category	No. of directors
Non-Executive & Independent Directors including the Chairman	3
Other Non-Executive Directors	1
Executive Director	2
Total	6

The Chairman of the Board is not an Independent Director

Other Relevant details of Directors:

Name of Director	Date of Appointment	Category	No. of Directorship(s) held in Indian public & private Limited Companies (Including Enchante Jewellery)	Committee(s) position (including Enchante Jewellery)	
				Member	Chairman
C.L. Mehra	30-04-2013	Executive Director	3	SRC,AC	RC
Pawan Mehra	11-08-2016	Executive Director	4	SRC	-
Shanti Swarup Bhatia	04-10-2013	Independent Director	1	RC	SRC,AC
Lata Rani Mehra	31-03-2015	Non Executive Director	1	RC,AC	-
Kunal Sharma	11-08-2016	Independent Director	1	RC,AC	-
Mrigna Raikhy	07-04-2018	Independent Director	1		

SRC :Stakeholders' Relationship Committee earlier called Share Transfer and Investor Grievance committee

AC :Audit Committee

RC :Remuneration Committee

Board Meetings held during the year:

Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
21st April 2017	5	5
1st June 2017	5	5
24th July 2017	5	5
4th September 2017	5	5

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Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
5th September 2017	5	5
16th October 2017	5	5
10th January 2018	5	5
1st March 2018	5	5

Name of Director	Attendance at the Board Meetings held on								Attendance at the AGM held on 29th Sep'17
	21/04/2017	1/06/2017	24/07/2017	04/09/2017	05/09/2017	16/10/2017	10/01/2018	1/03/2018	
C.L. Mehra	Present	Present	Present	Present	Present	Present	Present	Present	Present
Pawan Mehra	Present	Present	Present	Present	Present	Present	Present	Present	Present
Shanti Swarup Bhatia	Present	Present	Present	Present	Present	Present	Present	Present	Present
Lata Rani Mehra	Present	Present	Present	Present	Present	Present	Present	Present	Present
Kunal Sharma	Present	Present	Present	Present	Present	Present	Present	Present	Present

3 COMMITTEES OF THE BOARD.

(a) Audit Committee (mandatory committee)

The Audit Committee working under Chairmanship of Shri Shanti Swarup Bhatia with Mr Kunal Sharma, Mrs Lata Rani Mehra and Shri C.L. Mehra as co-members. During the year, the sub-committee met on four occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		25/04/2017	10/08/2017	20/11/2017	21/02/2018
C.L. Mehra	Executive	Present	Present	Present	Present
Lata Rani Mehra	Non independent	Present	Present	Present	Present
Shanti Swarup Bhatia	Independent	Present	Present	Present	Present
Kunal Sharma	Independent	Present	Present	Present	Present

The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. Some of the important functions performed by the Committee are:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon

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before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.

- Review the Management Discussion & Analysis of financial and operational performance.
- Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- Review the investments made by the Company.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, the Audit Committee held a separate meeting with the Statutory Auditors and the Chief Internal Auditor to get their inputs on significant matters relating to their areas of audit.

(b) Remuneration Committee

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Compensation Committee" as the "Nomination and Remuneration Committee".

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The Remuneration Policy has been attached as Annexure A.

The composition of the Nomination and Remuneration Committee as at March 31, 2018 and details of the Members participation at the Meeting of the Committee held on 29/06/2017 are as under:

Name of the Member	Category	Attendance at the Nomination and Remuneration Committee on 21/07/2017
Lata Rani Mehra	Non Executive Director	Present
Kunal Sharma	Independent	Present
Shanti Swarup Bhatia	Independent	Present

(c) Risk Management Committee - Mandatory Committee....

Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises:

- Oversight of risk management performed by the executive management;
- Reviewing the BRM policy and framework in line with local legal requirements and SEBI guidelines;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownership as per a pre-defined cycle;

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- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The Risk Management policy has been attached as Annexure B

The composition of the Risk Management Committee as at March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance at the Nomination and Remuneration Committee on 24/07/2017
C.L.Mehra	Executive	Present
Pawan Mehra	Executive	Present
Kunal Sharma	Non Executive	Present

(d) Stakeholders' Relationship Committee (mandatory committee)

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The composition of the Stakeholders' Relationship Committee as at March 31, 2018 and details of the Members participation at the Meetings of the Committee are as under:

Name of the Member	Category	Attendance on 29/05/2017	Attendance on 31/01/2018
Shanti Swarup Bhatia (Chairman)	Non Executive	Present	Present
Vinay Mehra	Executive	Present	Present
C.L. Mehra	Executive	Present	Present

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During the year, no complaints were received from shareholders. As on March 31, 2018, no investor grievance has remained unattended/ pending for more than thirty days. The Company had no share transfers pending as on March 31, 2018.

Independent Directors' Meeting

During the year under review, the Independent Directors met on 21st November, 2017, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-Executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

Compliance Committee - Non Mandatory Committee

Capex Committee - Non Mandatory Committee

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process. The Board Evaluation Policy is in Annexure C

TERMS OF APPOINTMENT & REMUNERATION - CEO & MD

No remuneration was paid to any of the directors of the Company.

4 Disclosures:

- (a) Materially Significant related party transactions

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

- (b) Details of non compliance by the company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during last 3 years. The Company was unable to pay any listing fees since 2001-2002 on account of the Company becoming a sick industrial company and it's registration with the Hon'ble BIFR. The situation was a result of factors beyond the Company's control. Upon approval of the DRS (Draft Rehabilitation Scheme) the Company will move for re-listing. Therefore the listing clauses were also not complied. The Company is in the process of working with the BSE to resolve the matter.

There was no instance of levy of any penalties during the last three years.

Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

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Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances

CEO & MD / CFO Certification

The director has issued certificate pursuant to the provisions of Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed as Annexure D and forms part of the Annual Report.

CODE OF CONDUCT

The Board of Directors has approved a Code of Business Conduct which is applicable to the Members of the Board and all employees. The Company believes in "Zero Tolerance" to bribery and corruption in any form and the Board has laid down the "Anti-Bribery & Corruption Directive" which forms an Appendix to the Code. The Code has been posted on the Company's website www.enchantejewellery.co.in

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

E-Mail: enchante@enchantejewellery.co.in

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to 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 Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

5 Means of Communication

i. Annual report sent to each shareholders registered address	YES
ii. Any Website where results or official news are displayed	www.enchantejewellery.co.in

No presentation made to institutional investors or to the analysts. Management Discussion & Analysis are not a part of Annual Report.

6 General Shareholder Information

Market Information

Listing on Stock Exchanges

The Company's shares were listed on the following Stock Exchanges and the Listing Fees has not been paid to the Exchange. Because of the Company's sickness the Company was unable to pay the listing fees, and the Company's trading was suspended. The BSE has now delisted the Company.

Name & Address of the Stock Exchanges	Stock Code/Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised share)
BSE Limited PhirozeJeejeebhoy Towers, Dalal Street, Mumbai 400001	531148	ISIN INE772C01012

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SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS

Share transfers

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

Nomination facility for shareholding

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

Permanent Account Number (PAN)

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

v. Dividend

a. Payment of dividend through National Electronic Clearing Service (NECS)

The Company provides the facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS, Members who hold shares in Demat mode should inform their Depository Participant and such of the Members holding shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue dividend warrants to the Members.

b. Unclaimed Dividends

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. There is no dividend which is unpaid by the Company.

vi. Pending Investors' Grievances

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary and Head Compliance at the Registered Office with a copy of the earlier correspondence.

S. No.	Nature of Queries/Compliant	Pending as on April 1,2017	Received during the year	Redressed during the year	Pending as on March 31, 2018
1	Transfer/Transmission of Duplicate Share Certificate	-	-	-	-
2	Non-receipt of Dividend	-	-	-	-
3	Dematerialisation/Rematerialisation of Shares	-	-	-	-
4	Complaints received from:	-	-	-	-
	SEBI				
	Stock Exchanges/NSDL/CDSL				
	ROC/MCA/Others				
	Advocates				
	Consumer Forum/Court Case				
5	Others				
	Grand Total	-	-	-	-

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Dematerialisation of Shares and Liquidity

The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2018, is given below:

Particulars	No. of Shares	Percentage
Physical Segment	6556769	91.41%
Demat Segment		
NSDL	448097	06.24%
CDSL	168434	02.35%
Total	7173300	100%

Distribution of Shareholding as on March 31, 2018

Category	Number of Shareholders	(%) Percentage of Shareholders	Number of Shares	(%)Percentage of Shareholding
1-500	7768	91.01	1253699	17.4773
501-1000	485	5.7	405208	5.6488
1001-2000	173	2.0	263100	3.6399
2001-3000	39	0.5	99600	1.3885
3001-4000	20	0.2	69200	1.0149
4001-5000	9	0.1	41000	.5716
500 1-10000	19	0.2	116800	1.6283
10001 and above	24	0.3	4923093	68.6322
TOTAL	8537	100	7173300	100

Shareholding Pattern as on March 31, 2018

Particulars	No. of shares held	%
Promoters		
1. Individuals including Directors	9,74,396	13.58
2. Bodies Corporate	30,55,400	42.60
Bank, Financial Institutions, Insurance Companies & Mutual Funds	-	-
Bank	-	-
Financial Institutions	-	-
Insurance Companies	-	-
Mutual Funds/UTI	-	-
Central & State Governments	-	-
Foreign Institutional Investors	-	-
NRI/Foreign Nationals	6,12,000	8.54
Public and Others	25,31,504	35.29
Total	71,73,300	100.00

General Body Meetings

Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	Special Resolutions Passed
29th	2015	At the Registered Office	30.09.2015	09.30 a.m.	No Special Resolution passed
30th	2016		30.09.2016	09.30 a.m.	No Special Resolution passed
31st	2017		29.09.2017	09.30 a.m.	No Special Resolution passed

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Extraordinary General Meeting (EGM)

The Company did not hold an Extraordinary General Meeting.

During the year under review, no resolution has been passed through the exercise of postal ballot.

