



***Deep Diamond India Limited***

**23<sup>rd</sup>**  
**Annual Report**  
**2016-2017**

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## **BOARD OF DIRECTORS**

1. Mr. Prakash Rikhabchand Solanki -- Chairman, Executive Director and CFO
2. Mr. Dinesh Rikhabchand Solanki -- Managing Director
3. Mr. Rajan Deshraj Agarwal -- Independent Director & Non-Executive
4. Mrs. Sangeeta Jain -- Independent Director & Non-Executive
5. Mr. Mayank Sumatilal Shah -- Independent Director & Non-Executive
6. Mr. Amit Kumar Dudani -- Company Secretary

## **AUDITORS**

**M/s. Vijay R. Tater & Co.**  
Chartered Accountants

## **REGISTERED OFFICE**

Office No.502, Cosmos Court Premises  
Co-Operative Society Ltd, S.V. Road,  
Vile Parle (West)  
Mumbai -400056, Maharashtra

## **FACTORY**

105, Syndicate Industrial Estate,  
Near Golani Naka, Valiv Road,  
Vasai -East,

## **BANKERS**

ICICI BANK  
RUPEE BANK

## **TRANSFER AGENT**

Universal Capital Securities Private Limited  
21, Shakil Niwas, Mahakali Caves Road,  
Opp. Saibaba Temple, Andheri (East)  
Mumbai- 400093  
Phone: 28207203

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## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23<sup>RD</sup> ANNUAL GENERAL MEETING OF DEEP DIAMOND INDIA LIMITED WILL BE HELD AT THE REGISTERED OFFICE NO: 502, COSMOS COURT PREMISES CO-OPERATIVE SOCIETY LTD, S.V. ROAD, VILE PARLE (W), MUMBAI-400056 ON FRIDAY, 29TH SEPTEMBER, 2017 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

### I - ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March, 2017 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh R Solanki who retires by rotation but being eligible offers himself for re-appointment
3. To appoint statutory Auditors and fixes their remuneration and in this regard, to consider and if thought fit, to pass, the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby appoint M/s. Vijay R. Tater & Co., Chartered Accountants (Firm Registration No.111426W) as the Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at such remuneration plus GST as applicable and reimbursement of out-of pocket expenses in connection with the audit of the Board of Directors may fix in this behalf.”

### SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded for payment of remuneration of Rs. 9,60,000/- per annum, subject to a maximum of Rs. 15,00,000/- per annum to Mr. Prakash Solanki (DIN: 00176606) as Chairman & CFO of the Company with effect from April 1, 2017, for remainder period of duration of his appointment up to March 31, 2019”.

“RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the Central Government or such other competent authority”.

**5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any amendment thereto or re-enactment thereof], and subject to any other compliances requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approvals, as may be necessary by any of the statutory authority, consent of the Members be and hereby given to request of 26 Shareholders of the company who have be constituting the promoter group holding together 8.29 % of the paid up capital of the company to be removed from the list of promoters/ promoter group in the shareholding pattern of the company and the same shall be communicated to the Bombay Stock Exchange Limited (BSE) for their approval.”

“RESOLVED FURTHER THAT Mr. Prakash Solanki, the Whole Time Director of the Company be and is hereby severally authorized to file the necessary applications before the BSE and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution and thereby execute all such documents, instruments, papers and writings etc., on behalf of the Company, as may be required from time to time for the aforesaid matter.”

**Place: Mumbai**  
**Date: 14.08.2016**

**By Order of the Board**  
**Deep Diamond India Limited**

**(Prakash R Solanki)**  
**Chairman**  
**DIN NO: 00176606**



### **Notes:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.**

The instrument of Proxy in order to be effective should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

**2. The relevant explanatory Statements to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 (hereinafter called "the Act"), which sets out details relating to the Special Business to be transacted at the meeting is annexed hereto.**

**3. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.**

**4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Saturday, September 23, 2017, to Friday, September 29, 2017 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.**

**5. The Members are requested to:**

**(a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Universal Capital Securities Private Limited, 21, Shakil Niwas, Mahakali Caves Road, Opp. Saibaba Temple, Andheri (East) Mumbai- 400093 in respect of their holdings in physical form.**

