Narbada
Gems & Jewellery Limited

21ST ANNUAL REPORT 2012-13

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Dear shareholders,

The Ministry of Corporate Affairs ("MCA") vide its circulars dated 21.04.2011 and 29.04.2011 has taken a "Green Initiative in Corporate Governance" thereby allowing companies to serve electronic documents to its shareholders.

Environment conservation and sustainable development are continuously on your Company's radar and therefore your Company supports MCS in this initiative. Accordingly, henceforth, we propose to send documents such as notices of general meeting(s), annual reports and other communications to the shareholders through e-mail. Please note that all such documents shall be kept open for inspection at the registered office of the Company during the office hours.

We solicit your valuable cooperation and support in our endeavor to contribute our bit to the environment. You are requested to please fill the details in the format provided below. Please note that the fields marked '*' are mandatory to fill.

Registered Folio or DP Id – Client ID *

Full Name *

Email ID *

Contact no. :

Declaration: (Select whichever is applicable) *

I agree to receive the communication through e-mail

I agree to receive the communication through physical mode

In case there is any change in your e-mail ID or any other details, please e-mail us the details at comsec@narbadajewellery.com or contact us. In case of shares held in electronic form, you are requested to inform your DP as well.

CONTENTS

Narbada
Gems & Jewellery Limited

BOARD OF DIRECTORS

Chairman – Emeritus	Shri Hanumanth Rai Sanghi
Managing Director -	Shri Sanjay Kumar Sanghi
Director -	Shri Ritesh Kumar Sanghi
Director -	Shri Vinod Agarwal
Director -	Shri Ram Prasad Vempati
Director -	Shri Siddharth Goel
Compliance Officer	Shri Sanjay Kumar Sanghi
AUDITORS	M/s Venugopal & Chenoy Chartered Accountants Tilak Road, Hyderabad
BANKERS	State Bank of India Commercial Branch Koti, Hyderabad
REGISTERED OFFICE	“Sadana Building, 1st Floor, 3-6-290/18, Hyderguda Hyderabad-500029
DEPOSITORY REGISTRAR & SHARE TRANSFER AGENTS	M/s CIL SECURITIES LIMITED 208, Raghav Ratna Towers Chirag Ali Lane, Abids Hyderabad-500001 Phone: 23202465 Fax 040-23203028 E-mail: cilsec@rediffmail.com

NOTICE

NOTICE is hereby given that 21st Annual General Meeting of Members of M/s **NARBADA GEMS & JEWELLERY LIMITED** will be held on Friday the 27th day of September 2013, at 3.00 P.M at Rajasthani Graduates Association, "Snatak Bhavan", 5-4-790/1, 1st Floor, Abids, Hyderabad, (A.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, and Profit and Loss Account for the year ended on that date and the reports of the Director and Auditors thereon.
2. To appoint a Director in place of Shri Ram Prasad Vempati who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Siddharth Goel who retires by rotation and being eligible offers himself for reappointment.
4. To appoint the Auditors and fix their remuneration.

By order of Board

Date: 02.09.2013

Place: 3-6-290/18, First Floor,
Sadana Building, Hyderguda,
Hyderabad – 500 029

SANJAY KUMAR SANGHI
MANAGING DIRECTOR

NOTES:-

1. Any Member entitled to attend and vote is entitled to appoint proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy, to be effective, should be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **21st September, 2013 to 27th September, 2013** (both days inclusive) for the purpose of Annual General Meeting.
3. All correspondence and share transfer documents must be addressed to the Share Transfer Agents
4. Member who hold shares in dematerialized form are requested to bring their clients Id and DPID number for easy identification of their attendance at the meeting.
5. Members holding the shares in physical and electronic form are required to inform immediately the changes, if any, in their address of Share Transfer Agents.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.

7. **The details pertaining to Directors liable to retire by rotation and directors proposed to be appointed / reappointed as required to be provided pursuant to the Listing Agreement with the Stock Exchanges are as follows:**

S No	Particulars	Mr. Ram Prasad Vempati	Mr. Siddharth Goel
1.	Designation	Director	Director
2.	Date of Birth	06.12.1956	01.03.1985
3.	Date of Appointment	14.01.2007	12.05.2012
4.	Qualifications	Bachelor of Commerce	Bachelor of Commerce
5.	Expertise in specific functional area	Rich and varied experience in the field of Accountancy, Finance and Business Administration. He has an experience of more than 20 years in the field of Finance and Accounting.	Rich and varied experience in Business Administration and Strategic Management.
6.	Directorships held in other public companies as on 31.03.2013	1. Uday Jewellery Industries Limited 2. Vempati Enterprises Private Limited 3. RVK Enterprises and Exports limited	1. Uday Jewellery Industries Limited
7.	Number of shares held in the Company	Nil	Nil

DIRECTORS' REPORT

To,
The Members
Your Directors have pleasure to present the Twentieth Annual Report of the Company together with the Audited Accounts of Your Company for the year ended 31st March, 2013.