E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

FINANCIAL CALENDAR 2018:

AGM - Date, time and venue	29th September 2018,9:30 AM Plot No. 3&4 , Phase - IV , Udyog Vihar , Gurgaon (Haryana)
Financial Year	1st April ,2017 to 31st March 2018
Book Closure Date	22nd September 2018 to 29th September 2018
Dividend Payment Date	Dividend not recommended
Listing of Eq. shares on stock exchanges.	The Stock Exchange , Mumbai (DELISTED)
Stock Code	531148 (DELISTED)
Market Price Data and other related informations	Market Price Data is not available , as the shares are not being traded in the Stock Exchange
Registrar & Transfer Agents	M/s Link Intime India Pvt Ltd.A-31 2nd Floor , Phase - I , Naraina Industrial Area , Near PVR ,Naraina, New Delhi -110028
Share Transfer System Committee.	Share transfers, which are received in physical form are processed by the Registrar of Share Transfer Agent and approved by the Share Transfer The Company has also offered the facility of transfer cum demat as per SEBI guidelines.
Dematerialization of Shares	The equity shares are held in dematerialization form by National Securities Depository Limited and Central Depository Services (India) Limited under ISIN INE772C01012.
GDRs /ADRs /Warrants	As on date the Company has not issued or any convertible instruments
Plant Location.	Plot No.3&4, Phase-IV, Udyog Vihar, Gurgaon (Haryana)
Board Meeting for consideration of Accounts for the financial year ended March 31, 2018 and recommendation of dividend	4th September 2018, No Dividend has been recommended.
Address for Correspondence	Plot No.3&4, Phase-IV, Udyog Vihar, Gurgaon (Haryana)

For and on behalf of the Board

Place : Gurgaon
Date: 04.09.2018

Sd/-
C.L. Mehra
Director

ANNEXURE “A” TO THE CORPORATE GOVERNANCE REPORT

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

Objective and purpose of the Policy:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Auto Component Industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors.

Constitution of the Nomination and Remuneration Committee:

As per the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing agreement, The Board has changed the nomenclature of Remuneration Committee by renaming it as Nomination and Remuneration Committee on 31st July, 2014. The Nomination and Remuneration Committee comprises of following Directors:

Definitions

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.
- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means Raunaq Automotive Components Limited.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.

Key Managerial Personnel (KMP) ,in relation to a company, means-

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer; and
- (v) Such other officer as may be prescribed under the applicable statutory provisions / regulations.

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- Senior Management means who are members of its core management team excluding Board of Directors and all members of the management one level below the Executive Director, including the functional Heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability

The Policy is applicable to;

- Directors (Executive and Non Executive).
- Key Managerial Personnel.
- Senior Management Personnel.

General

- This Policy is divided in three parts:

Part - A covers the matters to be dealt with and recommended by the Committee to the Board,

Part - B covers the appointment and nomination and;

Part - C covers remuneration and perquisites etc.

PART - A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

PART - B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

- Appointment criteria and qualifications:
 1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
 2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
 3. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- **Term / Tenure:**
 1. Managing Director/Whole-time Director:
 - The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five (5) years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

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2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 (five) years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his/her present term, for one more term of upto 5 (five) years only or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

• Senior Management Appointment

In order to carry out day-to-day recruitments/appointments of the Senior Management Personnel the power is delegated to the Chairman & Managing Director, who shall shortlist, finalize, appoint the suitable person and fix the remuneration subject to review, endorsement and approval of the Nomination & Remuneration Committee.

• Evaluation

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). Mechanism/Criteria for evaluating the performance of every Director (Including Independent Directors) and Board:

The evaluation of performance of every Director (Including Independent Directors) and Board shall be carried out annually based on the criteria of attendance and contributions at Board/Committee Meetings as also for the role played other than at Meetings and other criteria as may deemed fit by the committee time to time.

• Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

• Retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART - C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

• General:

1. The remuneration to be paid to the Chairman and Managing Director or Whole Time Director, if any shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.

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2. The remuneration to the KMP (other than Managing Director or Whole Time Director) and Senior Management Personnel will be determined by the Committee (as may be recommended by the Chairman & Managing Director) and subject to the Board approval, if required.
3. Increments to the existing remuneration structure may be recommended by the Committee to the Board which shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
4. Where any insurance is taken by the Company on behalf of its Chairman and Managing Director, Joint Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Managing Director, KMP and Senior Management Personnel:**

1. **Remuneration and Perquisites:**

The Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.

The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director or Whole time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

- **Remuneration to Non- Executive / Independent Director:**

Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof or fee/compensation etc. for any other purpose whatsoever as may be decided by the Board. Provided that the amount of such fees shall not exceed such amount as may be prescribed by the Central Government from time to time.

Other employees Remuneration

The Managing Director and other senior executives (as relevant) will review the remuneration of all other employees not otherwise specified in this policy.

ANNEXURE "B" TO THE CORPORATE GOVERNANCE REPORT

Risk Management Policy under New Companies Act, 2013

Background and Context Applicability: Enterprise risk management was not mandatory according to the Companies Act 1956. However, as per the new law, there are specific requirements that a company needs to comply with. In addition, the board and audit committee have been vested with specific responsibilities in assessing the robustness of risk management policy, process and systems.

Key Compliance Requirements: Section 134 : The board of directors report must include a statement indicating development and implementation of a risk management policy for the company including identification of elements of risk, if any, which in the opinion of the board may threaten the existence of the company.

RISK MANAGEMENT: Risk management, by and large involves reviewing the operations of the organization followed by identifying potential threats to the organization and the likelihood of their occurrence, and then taking appropriate actions to address the most likely threats.

The risk management process involves identifying the risks an organization is subject to, deciding how to manage it, implementing the management technique, measuring the ongoing effectiveness of management and taking appropriate correction action. The basic activities in any risk management system are.

- (I) Risk identification.
- (II) Risk assessment and finally
- (III) Risk control.

Each of the risks needs to be assessed by the enterprise for its impact on profit and cash flow. Likelihood of occurrence and scope for mitigation or reduction. Draft risk matrix is enclosed for Board's reference and further suggestions to prepare a risk management policy of the Company. Risk matrix for Board's reference and further suggestions to prepare a risk management policy of the Company.

1. Risk Management Committee will be of All Working Directors, One Member from Technical Experts, One Member from Finance and Company Secretary who will be convener of the meeting.
2. The Chairman of the Committee will be elected from the members.
3. The Risk Management Committee will meet at least Once in six months.
4. The Risk Management Policies are based on philosophy of achieving substantial growth while mitigating and managing risks involved.

ANNEXURE "C" TO THE CORPORATE GOVERNANCE REPORT PERFORMANCE EVALUATION POLICY

INTRODUCTION

The Company conducts its operations under the directions of Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013, the Articles of Association, Listing Agreement with stock exchanges and Code of Conduct and policies formulated by the Company for its internal execution. The Company's Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis, in the best interest of the company and its stakeholders. Accordingly, the present policy for performance evaluation is being put into place in accordance with the requirements of section 178 of the Companies Act, 2013 which provides for the a policy to be formulated and recommended to the Board, setting the criteria, based on which the performance of each and every director including the performance of the Board as a whole shall be assessed by the Board of Directors of the Company. Such an evaluation procedure will provide a fine system of checks and balances on the performance of the directors and will ensure that they exercise their powers in a rational manner.

The Act, under clause VIII of Schedule IV, casts an obligation on part of the board of directors for evaluating the performance of independent directors. All the directors on the board of a company, except the independent director whose performance is being evaluated, will assess the performance of the independent director. Accordingly, a report of performance evaluation of each independent director of the company would be prepared, which would determine whether to extend or continue the term of appointment of the concerned independent director or not.

With an aim to maintain an energized, proactive and effective Board, the Board is committed to a continuing process of recommending and laying down the criteria to evaluate the performance of the entire Board of the Company.

As one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this Board Performance Evaluation process aims to ensure individual directors ("Directors") and the Board of Directors of the Company ("Board") as a whole work efficiently and effectively in achieving their functions. This policy aims at establishing a procedure for conducting periodical evaluation of its own performance and of its committees and individual directors. Hence it is important that every individual Board Member effectively contributes in the Board deliberations.

EFFECTIVENESS OF THE BOARD

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. For this reason, based on the fore stated criteria of evaluation the remuneration of the Directors and Key Managerial Personnel shall be determined and reviewed from time to time.

RESPONSIBILITY OF BOARD / INDEPENDENT DIRECTORS

It shall be the duty of the Board, who shall be supported by the Management to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

- I. Review the various strategies of the Company and accordingly set the performance objectives for directors, in consistency with varying nature and requirements of Company's business.
- II. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the directors shall be done by the entire Board of Directors, excluding the director being evaluated.

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Independent Directors are duty bound to evaluate the performance of non - independent directors and board as a whole. The independent directors of the Company shall hold at least one meeting in a year to review the performance of the non- independent directors, performance of chairperson of the Company and board as a whole, taking into account the views of executive directors and non-executive directors.

EVALUATION FACTORS

The Board of Directors shall pay regards to the following parameters for the purpose of evaluating the performance of a particular director:

In respect of each of the evaluation factors, various aspects have been provided to assist with the evaluation process in respect of performance of Board itself, and of its committees and individual directors as, such evaluation factors may vary in accordance with their respective functions and duties.

Evaluation of Independent Director shall be carried on by the entire Board in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated.

Appraisal of each Director of the Company shall be based on the criteria as mentioned herein below.

Rating Scale

Performance	Rating
Satisfactory	1
Not Satisfactory	0

The Company has chosen to adopt the following Board Performance Evaluation Process:

INDEPENDENT DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Independent Director, in which the concerned director being evaluated shall not be included, are set out below:

Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Attendance and participations in the meetings		
2.	Raising of concerns to the Board		
3.	Safeguard of confidential information		
4.	Rendering independent, unbiased opinion and resolution of issues at meetings		
5.	Initiative in terms of new ideas and planning for the Company		
6.	Safeguarding interest of whistle-blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and Committee's, if any		

NON - INDEPENDENT DIRECTORS / EXECUTIVE DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of Chairperson/Non-Independent Director / Executive Director by Independent Directors, in which the concerned director being evaluated shall not be included, are set out below:

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Name of Director being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/Comments
1.	Leadership initiative		
2.	Initiative in terms of new ideas and planning for the Company		
3.	Professional skills, problem solving, and decision-making		
4.	Compliance with policies of the Company, ethics, code of conduct, etc.		
5.	Reporting of frauds, violation etc.		
6.	Safeguarding of interest of whistle blowers under vigil mechanism		
7.	Timely inputs on the minutes of the meetings of the Board and Committee, if any		

BOARD OF DIRECTORS

Some of the specific issues and questions that should be considered in a performance evaluation of the entire Board by Independent Directors, are set out below:

S. No.	Assessment Criteria	Rating	Remarks/Comments
1.	The Board of Directors of the company is effective in decision making.		
2.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.		
3.	The Company's systems of control are effective for identifying material risks and reporting material violations of policies and law.		
4.	The Board reviews the organization's performance in carrying out the stated mission on a regular basis.		
5.	The Board of Directors is effective in providing necessary advice and suggestions to the company's management.		
6.	Is the board as a whole up to date with latest developments in the regulatory environment and the market?		
7.	The information provided to directors prior to Board meetings meets your expectations in terms of length and level of detail.		
8.	Board meetings are conducted in a manner that encourages open communication, meaningful participation, and timely resolution of issues.		
9.	The Board Chairman effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the board.		
10.	The Board appropriately considers internal audit reports, management's responses, and steps towards improvement.		
11.	The Board oversees the role of the independent auditor from selection to termination and has an effective process to evaluate the independent auditor's qualifications and performance.		
12.	The board considers the independent audit plan and provides recommendations.		