**(b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.**

**(c) Non-Resident Indian Members are requested to inform M/s. Universal Capital Securities Private Limited immediately of the change in residential status on return to India for permanent settlement.**

**(d) Register their email address and changes therein from time to time with M/s. Universal Capital Securities Private Limited for shares held in physical form and with their respective Depository Participants for shares held in demat form.**

**6. Corporate Members intending to send their authorized representatives are requested to send duly certified a copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.**

**7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Universal Capital Securities Private Limited and have it duly filled and sent back to them.**

**8. Re-appointment of Directors: Section 152 of the Companies Act, 2013, provides inter alia that unless the articles provide for the retirement of all directors at every annual general meeting, not less than two-thirds of the total number of directors of a public company, or a private company which is a subsidiary of a public company, shall (a) be persons whose period of office is liable to determination by retirement of directors by rotation; and (b) save as otherwise expressly provided in the Act, be appointed by the Company in the general meeting.**

**9. MCA, Government of India, through its Circulars Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, respectively, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in corporate governance. By Order of the Board of Directors, The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA. A 'Green Initiative' Form can be downloaded from the Company's website viz. [www. deepdiamondltd.com](http://www.deepdiamondltd.com) to register the email id.**

**10. An electronic copy of the Annual Report for 2015-16 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2015-16 is being sent in the permitted mode.**



## 11. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members with the facility of 'remote-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 22nd Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The instructions to members for voting electronically are as under:-

a) The voting period begins on **Tuesday, September 26, 2017, at 09.00 a.m. and ends on Thursday, September 28, 2017, at 5.00 p.m.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **September 22, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on September 29, 2017.

- b) Members holding shares in physical or in demat form as on **September 22, 2017**, shall only be eligible for e-voting.
- c) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- d) Click on Shareholders.
- e) Now Enter your User ID;
  - i. For CDSL: 16 digits beneficiary ID;
  - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
  - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- f) Next enter the Image Verification as displayed and Click on Login.
- g) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- h) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yy format) as recorded in your Demat account or in the company records in order to log in.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- i) After entering these details appropriately, click on "SUBMIT" tab.
- j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
- k) Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- l) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- m) Click on the EVSN for the relevant Company name on which you choose to vote.
- n) 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.
- o) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- p) 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.
- q) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- r) You can also take out a print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- s) If the Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forget Password & enter the details as prompted by the system.



- t) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts, they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
1. General Instructions/information for members for voting on the Resolutions :
- a) Facility of voting through Poll paper shall be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the Meeting.
  - b) Members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to vote again at the AGM.
  - c) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
  - d) Mr. Vijay Kumar Mishra (Membership No.F-3023), Practicing Company Secretary has been appointed by the Board of Directors of the Company as the Scrutinizer to scrutinize the remote e-voting process as well as voting through a poll at the Meeting, in a fair and transparent manner.
  - e) The results shall be declared not later than forty-eight hours from the conclusion of the meeting. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at [www.deepdiamondindialimited.com](http://www.deepdiamondindialimited.com) and the website of CDSL immediately after the result is declared by the Chairman and will simultaneously be forwarded to BSE Limited, where Equity Shares of the Company are listed.

Members may also note that the Notice of the Annual General Meeting and the Annual Report for the financial year 2015-2017 will also be available on the Company's website [www.deepdiamondindialimited.com](http://www.deepdiamondindialimited.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [deepdiamondindialimitd.com](mailto:deepdiamondindialimitd.com).