FINANCIAL RESULTS

Your Company's performance during the year 2012-2013 is summarized below:

(Rs. in Lakhs)

S.No	Particulars	2012-13	2011-12
1.	Sales	884.32	731.86
2	Other Income	2.10	4.10
3	**Total Income (1+2)**	**886.42**	**735.96**
4	Expenditure	835.59	686.78
5	**Profit before Tax**	**50.83**	**49.01**
6	Tax Expense	10.17	3.36
7	**Profit after Tax**	**40.66**	**45.65**
8	Earning Per Share	0.75	0.85

BUSINESS REVIEW

During the year your Company has achieved a turnover of Rs. 8,84,32,473 as against Rs. 7,31,86,555 in the previous year. This is due to increase in gold prices as well as the demand for the product being dealt with by the Company. As a result of this there has been an increase in the profit of the Company to Rs. 50,83,347 in the year.

DIVIDEND:

Due to inadequate profits and in order to conserve resources for expanding the business, your Directors have opined to not recommend any dividend for the year 2012 – 13.

DIRECTORS

Shri Ram Prasad Vempati and Shri Siddharth Goel retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Their respective profiles are given elsewhere in the report. Your Directors recommend their re-appointment.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from public during the year.

AUDITORS

M/s. Venugopal & Chenoy, Chartered Accountants, the present statutory auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. The Company has received confirmation from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956. The comments made by the Auditors in their report, if any, have been dealt with in the Notes on Accounts and do not require further comments from Board of Directors.

DIRECTOR'S RESPONSIBILITY STATEMENT:

The Directors confirm:

(i) that in the preparation of the Annual Accounts for the year ended on 31st March 2013, the applicable accounting standards have been followed and that no material departures have been made from the same;

(ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the 31st March 2013 and of the profit for that period;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the annual accounts for the year ended on 31st March 2013, ongoing concern basis.

INDUSTRIAL AND PERSONNEL RELATIONS:

The relationship between the management and the staff continued to be cordial.

PARTICULARS OF EMPLOYEES:

In pursuance of the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, the Directors are to report that no employee was in receipt of emoluments as provided in the said Section.

ADDITIONAL INFORMATION AS REQUIRED U/S 217 (1) (e) OF THE COMPANIES ACT, 1956:

The statement giving particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is attached to the report.

LISTING:

The shares of your company are listed on Madras Stock Exchange Limited, Delhi Stock Exchange Association Limited and the Bombay Stock Exchange Limited. The Company has duly complied with all the applicable provisions of the Listing Agreement.

SUBSIDIARIES:

There are no subsidiaries to the Company as on date of the report.

CODE OF CONDUCT

The Company has adopted a uniform Code of Conduct for Directors and Senior Management Personnel to ensure ethical standards and further compliance to such standards. The object of the code is to conduct the Company's business ethically with responsibility, integrity, fairness, transparency and honesty.

INSURANCE

The properties and assets of your Company are adequately insured.

CORPORATE GOVERNANCE CODE:

The Code of Corporate Governance promulgated by Securities & Exchange Board of India is being implemented by your Company on a continuous basis. The Code of Corporate Governance as per Clause 49 of the Listing Agreement is attached herewith. The Compliance Certificate on Corporate Governance received from the Statutory Auditors is also given as an Annexure to this report.

ACKNOWLEDGEMENT

Your Directors take this opportunity to express their gratitude for the assistance and co-operation extended by Government Authorities, Bankers and other business associates along with our esteemed Shareholders and employees.

For and on behalf of Board of Directors
NARBADA GEMS AND JEWELLERY LIMITED

Dated: 02.09.2013
Place: 3-6-290/18, First Floor,
Sadana Building, Hyderguda,
Hyderabad – 500 029

(Sanjay Kumar Sanghi)
Managing Director

(Ritesh Kumar Sanghi)
Director

ANNEXURE - 1

INFORMATION PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS' RULES, 1988

a) Energy Conservation Measures taken**: Not Applicable as Company is in the business of Jewellery manufacturing and trading which are more dependent on Human skill than power consumption.**

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : **Nil**

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : **Not Applicable**

FORM-A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Particulars	2012 - 13	2011 - 12
A. POWER AND FUEL CONSUMPTION:		
Electricity		
a) Purchased : Units (KWH)	16187	20604
Total Amount (Rs.)	135541.00	125456.00
Rate/Unit (Rs.)	8.373	6.089
b) Own Generation		
Through diesel generator: Units (KWH Units per liter of diesel oil Cost per Unit (Rs.)	Nil	Nil
B. CONSUMPTION PER UNIT OF PRODUCTION:		
Electricity consumption	NA	NA

FORM B

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

A. Research And Development (R&D) : Not Applicable

B. Technology absorption, adaptation and innovation – Not Applicable

FORM - C

FOREIGN EXCHANGE EARNINGS AND OUTGO

(in Rupees)

Particulars	2012-13	2011-12
a) Foreign Exchange earned	Nil	Nil
b) Foreign Exchange used	Nil	Nil