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COMMITTEES OF BOARD

The Board has constituted the following committees:

1. Audit Committee;
2. Nomination and Remuneration Committee; and
3. Stakeholders Relationship Committee
4. Risk Management Committee;

For evaluating the performance of each committee, the Board of Directors shall pay regards to the following aspects as set out in the annexure below:

S. No	Audit Committee (for Audit Committee members only)	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

S. No.	Nomination and Remuneration Committee (For Nomination and Remuneration Committee members only)	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

S. No.	Stakeholders Relationship Committee (For Stakeholders Relationship Committee members only)	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

S. No.	Risk Management Committee	Rating	Remarks/ Comments
1.	Committee meetings are conducted in a manner that encourages open communication, meaningful participation and timely resolution of issues		
2.	Timely inputs on the minutes of the meetings		

KEY MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

For evaluating the performance of Key Managerial Personnel and other Senior Executives, the Board of Directors shall pay regards to the following aspects as set out below:

Name of person being assessed: _____

S. No.	Assessment Criteria	Rating	Remarks/ Comments
1.	Abidance and behavior in accordance with ethical standards & code of conduct of Company		
2.	Interpersonal and communication skills		
3.	Compliance with policies of the Company, ethics, code of conduct, etc.		
4.	Safeguarding interest of whistle-blowers under vigil mechanism		
5.	Team work attributes		
6.	Safeguard of confidential information		

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REVIEW

The performance evaluation process will be reviewed annually by the "Nomination and Remuneration Committee".

Subject to the approval of Board of Directors, the Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company.

DISCLOSURE

Company will disclose details of its Board Performance Evaluation processes in its Board's Report. The Board's report containing such statement shall indicate the manner in which formal evaluation has been made by the Board of its own performance and that of the committees of the Board and individual directors of the Company.

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ANNEXURE "D" TO THE CORPORATE GOVERNANCE REPORT CERTIFICATE PURSUANT TO THE PROVISIONS OF CLAUSE 49 OF THE LISTING AGREEMENT

I the undersigned, in my respective capacity as Director of Enchante Jewellery Limited ("the Company") to the best of my knowledge and belief certify that:

- a. I have reviewed financial statements and the cash flow statement for the financial year ended , 31st March 2018 and that to the best of my knowledge and belief, I state that:
 - 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 existing accounting standards, applicable laws and regulations.
- b. I further state that to the best of my 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. I hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I are aware and the steps I have taken or proposed to take to rectify these deficiencies.
- e. I have indicated, based in my most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

By Order of the Board
For Enchante Jewellery Limited

Place : Gurgaon
Date: 04.09.2018

C.L. Mehra
Director

DECLARATION BY THE DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I, C.L. Mehra Director of Enchante Jewellery Limited, hereby declare that all the members of the Board of Directors and the Senior Management Executives have affirmed compliance with the Company's "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended on March 31, 2018.

By Order of the Board
For Enchante Jewellery Limited

Place : Gurgaon
Date: 04.09.2018

C.L. Mehra
Director

Enchanté Jewellery Limited

Independent Auditor's Report

To the Members of

ENCHANTE JEWELLERY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Enchante Jewellery Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Enchanté Jewellery Limited

Other Matter

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 " First time Adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP) which was the previous GAAP.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Raj K. Sri & Co.
Chartered Accountants
FRN: 014141N

Place : New Delhi
Date : 02-09-2018

Kailash Chand Goduka
(Partner)
M. No.: 088695

Enchanté Jewellery Limited

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Enchanté Jewellery Limited ('the company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- (d) During the year the company sold out the old plant and machinery for a sum of Rs. 20,00,000/-. As per records WDV of plant and machinery was Nil.
- (ii) The Company's has maintained proper records of inventories as per the requirement as mentioned under paragraph 3(ii) of the Order.
- (iii) (a) The Company had granted advances to a company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loan are not prejudicial to the company's interest.
- (b) The Company had granted advances to a company covered in the register maintained under section 189 of the Companies Act, 2013. The company has not made any provisions for interest during the year.
- (c) There are amounts of advances granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of investments made have been complied with by the company. There are no loans, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is in the business of Manufacturing and purchase/ sale of Gold, Jewellery, Diamond etc. That the Company has not made total turnover exceeding the threshold limit to maintain cost records. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to sales-tax, duty of custom and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income tax, service tax, value added tax, goods and service tax and cess which have not been deposited on account of any dispute.
- (c) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, value added tax, goods and service tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company did not have any outstanding loans or borrowing dues in respect of bank, financial institution or to government or dues to debenture holders during the year.

Enchanté Jewellery Limited

- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon. But there was pending allotment for a sum of Rs. 2,54,00,000 because the company was under BIFR/AAIFR and as per the requirement, company needs to convert its Net worth from negative to positive, therefore on the request of the company applicant company converted its unsecured loan in to share application money to bring the capital in to positive. But the allotment was not possible till the rehabilitation scheme was approved by the BIFR/IIFR.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has not been paid / provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013. However the excess amount has been recovered by the concerned directors.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Raj K. Sri & Co.
Chartered Accountants
FRN: 014141N

Place : New Delhi
Date : 02-09-2018

Kailash Chand Goduka
(Partner)
M. No.: 088695

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ENCHANTE JEWELLERY LIMITED

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 Enchante Jewellery Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone 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. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Enchanté Jewellery Limited

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 March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Raj K. Sri & Co.
Chartered Accountants
FRN: 014141N

Place : New Delhi
Date : 02-09-2018

Kailash Chand Goduka
(Partner)
M. No.: 088695

Enchanté Jewellery Limited

STANDALONE BALANCE SHEET AS AT 31st MARCH 2018

(₹ in)

Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
I. ASSETS				
1 Non-current assets				
(a)Property, Plant and Equipment	3	8,457,547.00	8,504,362.55	8,759,845.00
(b)Capital Work-in-Progress		-	-	-
(c)Other Intangible Assets		-	-	-
(d)Intangible Assets under Development		-	-	-
(e)Financial Assets				
(i) Investments		-	-	-
(ii) Others	4	581,927.00	581,927.00	581,927.00
(f)Other Non Current assets	5	<u>2,405,583.26</u>	<u>1,489,191.26</u>	<u>870,411.26</u>
		11,445,057.26	10,575,480.81	10,212,183.26
2 Current assets				
(a)Inventories	6	13,712,232.00	13,217,232.00	13,217,232.00
(b)Financial Assets				
(i) Investments	7	-	-	-
(ii) Trade Receivables		-	-	-
(iii) Cash and Cash Equivalents	7.1	2,987,221.87	555,899.60	3,334,605.13
(iv)Bank Balance Other than (iii) above	7.2	-	-	160,000.00
(v)Others	7.3	-	-	242,380.00
(c)Current Tax Assets (Net)	8	6,548,497.00	5,009,296.00	5,300,338.00
(d)Other Current assets	9	<u>114,054.00</u>	<u>114,054.00</u>	<u>125,492.00</u>
		23,362,004.87	18,896,481.60	22,380,047.13
Total Assets		<u>34,807,062.13</u>	<u>29,471,962.41</u>	<u>32,592,230.39</u>
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	10	71,733,000.00	71,733,000.00	71,733,000.00
(b) Other Equity	11	<u>-66,235,068.87</u>	<u>-70,324,617.59</u>	<u>-74,282,742.40</u>
		5,497,931.13	1,408,382.41	-2,549,742.40
2 Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowing	12.1	974,650.00	1,015,000.00	5,050,000.00
(b) Provisions		-	-	-
(c) Deferred Tax Liability (Net)	13	<u>159,286.00</u>	<u>127,402.00</u>	<u>81,015.00</u>
		1,133,936.00	1,142,402.00	5,131,015.00
3 Current liabilities				
(a)Financial Liabilities				
(i) Borrowing	14	-	-	-
(ii) Trade Payables	14.1	892,109.00	868,640.00	624,158.79
(ii) Others	14.2	25,687,511.00	25,561,056.00	28,979,045.00
(b)Other Current Liabilities	15	1,562,530.00	462,059.00	378,331.00
(c)Provisions	16	29,423.00	29,423.00	29,423.00
(d)Current Tax Liability (Net)		<u>3,622.00</u>	<u>-</u>	<u>-</u>
		28,175,195.00	26,921,178.00	30,010,957.79
Total Equity and Liabilities		<u>34,807,062.13</u>	<u>29,471,962.41</u>	<u>32,592,230.39</u>

General Information	1
Summary of Significant Accounting Policies	2
The Notes are an integral part of these financial statements	3 to 33

As per our report of even date

FOR & ON BEHALF OF THE BOARD

For RAJ K SRI & CO
CHARTERED ACCOUNTANTS
 FRN: 0014141N
CA K.C. GODUKA
 (Partner)
 M.No.:088695

CHARANJIT LAL MEHRA
 Director
 DIN: 02132465

LATA RANI MEHRA
 Director
 DIN: 07172171

MAMTA JOLLY
 Company Secretary
 PAN: AFPPJ9191P

PLACE: NEW DELHI
Date: 02-09-2018

Enchanté Jewellery Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(₹ in)