**By Order of the Board  
Deep Diamond India Limited**

**Place: Mumbai  
Date: 14.08.2016**

**(Prakash R Solanki)  
Chairman  
DIN: 00176606**



### **Annexure to the Notice Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

#### **ITEM NO.4**

The Nomination and Remuneration Committee, in its meeting held on August 14, 2017, recommended and the Board of Directors, in its meeting held on August 14, 2017, approved the payment of remuneration of INR 9,60,000/- per annum subject to maximum of INR 15,00,000/- per annum, to Mr. Prakash Solanki (DIN: 00176606), as Chairman & CFO of the Company with effect from April 1, 2017, for remainder of duration of appointment up to March 31, 2019 subject to the approval of the shareholders in the General Meeting. Disclosure, as required under Schedule V of the Companies Act, 2013 and Listing agreement, is given hereunder and Annexure to this Notice

The Board noted that the Company has grown and the duties and responsibilities of the Whole Time Director of the Company have increased to a considerable extent. The Board discussed the matter and felt that his hard work and efforts have contributed well towards the growth of the Company and opined that he should be suitably remunerated.

With his vast experience in the retail sector, the Board of Directors considered it to be desirable to approve ratification and approval of remuneration payable to him for as Chairman and CFO with effect from April 1, 2017, onwards. The Board of Director recommends the relevant resolution for your consideration and approval as a Special Resolution.

None of the Directors except Mr. Prakash Solanki himself is concerned or interested in the resolution. No other Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

#### **ITEM NO.5**

In the light Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, persons who are no longer desirous of being classified as Promoters of the Company, must submit a request to the Company stating the same, which has to be accepted by the Board of Directors and their request will then be acceded subject to the approval of the shareholders of the Company. The acceptance of the Board and the approval of the shareholders shall thereafter be sent to the Stock Exchange for their clearance in order to reclassify the shareholding pattern of the Company.

The Board at their meeting on 14th August 2017, deliberated on the aforesaid matter and it was, therefore, noted that these shareholders have merely included in the "promoter Category" because they were allotted shares before the company has made its IPO in 1994-95. They never participated in the day to day management of the Company. Further, they did not hold any position as a director or a KMP in the company. Therefore, considering the aforementioned grounds, the Board decided to accept the request of the shareholders in order to declassify these shareholders from the promoter and promoter group.

At present, there are 26 such shareholders holdings 8.29% of the paid-up capital of the company who are part of the Promoter Group of the Company and have made such request.

The Board of Directors accordingly recommends this special resolution for the approval of the Members.

None of the Directors and/or Key Managerial personnel of the Company or their relatives are, in any way, deemed to be concerned or interested in the said resolution.



## CONSENT RECEIVED FROM PROMOTERS TO RECLASSIFY FROM PROMOTER LIST TO PUBLIC

SR NO	NAME	HOLDING	%
1	ANAND BHANDARI	2500	0.08
2	BHARATKUMAR JIVRAJ SOLANKI	20000	0.63
3	DHIRAJ ADILCHAND SHARMA	90100	2.82
4	DILIP KUMAR M SOLANKI	600	0.02
5	DIANSA KHETSIJI DEDIIA	5000	0.16
6	JAYANTILAL JIVRAJ SOLANKI	17500	0.55
7	JITESH M SOLANKI	7500	0.23
8	KALAPANA DHIRAJ SHARMA	55000	1.72
9	MADANRAJI JOWHARMAL CHAGGED	2500	0.08
10	MANGILAL SOLANKI	2500	0.08
11	NARENDRA KHADELWAL	2500	0.08
12	NIRMALA SHARMA	2500	0.08
13	P CHANDRASEKAR	2500	0.08
14	PARAG SHARMA	1000	0.03
15	PARASMAL HEMRAJ	5000	0.16
16	PRAMILA M SOLANKI	800	0.03
17	PUSHPABEN	2500	0.08
18	RAKESHI SOLANKI	27500	0.86
19	RAMESHI KUMAR SOLANKI	2500	0.08
20	S C JAIN	2500	0.08
21	SANDIP KUMAR GARG	2500	0.08
22	SAROJ G JAIN	2500	0.08
23	SHANKAR SOLANKI	300	0.01
24	SHANTI ANRAJ JAIN	2500	0.08
25	SHANTILAL SOLANKI	2500	0.08
26	TARA SATISH JAIN	2500	0.08
TOTAL		265300	8.29

By Order of the Board  
Deep Diamond India Limited

Place: Mumbai  
Date: 14.08.2016

(Prakash R Solanki)  
Chairman  
DIN: 00176606