Particulars	Note No.	Year ended 31.03.2018	Year ended 31.03.2017
I Revenue:			
Revenue from operations		-	-
II Other Income	17	10,699,376.00	7,821,581.00
III Total Revenue (I+II)		10,699,376.00	7,821,581.00
IV Expenses:			
Cost of Material Consumed	18	-	-
Purchase of Stock-in-Trade	19	495,000.00	-
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade	20	495,000.00	-
Excise Duty on Goods		-	-
Manufacturing & Direct Expenses		-	-
Employee Benefit Expenses	21	3,397,238.00	1,256,528.00
Finance Costs	22	72,597.00	48,087.00
Depreciation and Amortization Expense	23	253,856.00	255,482.45
Other Expenses	24	2,850,630.87	2,256,971.74
Total Expenses (IV)		6,574,321.87	3,817,069.19
V. Profit Before exceptional items and Tax (I - IV)		4,125,054.13	4,004,511.81
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax (V - VI)		4,125,054.13	4,004,511.81
VIII. Tax expense:	25		
(1) Current tax			
- For the year		3,622.00	-
- For earlier years		-	-
(2) Deferred Tax (Net)		31,884.00	46,387.00
Total Tax Expense (VIII)		35,506.00	46,387.00
IX Profit for the period from Continuing Operation (VII - VIII)		4,089,548.13	3,958,124.81
X Profit/(loss) from Discontinued Operations		-	-
XI Tax Expense of Discontinued Operations		-	-
XII Profit from Discontinued Operations (after tax) (X-XI)		-	-
XIII Profit for the period (IX+XII)		4,089,548.13	3,958,124.81
XIV Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
Remeasurement Gains (Losses) on defined benefit plans		-	-
Income tax effect on Remeasurement Gains (Losses) on defined benefit plans			
Total Comprehensive Income for the period (XIII +XIV)			
XV (Comprehensive Profit and Other Comprehensive income for the period)		4,089,548.13	3,958,124.81
XVI Earning Per Equity Share (For Continuing Operation)	26		
(1)Basic		0.57	0.55
(2)Diluted		0.58	0.55
XVII Earning Per Equity Share (For Discontinuing Operation)			
(1) Basic		0.57	0.55
(2) Diluted		0.58	0.55

General Information

1

Summary of Significant Accounting Policies

2

**The Notes are an integral part of
these financial statements**

3 to 45

As per our report of even date

FOR & ON BEHALF OF THE BOARD

For RAJ K SRI & CO

CHARTERED ACCOUNTANTS

FRN: 0014141N

CA K.C. GODUKA

(Partner)

M.No.:088695

CHARANJIT LAL MEHRA

Director

DIN: 02132465

LATA RANI MEHRA

Director

DIN: 07172171

MAMTA JOLLY

Company Secretary

PAN: AFPPJ9191P

PLACE: NEW DELHI

Date: 02-09-2018

Enchanté Jewellery Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

Particulars	Number of shares	AMOUNT (₹ in)
A. Equity Share Capital		
Balance as at April 1, 2017	7,173,300	71,733,000.00
Issue of equity shares capital during the year	-	-
Balance as at March 31, 2018	7,173,300	71,733,000.00

Particulars	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
B. Other Equity			
Balance at the beginning of the year	-	-70,324,617.00	-70,324,617.00
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the year	-	-70,324,617.00	-70,324,617.00
Profit for the year	-	4,089,548.13	4,089,548.13
Other Comprehensive Income for the year (net of income tax)	-	-	-
Total Comprehensive Income for the year	-	4,089,548.13	4,089,548.13
Payment of dividend on equity shares	-	-	-
Payment of dividend tax on dividend paid to equity shares	-	-	-
Transfer to general reserves	-	-	-
Balance at the end of the year	-	-66,235,068.87	-66,235,068.87

As per our Report of even date attached

FOR & ON BEHALF OF THE BOARD

For RAJ K SRI & CO

CHARTERED ACCOUNTANTS

FRN: 0014141N

CA K.C. GODUKA

(Partner)

M.No.:088695

CHARANJIT LAL MEHRA

Director

DIN: 00024660

LATA RANI MEHRA

Director

DIN: 00048888

MAMTA JOLLY

Company Secretary

PAN: AFPPJ9191P

PLACE: NEW DELHI

Date: 02-09-2018

Enchanté Jewellery Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Number of shares	AMOUNT (₹ in)
A. Equity Share Capital		
Balance as at April 1, 2017	7,173,300	71,733,000.00
Issue of equity shares capital during the year	-	-
Balance as at March 31, 2018	7,173,300	71,733,000.00

Particulars	Reserves & Surplus		Total
	General Reserve	Retained Earnings	
B. Other Equity			
Balance at the beginning of the year	-	-74,282,742.40	-74,282,742.40
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the year	-	-74,282,742.40	-74,282,742.40
Profit for the year	-	3,958,124.81	3,958,124.81
Other Comprehensive Income for the year (net of income tax)	-	-	-
Total Comprehensive Income for the year	-	3,958,124.81	3,958,124.81
Payment of dividend on equity shares	-	-	-
Payment of dividend tax on dividend paid to equity shares	-	-	-
Transfer to general reserves	-	-	-
Balance at the end of the year	-	-70,324,617.59	-70,324,617.59

As per our Report of even date attached

FOR & ON BEHALF OF THE BOARD

For RAJ K SRI & CO

CHARTERED ACCOUNTANTS

FRN: 0014141N

CA K.C. GODUKA

(Partner)

M.No.:088695

CHARANJIT LAL MEHRA

Director

DIN: 00024660

LATA RANI MEHRA

Director

DIN: 00048888

MAMTA JOLLY

Company Secretary

PAN: AFPPJ9191P

PLACE: NEW DELHI

Date: 02-09-2018

Enchanté Jewellery Limited

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

(₹ in)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before income tax & extraordinary items	4,125,054.13	4,004,511.81
Adjustments for		
Depreciation	253,856.14	255,482.45
(Profit) / Loss on sale of fixed assets	(2,000,000.00)	-
Interest received	-	-
Interest paid	-	-
(Profit)/Loss of sale of Investments (Profit)	-	-
Effect of Exchange differences on translation of Foreign Currency	-	-
	(1,746,143.86)	255,482.45
Operating Profit before working Capital Changes	2,378,910.27	4,259,994.26
Adjustments for		
(Increase)/Decrease in Trade Receivable	-	-
(Increase)/Decrease in Inventories	(495,000.00)	-
(Increase)/Decrease in Non-Current Financial Assets Loans	-	-
(Increase)/Decrease in Other Non Current assets	(916,392.00)	(618,780.00)
Decrease / (Increase) in Other current financial asset	-	-
Decrease / (Increase) in Other Current assets	(1,539,201.00)	544,860.00
(Decrease) / Increase in Long term Provisions	-	-
(Decrease) / Increase in Current Trade Payables	23,469.00	244,481.21
(Decrease) / Increase in Other financial Liability	126,455.00	-
(Decrease) / Increase in Other Liabilities	1,100,471.00	(3,334,261.00)
(Decrease) / Increase in Short term Provisions	-	-
	(1,700,198.00)	(3,163,699.79)
Cash generated from operations	678,712.27	1,096,294.47
NET CASH FROM OPERATING ACTIVITIES	678,712.27	1,096,294.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Investment in Shares & Units	-	-
Addition to fixed assets (Project)	(207,040.00)	-
Proceeds from sale of fixed assets	2,000,000.00	-
(Profit)/Loss of sale of Investments (Profit)	-	-
Interest received	-	-
Decrease / (Increase) in Bank Balance other than those taken to Cash and Cash Equivalent	-	160,000.00
NET CASH FROM INVESTING ACTIVITIES	1,792,960.00	160,000.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceed/Repayment of borrowings	(40,350.00)	(4,035,000.00)
Dividend paid	-	-
Dividend Distribution tax paid	-	-
Interest paid	-	-
NET CASH FROM FINANCING ACTIVITIES	(40,350.00)	(4,035,000.00)
D. Effect of Exchange differences on translation of Foreign Currency	-	-
Net increase/(Decrease) in cash & cash equivalents (A+B+C+D)	2,431,322.27	(2,778,705.53)
Cash and cash equivalents as at 01.04.2017	555,899.60	3,334,605.13
Cash and cash equivalents as at 31.03.2018	2,987,221.87	555,899.60

As per our report of even date

FOR & ON BEHALF OF THE BOARD

For **RAJ K SRI & CO**
CHARTERED ACCOUNTANTS
 FRN: 0014141N

CA K.C. GODUKA
 (Partner)

M.No.:088695

CHARANJIT LAL MEHRA

Director
 DIN: 02132465

LATA RANI MEHRA

Director
 DIN: 07172171

MAMTA JOLLY

Company Secretary
 PAN: AFPPJ9191P

PLACE: NEW DELHI
Date: 02-09-2018

Enchanté Jewellery Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

1. General Information

Enchante Jewellery Limited is a public limited company and listed with the Bombay Stock Exchange domiciled in India and was incorporated on March 11, 1986 for the business of manufacturing and trading of the gold, diamond and other ornaments. But presently there is no activities is done in the company and company has only rental and maintenance income. Presently status of company is delisted the exchange. Now directors of the company is coming upfront to get it listed again.

The address of its registered office is Plot No 3-4, Phase-IV, Udyog Vihar , Gurgaon-122015,Haryana

2. Basis of Preparation

2.1 Statement of Compliance

The financial statements for year ended March 31, 2018 is prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act 2013 as companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2017.

For all periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 (Indian GAAP). These financial statements for the year ended 31 March 2018 is to be company's first IND AS financial statements.

2.2 Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

a) Certain financial assets and liabilities measured at fair value.

2.3 Use of Estimates and Judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Examples of such estimates includes future obligations under employee retirement benefit plans and estimated useful life of property, plant and equipment, Employee benefit expenses, provisions etc. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognised in the period in which the results are known /materialized.

2.4 Statement of Cash Flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, cash at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand which are considered part of the Company's cash management system.

Amendment to Ind-AS7

Effective April1, 2017, the company has adopted the amendment to Ind-AS 7, which require the entities to provide disclosures that enable users of financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements.

Enchanté Jewellery Limited

2.5 Functional and Presentation Currency

Items Included in the Financial Statements are measured using the currency of primary economic environment in which the Company operates (Functional Currency) The financial statements are presented in Indian Rupee (INR), which is functional as well as presentation currency of company.

2.6 Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of asset includes the following:

- a) Cost directly attributable to the acquisition of the assets
- b) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Cost of replacement, major inspection, repair of significant parts is capitalized if the recognition criteria are met. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

As per management estimate there is no decommissioning, restoration or similar liabilities on its property, plant and equipment hence, no adjustment in has been made in this regard.

Depreciation

- a) Depreciation on Property, plant and Equipment is provided on Written down value method (WDV) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.
- b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

The estimated useful life of assets for current and comparative period of significant items of property plant and equipment are as follows:

Particulars	Useful Life (Years)
Plant and Machinery	15
Computers	3
Office Equipment's	10
Building	30
Furniture and fixtures	10

- c) Depreciation methods, useful lives and residual values are reviewed at each reporting date. In the case of revision, the unamortised depreciable amount is depreciated on a prospective basis.
- d) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of that part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of asset.

2.7 Intangible Assets

There is no Intangible assets exists in the company.

2.8 Investment Property

- a) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- b) The company depreciates building component of investment property over the life described in scheule II of cpmpanies Act 2013 from the date of original purchase.
- c) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

Enchanté Jewellery Limited

2.9 Inventory

- a) The consumption of raw materials is net of Cenvat Credit availed. Items of inventories are measured after providing for obsolescence, if any.
- b) Raw Material has been valued at lower of cost or net realizable value. All materials are valued on the basis of FIFO. In the case of finished goods cost comprises material, labour and factory overheads. And Finished Goods is valued at weighted Average cost method.

2.10 Provisions

Provisions are recognized in respect of liabilities which can be measured only by using a substantial degree of estimates when The Company has a present obligation as a result of a past event, Probable outflow of resources embodying economic benefits will be required to settle the obligation; and The amount of the obligation can be reliably estimated. Provisions are reviewed at each Balance Sheet date. Where the effect of the time value of money is material the amount of a provision shall be the present value of the expenditure expected to be required to settle the obligation.

2.11 Revenue Recognition

- a) During the year under consideration there is Nil sale .
- b) The company follows the accrual System of Accounting and on assumptions of an ongoing concern. Revenue is recognized only when it can be reliably measured.
- c) In case of other income revenue is measured at the fair value of the consideration received or receivable.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method. Rental and maintenance income is recognised on accrual basis.

2.12 Impairment of Non-Financial Assets

In accordance with IND AS-36 Impairment of Assets, the carrying amounts of Company's assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment.

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired.

2.15 Employee Benefits

a) Short Term Employee Benefits:

There is no benefit is given to employees excepts salary and staff welfare, so actuarial valuation is not required.

b) Long Term Employee Benefits:

There is no benefit is given to employees excepts salary and staff welfare, so actuarial valuation is not required.

- c) Remuneration paid to directors of the company is not in accordance with provisions of section 197 of company act, 2013, however the excess amount has been recovered by the concerned managerial persons.

2.16 Taxes

a) Current Income tax

Current tax is measured at the amount expected to be paid to the tax authorities using the applicable tax rates

Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.

b) Deferred Tax

Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Enchanté Jewellery Limited

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.17 Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.18 Contingent Liabilities and Contingent Assets

- a) Contingent Liabilities are disclosed in either of the following cases:
 - (i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
 - (ii) A reliable estimate of the present obligation cannot be made; or
 - (iii) A possible obligation, unless the probability of outflow of resource is remote.
- b) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

2.19 Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or Indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.20 Dividend to Equity Shareholders

There is no dividend is declared and paid by the company.

2.21 Financial Instruments

Initial recognition and measurement

Enchanté Jewellery Limited

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a. Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

a) At Amortized Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortised cost using effective interest rate method less impairment if any. The EIR amortisation is included in finance income in the statement of profit and loss.

b) At fair value through Other Comprehensive Income(FVTOCI)

A debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

c) At Fair Value Through Profit and Loss

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Financial liabilities

a) Financial liabilities at Amortized Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest rate method.

b) Financial liabilities at FVTPL

The company has not designated any financial liabilities at FVTPL.

c) Derecognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

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Financial Liability

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

d) Impairment of financial assets:

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. "Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

2.22 Non Current Assets held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately in the statement of financial position.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

2.23 Events Occuring after Balance Sheet Date

Events occurring after Balance Sheet date are considered in the preparation of financial statements in accordance with Ind AS 10 (Contingencies and Events Occurring After Balance Sheet Date).

2.24 Standard issued but not yet effective for the Financial Year 2017-18

IND AS 115 Revenue from Contracts with Customers

MCA had notified IND AS 115 on Revenue from Contracts with Customers on dated March 28, 2018. The standard establishes a new five step model that will apply to revenue arising from Contracts with customers. Under IND AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IND AS 115 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IND AS.

The effective date of IND AS 115 is annual periods beginning on or after 1st April 2018. The Company is required to adopt the standard by the Financial Year commencing 1st April 2018. The Company is currently evaluating the requirements of IND AS 115 and has not yet determined the impact on the financial statements.

Note No. 3
Property, Plant and Equipment
(₹ in Lacs)

Particulars	Land	Buildings	Plant and Machinery	Furniture & Fixtures	Office Equipment	Computers Haedwares Fixtures	Vehicles	R&D Equipment	Total
Cost or deemed cost									
At 1st April, 2016	2,421,177.00	13,949,728.00	-	8,006,941.00	753,160.00	-	-	-	25,131,006.00
Additions	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
At 31st March, 2017	2,421,177.00	13,949,728.00	-	8,006,941.00	753,160.00	-	-	-	25,131,006.00
Additions	-	-	-	38,310.00	162,089.00	6,641.00	-	-	207,040.00
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
At 31st March, 2018	2,421,177.00	13,949,728.00	-	8,045,251.00	915,249.00	6,641.00	-	-	25,338,046.00
<u>Depreciation and impairment</u>									
At 1st April, 2016	-	8,730,625.00	-	6,989,451.00	651,085.00	-	-	-	16,371,161.00
Depreciation charge for the year	-	174,318.04	-	73,901.41	7,263.00	-	-	-	255,482.45
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
At 31st March, 2017	-	8,904,943.04	-	7,063,352.41	658,348.00	-	-	-	16,626,643.45
Depreciation charge for the year	-	168,496.00	-	70,755.00	14,548.00	57.00	-	-	253,856.00
Disposals/Adjustments	-	-	-	-	-	-	-	-	-
At 31st March, 2018	-	9,073,439.04	-	7,134,107.41	672,896.00	57.00	-	-	16,880,499
Net Book Value									
At 31st March, 2018	2,421,177.00	4,876,288.96	-	911,143.59	242,353.00	6,584.00	-	-	8,457,547.00
At 31st March, 2017	2,421,177.00	5,044,784.96	-	943,588.59	94,812.00	-	-	-	8,504,362.55
At 1st April, 2016	2,421,177.00	5,219,103.00	-	1,017,490.00	102,075.00	-	-	-	8,759,845.00

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Note :- 3.1 Company has adopted to continue with carrying value of its Property, Plant & Equipment's as recognized in the financial statements as at the date of transition to Ind AS measured as per previous GAAP.

Note :- 3.2 Impairment of Assets (Ind AS- 36) : The Management periodically assess using, external and internal source, whether there is an indication that an assets may be impaired and Company foresee on such impairment indication as on the balance sheet date.

Note :- 3.3 Plant and machinery is sold during the year for value of Rs. 20,00,000 on dated 26-03-2018, which is fully depreciated and not exists in books of accounts.

(₹ in Rs.)

NOTE NO. 4 : Others

Particulars	31.03.2018	31.03.2017	01.04.2016
Security Deposits	581,927.00	581,927.00	581,927.00
Total	581,927.00	581,927.00	581,927.00

NOTE NO. 5 : Other Non Current Assets

Particulars	31.03.2018	31.03.2017	01.04.2016
Other Advances			
Ashrika Properties Pvt Ltd.	1284400.00	0	0
Barkha Exports Limited	101629.00	76501.00	28561.00
Mehrasons Jewellers Pvt Ltd.	679186.26	661938.26	646248.26
Naraini Gems & Investment Ltd.	205909.00	142681.00	81641
Vidhata Properties Pvt Ltd.	39459.00	18071.00	18961
Anil Kumar	0.00	495000.00	0.00
Jaguar Estate (P) Ltd.	95000.00	95000.00	95000
Total	2,405,583.26	1,489,191.26	870,411.26

Note: - 6 Inventories

Particulars	31.03.2018	31.03.2017	01.04.2016
Raw Materials and others	10,648,642.00	10,648,642.00	10,648,642.00
Work-in-Progress	-	-	-
Finished Goods	3,063,590.00	2,568,590.00	2,568,590.00
Stores & Spares	-	-	-
Total	13,712,232.00	13,217,232.00	13,217,232.00

Enchanté Jewellery Limited

7. Financial Assets

(₹ in Rs.)

Note:- 7.1 Cash and Cash Equivalent

Particulars	31.03.2018	31.03.2017	01.04.2016
Cash in Hand	1,522,725.14	336,266.20	285,960.20
Cheque in Hand	-	-	3,069,796.62
Balances with banks:-			
Axis Bank	1334528.33	-	21,804.00
Corporation Bank GK-II	143.00	143.00	143.00
SBI Gurgaon	129,825.40	219,490.40	-43,098.69
Total	2,987,221.87	555,899.60	3,334,605.13

Note 7.2 Bank Balance Other than Cash and Cash Equivalent

Particulars	31.03.2018	31.03.2017	01.04.2016
Balances with Scheduled Bank			
Fixed Deposits (Margin Money)	-	-	160,000.00
Total	-	-	160,000.00

Note 7.3 Other Financial Assets

Particulars	31.03.2018	31.03.2017	01.04.2016
Earnest Money Deposit	-	-	-
Interest Accrued On FDR	-	-	242,380.00
Total	-	-	242,380.00

Note: - 8

Current Tax Asset and Liability

Particulars	31.03.2018	31.03.2017	01.04.2016
Current tax Assets			
Advance Income Tax	3,278,380.00	3,278,380.00	3,278,380.00
TDS Recoverable (F/Y 2014-15)	66,662.00	66,662.00	1,005,295.00
TDS Recoverable (F/Y 2015-16)	1,016,663.00	1,016,663.00	1,016,663.00
TDS Recoverable (F/Y 2016-17)	647,591.00	647,591.00	-
TDS Recoverable (F/Y 2017-18)	753,172.00	-	-
MAT TAX Receivable	786,029.00	-	-
	6,548,497.00	5,009,296.00	5,300,338.00

Current tax Liability

Provision for Income Tax (Net of advance tax & TDS)	3,622.00
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Note: - 9

(₹ in Rs.)

Other Current Assets

Particulars	31.03.2018	31.03.2017	01.04.2016
Others			
Service Tax Cenvat Credit	-	-	11,438.00
HVAT Recoverable (07-08)	18,015.00	18,015.00	18,015.00
HVAT Recoverable (08-09)	96,039.00	96,039.00	96,039.00
Total	114054.00	114054.00	125492.00

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
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NOTE NO. 10 : Equity Share capital

Authorised share capital

1,20,00,000 Equity shares of ₹10/- each
(31.03.2017: 1,20,00,000 Equity Share of
₹10/- each, 01.04.2016: 1,20,00,000
Equity Share of ₹10/- each)

1,20,00,000	1,20,00,000	1,20,00,000
1,20,00,000	1,20,00,000	1,20,00,000

Issued/Subscribed and Paid up Capital

71,73,300 Equity shares of ₹10/- each
(31.03.2017: 71,73,300 Equity Share of
₹10/- each, 01.04.2016: 71,73,300
Equity Share of ₹10/- each)

71,73,300	71,73,300	71,73,300
71,73,300	71,73,300	71,73,300

10.1 Details of shareholder holding more than 5% in the company

Name of the shareholder	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	No in Shares	% holding in the class	No ins Shares	% holding in the class	No in Shares	% holding in the class
Barkha Exports Ltd.	2,145,000	29.90	2,145,000	29.90	2,145,000	29.90
Mehrasons Jewellers Pvt Ltd.	500,000	6.97	500,000	6.97	500,000	6.97
Naraini Gems & Investment Ltd.	379,400	5.29	379,400	5.29	379,400	5.29
Total	3,024,400	42.16	3,024,400	42.16	3,024,400	42.16

1. Rights, Preferences and Restrictions attaching to shares

Equity Shares: The Company has one class of Equity Shares having a par value of '10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Enchanté Jewellery Limited

10.2 Reconciliation of the number of equity shares and share capital

Particulars	As at 31.03.2018		As at 31.03.2017	
	No of shares	(₹ in Lacs)	No of shares	(₹ in Lacs)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	71,73,300	71,73,300	71,73,300	71,73,300
Add: Shares Issued during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<u>71,73,300</u>	<u>71,73,300</u>	<u>71,73,300</u>	<u>71,73,300</u>

10.3 Aggregate no. of equity shares issued as fully paid by way of bonus during the period of five years immediately preceding the reporting date

Particulars	As at	As at	As at	As at	As at
	31.03.2017	31.03.2016	31.03.2015	31.03.2014	31.03.2013
	No. in Lacs	No. in Lacs	No. in Lacs	No. in Lacs	No. in Lacs
Equity shares issued as Bonus	-	-	-	-	-

Particulars	31.03.2018	31.03.2017	01.04.2016
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NOTE NO. 11 : Other Equity

General Reserve	-	-	-
Retained Earnings	-66,235,068.87	-70,324,617.59	-74,282,742.40
Total	-66,235,068.87	-70,324,617.59	-74,282,742.40

11.1 Retained Earnings

Particulars	31.03.2018	31.03.2017
(a) Retained Earnings		
As per last Balance Sheet	-70,324,617.00	-74,282,742.40
Add: Profit after Tax	4,089,548.13	3,958,124.81
Less: Transfer to General Reserve	-	-
Less: Dividend declared and paid during the year	-	-
Less: Dividend distribution tax on dividend declared and paid	-	-
Items of Other comprehensive income recognised directly in retained earnings	-	-
Remeasurements of defined benefits plans, net of tax	-	-
Closing Balance	-66,235,068.87	-70,324,617.59

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	31.03.2018	31.03.2017	01.04.2016
NOTE NO. 12 : Financial Liability Non Current			
12.1 Borrowings			
Unsecured			
Long Term Loans from Related Person			
Saraswati Media Ltd.	974,650.00	1,015,000.00	5,050,000.00
	974,650.00	1,015,000.00	5,050,000.00

NOTE NO. 13 : Deferred Tax

Deferred tax Liabilities

(a) Depreciation and Amortisation	159,286.00	127,402.00	81,015.00
Total of Deferred Tax Liabilities	159,286.00	127,402.00	81,015.00

Deferred tax Assets

(a) Employee Benefits	-	-	-
Total of Deferred Tax Assets	-	-	-
Net Deferred Tax Liability/ (Assets)	159,286.00	127,402.00	81,015.00

Movement in deferred tax liability/ (asset)

Particulars	Property, Plant and Equipment, Intangible Assets	Employee Benefits	Total
At 1st April 2016	81,015.00	-	81,015.00
Charged/(credited) during 2016-17		0.00	
To Profit & Loss	46,387.00	-	46,387.00
To other comprehensive income	-	-	-
At 31st March 2017	127,402.00	-	127,402.00
Charged/(credited) during 2017-18			
To Profit & Loss	-14,163.00	0.00	-14,163.00
To other comprehensive income	-	-	-
At 31st March 2018	113,239.00	-	113,239.00

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	31.03.2018	31.03.2017	01.04.2016
NOTE NO. 14 : Financial Liability Current			
NOTE 14.1 : Trade Payables			
Trade Creditors	892,109.00	868,640.00	624,158.79
Total	892,109.00	868,640.00	624,158.79

14.2 Other Financial Liabilities

Gratuity Payable	2,348.00	2,348.00	2,348.00
Salary Payable	285,163.00	117,800.00	87,112.00
Share Application money pending Allotment	25,400,000.00	25,400,000.00	25,400,000.00
Other Payables	-	40,908.00	3,489,585.00
Total	25,687,511.00	25,561,056.00	28,979,045.00

Note 14.3 : There is a pending allotment of shares for a sum of Rs. 2,54,00,000 since long time. As per explanation given by management that allotment could not be made, because the company was under BIFR.

NOTE NO. 15 : Other Current Liabilities

Advances

Advance from Customers	-	-	-
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Others

MAT Tax Payable	786,029.00	-	-
Statutory dues	776,501.00	462,059.00	378,331.00
Total	1,562,530.00	462,059.00	378,331.00

NOTE NO. 16 : Provisions

Provision for Gratuity	29,423.00	29,423.00	29,423.00
Total	29,423.00	29,423.00	29,423.00

NOTE NO. 17 : Other Income

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Rent Income	7,239,756.00	6,183,961.00
Maintenance Charges Receipt	1,459,620.00	1,459,620.00
Interest received	-	-
Other Income	-	178,000.00
Profit / Loss on Fixed Assets	2,000,000.00	-
Total	10,699,376.00	7,821,581.00

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
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NOTE NO. 18 : Cost of Materials Consumed

Opening Stock: Raw Materials & others	10,648,642.00	10,648,642.00
Purchases: Raw Materials & others	-	-
	10,648,642.00	10,648,642.00
Less : Closing Stock: Raw Materials & others	10,648,642.00	10,648,642.00
Total	-	-

NOTE NO. 19 : Purchase of Stock in trade

Purchase of Stock in trade	495,000.00	-
Total	495,000.00	-

NOTE NO.20 : Changes in Inventories of Finished Goods, Work in Progress & Stock in Trade

Opening Stock

Raw Material	10,648,642.00	10,648,642.00
Finished Goods	2,568,590.00	2,568,590.00
	13,217,232.00	13,217,232.00
Raw Material	10,648,642.00	10,648,642.00
Finished Goods	3,063,590.00	2,568,590.00
	13,712,232.00	13,217,232.00
Total	-495,000.00	0.00

NOTE NO. 21 : Employees Benefit Expenses

Salary, Wages & Bonus	1,574,161.00	1,256,528.00
Provision for Gratuity	23,077.00	-
Directors' Remuneration	1,800,000.00	-
Total	3,397,238.00	1,256,528.00

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
NOTE NO. 22 : Finance Costs		
Interest on TDS	19,168.00	9,919.00
Interest on Service Tax	53,429.00	38,168.00
Total	72,597.00	48,087.00

NOTE NO. 23 : Depreciation & Amortization Costs

Depreciation on Tangible Assets (Refer Note-3)	253,856.00	255,482.45
Amortization on Intangible Assets (Refer Note-5)	-	-
Total	253,856.00	255,482.45

NOTE NO. 24 : Other Expenses

AGM Expenses	11,400.00	9,816.00
Annual Custody Fees	22,500.00	17,175.00
Accured Interest Excess Provision	-	13,639.00
Bank Charges	7,695.67	10,903.12
Repairs & Maintenance	821,771.00	24,402.00
E-voting Charges	8,536.83	9,825.00
Computer Maintenance	4,500.00	-
Conveyance Expenses	107,700.00	95,780.00
Electricity Charges	81,570.00	78,280.00
ROC Filing Fees	2,400.00	4,800.00
MISC Debit / Credit W/O	-606.48	7,145.62
Insurance Charges	-	2,042.00
Krishi Kalyan Cess	810.00	2,487.00
Late Fees	4,000.00	-
Labour Charges	20,000.00	-
Legal & Professional Fee	496,602.00	566,585.00
Office Expenses	39,338.85	857.00
Postage & Telephone expenses	4,153.00	5,098.00
Payment to Auditors (Note 3.1)	140,000.00	140,300.00
Printing & Stationery expenses	406,925.00	360,943.00
Website Expenses	13,487.00	5,929.00
Property Tax	12,410.00	95,969.00
Return Late Filing Fees	5,400.00	7,800.00
Rent paid	264,000.00	258,000.00
Security Expenses	317,952.00	513,952.00
Share Transfer Expenses	53,170.00	22,240.00
Swachh Bharat Cess	816.00	3,004.00
GST Fees	4,100.00	-
Total	2,850,630.87	2,256,971.74

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
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24.1 : Payment to Auditors

Payment to the Auditors comprises of the following:

Statutory Audit Fee	100,000.00	100,300.00
Advisory Services	-	-
Cost Auditors and Secretarial Auditor	40,000.00	40,000.00
Total	140,000.00	140,300.00

NOTE NO. 25 : Income Tax Expense

Current Income Tax Expenses

Current income tax charge	3,622.00	-
Adjustments in respect of current income tax of previous year	-	-
Total Current Tax Expenses	3,622.00	-

Deferred Income Tax Expense

In respect of the current year (For details Refer Note no 17)	31,884.00	46,387.00
Total Deferred Tax Expenses	31,884.00	46,387.00

Income tax expenses attributable to continuing operations

35,506.00	46,387.00
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NOTE NO. 26 : Earnings per share (EPS) [in ₹]

Basic EPS

From continuing operation	0.57	0.55
From discontinuing operation	-	-

Diluted EPS

From continuing operation	0.58	0.55
From discontinuing operation	-	-

26.1 Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share and the EPS for the previous year is restated after adjustment for issue of bonus shares during the year.

Profit attributable to equity holders of the company:

From Continuing operations	4,089,548.13	3,958,124.81
From discontinuing operation	-	-
Earnings used in calculation of Basic Earning Per Share	4,089,548.13	3,958,124.81
Weighted average number of shares for the purpose of basic earnings per share	7,173,300.00	7,173,300.00

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
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26.2 Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

Profit attributable to equity holders of the company:

Continuing operations	4,089,548.13	3,958,124.81
From discontinuing operation	-	-
Earnings used in calculation of diluted Earning Per Share from continuing operations	4,089,548.13	3,958,124.81

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

Weighted average number of shares for the purpose of basic earnings per share	7173300.00	7173300.00
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Effect of Dilution :

Weighted average number of shares for the purpose of Diluted earnings per share	7173300.00	7173300.00
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NOTE NO. 27 : Capital Management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. The company maintain an optimal capital structure of Debt equity to reduce the cost of capital. The company's debts includes interest bearing borrowings from banks.

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Borrowing (Note No. 12.1)	974,650.00	1,015,000.00	5,050,000.00
Net debt	974,650.00	1,015,000.00	5,050,000.00
Equity (Note No. 10)	71,733,000.00	71,733,000.00	71,733,000.00
Other equity (Note No. 11)	-66,235,068.87	-70,324,617.59	-74,282,742.40
Total equity	5,497,931.13	1,408,382.41	-2,549,742.40
Net Debt to equity ratio	0.18	0.72	-1.98

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2018.

Enchanté Jewellery Limited

NOTE NO. 36 : Fair Value Measurements

(₹ in Lacs)

(i) Financial Instruments by Category

Particulars	As at 31.03.2018			As at 31.03.2017			As at 01.04.2016		
	FVTPL	FVTOCI Cost	Amortized	FVTPL	FVTOCI Cost	Amortized	FVTPL	FVTOCI Cost	Amortized
Financial Assets									
(i) Investments in unquoted Equity Instruments	-	-	-	-	-	-	-	-	-
(ii) Investments in Mutual funds	-	-	-	-	-	-	-	-	-
(iii) Security Deposits	-	-	581,927.00	-	-	581,927.00	-	-	581,927.00
(iv) Trade Receivables	-	-	22,160.94	-	-	12,015.20	-	-	8,816.72
(v) Cash and cash equivalents	-	-	2,987,221.87	-	-	555,899.60	-	-	3,334,605.13
(vi) Bank Balance Other than (v) above	-	-	375.68	-	-	231.23	-	-	237.62
(vii) Other financial Assets	-	-	49.83	-	-	30.94	-	-	21.71
Total Financial Assets	8.77		22,863.77	8.76	-	12,494.86	1,808.76	-	9,327.85
Financial Liabilities									
(i) Borrowing	-	-	12,834.37	-	-	11,471.30	-	-	12,598.89
(ii) Trade payables	-	-	3,537.45	-	-	1,877.13	-	-	2,562.33
(iii) Other financial liabilities	-	-	2,297.22	-	-	1,782.81	-	-	1,250.18
Total Financial Liabilities	-	-	18,669.04	-	-	15,131.24	-	-	16,411.40

(c) For Other Financial assets and liabilities that are measured at fair value, the carrying amount are equal to fair values.

NOTE NO. 37 : Financial Risk Management

The Company's principal financial liabilities comprise Borrowings (including Cash Credits), Trade Payables and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operation. The Company's principal financial assets includes trade receivables, other receivables and cash and cash equivalents that derive directly from its operations. The Company is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarized below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk. Financial instruments affected by market risk includes Borrowings.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective.

c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is exposed to credit risk from its financial activities including trade receivable, Security deposits and other financial instruments. The maximum credit risk as on the reporting risk is equal to the carrying value of the financial instruments.

Enchanté Jewellery Limited

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Company having Cash Credit facilities from various banks for maintaining the short term financial requirement.

Note :- 30 Key sources of Estimation uncertainty

The followings are the key assumptions concerning the future, and the key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities with next financial year.

a) Fair valuation measurement and valuation process

The fair values of financial assets and financial liabilities are measured using the valuation techniques including DCF model. The inputs to these methods are taken from observable markets where possible, but where this it is not feasible, a degree of judgement is required in arriving at fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

b) Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which losses can be utilized significant management judgement is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable profit together with future tax planning strategies.

c) Useful Life of PPE

Company has defined useful life of property plant and equipment in accordance with Schedule-II of the Companies Act, 2013.

NOTE NO. 31 : Related Party Disclosures

31.1 : Key Management Personnel

S. No.	Name	Designation
1	Shri Charanjit Lal Mehra	Chairman & Executive Director
2	Shri Pawan Mehra	Executive Director
3	Smt Lata Mehra	Non.Exective Director
4	Shri Shanti Swarup Bhatia	Independent & Non Excecutive Director
5	Shri Kunal Sharma	Independent & Non Excecutive Director
6	Smt. Mrigna Raikhy	Additional Director
7	Smt. Mamta Jolly	Company Secretary

Enchanté Jewellery Limited

31.2 : Other Related Person & Related Entities

S. No.	Name	Nature of Relationship
	Related Person	
	Chand Mehra	Brother of Director (Pawan Mehra)
	Related Entities	
1	Saraswati Media Limited	
2	Ashrika Properties Pvt Ltd.	
3	Barkha Exports Ltd.	
4	Mehrasons Jewellers Pvt Ltd.	
5	Naraini Gems & Investment Ltd.	
6	Vidhata Properties Pvt Ltd.	

31.3 : Transaction with Related Parties

(₹ in Rs.)

S. No.	Particulars	Nature of Transaction	Transaction during the Period		Outstanding Amount Payable/(Receivables)		
			Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017	Year ended 31.03.2016
1	Shri Pawan Mehra	Managerial Remuneration	1,200,000.00	-	-78,808.00	-	-
		Loan taken	-	-			
		Loan repaid	-	-			
		Interest on loan	-	-			
2	Smt Lata Mehra	Managerial Remuneration	600,000.00	-	232,132.00	-	-
3	Shri Chand Mehra	Managerial Remuneration	-	-	-	40,908.00	40,908.00
4	Saraswati Media Limited	Loan taken	-	-	974,650.00	1,015,000.00	5,050,000.00
		Loan repaid	40,350.00	4,035,000.00			
		Interest on loan	-	-			
5	Ashrika Properties Pvt Ltd.	Loan taken	1,285,000.00	-	1,284,400.00	-	-
		Loan repaid	600.00	-			
		Interest on loan	-	-			
6	Barkha Exports Ltd.	Loan taken	-	25,128.00	47,940.00	-	-
		Loan repaid	-	-	101,629.00	76,501.00	28,561.00
		Interest on loan	-	-			
7	Naraini Gems & Investment Ltd.	Loan taken	63,228.00	61,040.00	-	-	-
		Loan repaid	-	-	205,909.00	142,681.00	81,641.00
		Interest on loan	-	-			
8	Mehrasons Jewellers Pvt Ltd.	Loan taken	17,248.00	15,690.00	-	-	-
		Loan repaid	-	-	679,186.26	661,938.26	646,248.26
9	Vidhata Properties Pvt Ltd.	Loan taken	21,388.00	-	-	-	-
		Loan repaid	-	890.00	-	-	-
		Interest on loan	-	-	39,459.00	18,071.00	18,961.00

Note:- Related Party Transactions are as identified by the Company and relied upon by the Auditors.

Enchanté Jewellery Limited

NOTE NO. 32 : Retirement Benefits

The company has not made provisions for retirement benefits, hence there is no need to calculate defined benefit plans.

NOTE NO. 33 : Corporate Social Responsibility

As per the requirement of the provisions of Companies Act, 2013, the Company is not required to make Corporate Social Responsibility contribution.

NOTE NO. 34 : First time adoption of Ind AS

Note 45 First-time adoption of Ind AS “These financial statements, for the year ended 31st March 2018, are the first the company has prepared in accordance with Ind-AS. For periods up to and including the year 31st March 2017, the company prepared its financial statements in accordance with the Indian GAAP, including accounting standards notified under the companies (Accounting Standards) Rules, 2006 (as amended).” “Accordingly the company has prepared financial statements which comply with Ind-AS applicable for the periods on or after the 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of the significant accounting policies, In preparing these financial statements, the company opening balance sheet was prepared as at 1st April 2016, the company date of transition to Ind-AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31st March 2017.

Exemptions applied

Ind-AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS Company has applied the following exemptions:-

1- Estimates

The estimates at 1st April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the entity to present these amounts in accordance with Ind AS reflect conditions at 1st April 2016, the date of transition to Ind-AS and as of 31st March 2017.

2- Deemed Costs

The Company has elected to continue with the previous GAAP carrying value of all Property Plant and Equipment and Intangible Asset as recognised in the previous GAAP financial statements as deemed cost at the transition date, as there is no change in the functional currency of the Company.

3- Long term foreign currency monetary items

Company has no exchange differences arising from translation of existing long term foreign currency monetary items recognised in the financial statements.

Enchanté Jewellery Limited

Reconciliation of Balance sheet as at 1st April, 2016 (at the date of Transition)

(₹ in Rs.)

Particulars		Foot Notes	INDIAN (GAAP)	Adjustments	IND-AS
I.	ASSETS				
1	Non-Current Assets				
	(a) Property, Plant and equipment		8,759,845.00	-	8,759,845.00
	(b) Capital work-in-progress		-	-	-
	(c) Other Intangible assets		-	-	-
	(d) Financial Assets		-	-	-
	(i) Investments		-	-	-
	(ii) Others		581,927.00	-	581,927.00
	(e) Other Non Current assets		870,411.26	-	870,411.26
			10,212,183.26	-	10,212,183.26
2	Current assets				
	(a) Inventories		13,217,232.00	-	13,217,232.00
	(b) Financial Assets		-	-	-
	(i) Investments		-	-	-
	(i) Trade Receivables		-	-	-
	(ii) Cash and cash equivalents		3,334,605.13	-	3,334,605.13
	(ii) Bank Balance Other than (ii) above		160,000.00	-	160,000.00
	(iii) Others		242,380.00	-	242,380.00
	(c) Current Tax Assets(Net)		5,300,338.00	-	5,300,338.00
	(d) Other Current assets		125,492.00	-	125,492.00
			22,380,047.13	-	22,380,047.13
	Total Assets		32,592,230.39	-	32,592,230.39
II.	EQUITY AND LIABILITIES				
1	Equity				
	(a) Equity Share Capital		71,733,000.00	-	71,733,000.00
	(b) Other Equity		-74,282,742.00	-	-74,282,742.00
			-2,549,742.00	-	-2,549,742.00
2	Liabilities				
(i)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowing		5,050,000.00	-	5,050,000.00
	(b) Provisions		-	-	-
	(c) Deferred Tax Liability		81,015.00	-	81,015.00
			5,131,015.00	-	5,131,015.00
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowing		-	-	-
	(ii) Trade payables		624,158.79	-	624,158.79
	(ii) Others		28,979,045.00	-	28,979,045.00
	(b) Other Current liabilities		378,331.00	-	378,331.00
	(c) Provisions		29,423.00	-	29,423.00
	(d) Current Tax liability (Net)		-	-	-
			30,010,957.79	-	30,010,957.79
	Total Equity and Liabilities		32,592,230.79	-	32,592,230.79

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

Enchanté Jewellery Limited

Reconciliation of Balance sheet as at 31st March, 2017

(₹ in Rs.)

Particulars	Foot Notes	INDIAN (GAAP)	Adjustments	IND-AS
I. ASSETS				
1 Non-Current Assets				
(a) Property, Plant and equipment		8,504,362.55	-	8,504,362.55
(b) Capital work-in-progress		-	-	-
(c) Other Intangible assets		-	-	-
(d) Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Others		581,927.00	-	581,927.00
(e) Other Non Current assets		1,489,191.26	-	1,489,191.26
		10,575,480.81	-	10,575,480.81
2 Current assets				
(a) Inventories		13,217,232.00	-	13,217,232.00
(b) Financial Assets		-	-	-
(i) Investments		-	-	-
(i) Trade Receivables		-	-	-
(ii) Cash and cash equivalents		555,899.60	-	555,899.60
(ii) Bank Balance Other than (ii) above		-	-	-
(iii) Others		-	-	-
(c) Current Tax Assets(Net)		5,009,296.00	-	5,009,296.00
(d) Other Current assets		114,054.00	-	114,054.00
		18,896,481.60	-	18,896,481.60
Total Assets		29,471,962.41	-	29,471,962.41
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital		71,733,000.00	-	71,733,000.00
(b) Other Equity		-70,324,617.59	-	-70,324,617.59
		1,408,382.41	-	1,408,382.41
2 Liabilities				
(i) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowing		1,015,000.00	-	1,015,000.00
(b) Provisions		-	-	-
(c) Deferred Tax Liability		127,402.00	-	127,402.00
		1,142,402.00	-	1,142,402.00
3 Current liabilities				
(a) Financial Liabilities				
(i) Borrowing		-	-	-
(ii) Trade payables		868,640.00	-	868,640.00
(ii) Others		25,561,056.00	-	25,561,056.00
(b) Other Current liabilities		462,059.00	-	462,059.00
(c) Provisions		29,423.00	-	29,423.00
(d) Current Tax liability (Net)		-	-	-
		26,921,178.00	-	26,921,178.00
Total Equity and Liabilities		29,471,962.41	-	29,471,962.41

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

Enchanté Jewellery Limited

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

(₹ in Rs.)

Particulars	Foot Notes	INDIAN (GAAP)	Adjustments	IND-AS
I. Revenue :				
Revenue from operations		-	-	-
II. Other income		7,821,581.00	-	7,821,581.00
III. Total Income (I + II)		7,821,581.00	-	7,821,581.00
IV. Expenses:				
Cost of Material Consumed		-	-	-
Purchase of Stock-in-Trade		-	-	-
Changes in Inventories of finished goods, work-in-progress and Stock-in-Trade		-	-	-
Excise duty on Goods		-	-	-
Manufacturing & Direct Expenses		-	-	-
Employee Benefit Expenses		1,256,528.00	-	1,256,528.00
Finance Costs		48,087.00	-	48,087.00
Depreciation and amortization expense		255,482.45	-	255,482.45
Other Expenses		2,256,971.74	-	2,256,971.74
Total Expenses (IV).		3,817,069.19	-	3,817,069.19
V. Profit/loss Before exceptional items and Tax (I - IV)		4,004,511.81	-	4,004,511.81
VI. Exceptional items		-	-	-
VII. Profit/(Loss) before tax (V - VI)		4,004,511.81	-	-
VIII. Tax expense:				
(1) Current tax		-	-	-
- For the year		-	-	-
- For earlier years (net)	2	-	-	-
(2) Deferred tax (net)		46,387.00	-	46,387.00
Total Tax Expense (VIII)		46,387.00	-	46,387.00
IX Profit/(loss) for the period from continuing operation (VII - VIII)		3,958,124.81	-	3,958,124.81
X Profit/(loss) from discontinued operations		-	-	-
XI Tax Expense of discontinued operations		-	-	-
XII Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-	-
XIII Profit/(loss) for the period (IX+XII)		3,958,124.81	-	3,958,124.81
XIV Other Comprehensive Income				
Items that will not be reclassified to profit and loss				
Remeasurement gains (losses) on defined benefit plans		-	-	-
Income tax effect on Remeasurement gains (losses) on defined benefit plans		-	-	-

Enchanté Jewellery Limited

(₹ in Rs.)

Particulars		Foot Notes	INDIAN (GAAP)	Adjustments	IND-AS
XI.	Total Comprehensive Income for the period (XIII +XIV) (Comprehensive profit and other comprehensive income for the period)				
			3,958,124.81	-	3,958,124.81
XII.	Earnings Per Equity Share: (For Continuing Operation)				
	(1) Basic		0.55	-	0.55
	(2) Diluted		0.55	-	0.55
XIII.	Earnings Per Equity Share: (For discontinuing Operation)				
	(1) Basic		-	-	-
	(2) Diluted		-	-	-
XIV.	Earnings Per Equity Share: (For discontinued and continuing Operation)				
	(1) Basic		0.55	-	0.55
	(2) Diluted		0.55	-	0.55

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

Enchanté Jewellery Limited

RECONCILIATION OF TOTAL EQUITY AS AT 31st MARCH, 2017 AND 1st APRIL, 2016*

(₹ in Rs.)

Particulars	Foot Notes	31.03.2017	01.04.2016
Total Equity as per previous GAAP		-70,324,617.59	-74,282,742.40
Adjustments			
Proposed dividend and dividend tax		-	-
Total Equity as per Ind-AS		-70,324,617.59	-74,282,742.40

RECONCILIATION OF TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH 2017*

(₹ in Rs.)

Particulars	Foot Notes	31.03.2017
Profit after tax as per previous GAAP		3,958,124.81
Adjustments in respect of income tax of previous year		-
Remeasurements of defined benefit obligation recognised in Other Comprehensive Income		-
Profit after Tax as per Ind-AS		3,958,124.81
Other Comprehensive Income for the year (net of tax)		-
Total Comprehensive Income as per Ind-AS		3,958,124.81

Enchanté Jewellery Limited

NOTES TO FIRST TIME ADOPTION OF IND-AS

Note :- 1 Proposed Dividend

The company has not declared dividend as the company has no accumulated Reserves & Surplus.

Note:- 2 Adjustment of tax related to the Prior Years

There is no adjustment of tax related to prior period relating to adjustment made under previous GAAP and IND(AS)

Note:- 3 Remeasurement of Defined benefit liability

There is no provision made for Retirement benefits like Leave encashment, Gratuity etc from a long time, as the company was under BIFR and was struggling to revive the business. So there is no adjustment required for remeasurement of Defined benefit liability.

END OF FINANCIAL STATEMENT 2017-2018

Form No. MGT-11

Proxy form

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

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No /Client ID :

DP ID :

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

Name :

E-mail Id:.....

Address:

Signature , or failing him

Name :

E-mail Id:

Address:

Signature , or failing him

Name :

E-mail Id:

Address:

Signature , or failing him

as my/ our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the _____Annual General Meeting / Extra-Ordinary General Meeting of the company, to be held on the ____ day of ____ at _____ a.m. / p.m. at _____(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Sl. No.	Resolution(s)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2018		
2.	Reappointment of Mr. Pawan Mehra as Director		
3.	Appointment of M/s Manoj C. Agarwal Co., Chartered Accountants , Chartered Accountants as Statutory Auditors & fixing their remuneration		
4.	To appoint Mrs Mrigna Raikhy as an Independent Director on the Board		

* Applicable for investors holding shares in Electronic form.

Signed this ____ day of ____ 20 ____

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

Enchanté Jewellery Limited

Regd. Office: Plot No. 3 & 4, UdyogVihar, Phase- IV, Gurgaon, Haryana-122005

CIN : L74899HR1995PLC032759, **E mail - ID:** enchante@enchantejewellery.co.in

website: www.enchantejewellery.co.in

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

ATTENDANCE SLIP

Registered Folio No./DP ID No. / Client ID No.	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	
Number of Shares held:	

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

I hereby record my presence at the 32th Annual General Meeting of the Company at Plot No.3&4, Phase-IV, Udyog Vihar, Gurgaon (Haryana). on Friday, 29th September, 2018 at 9:30 am

Name of the member / proxy

Signature of member / proxy

Note:

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall.
2. Members are requested to bring their copies of the Annual Report to the AGM.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

EVSN (Electronic Voting Sequence Number)	*Default PAN
180906085	

* Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan field.

Note:Please read the instructions printed in the Notice of 32nd Annual General Meeting dated 29th September, 2018. The Voting period starts from 26th September, 2018 at 10.00 am and ends on 28th September, 2018 at 5.00 pm. The voting module shall be disabled by CDSL for voting thereafter.

If undelivered, please return to :

Enchanté Jewellery Limited

Plot No. 3 & 4, Udyog Vihar,
Phase-IV, Gurgaon, Haryana