



# ANNUAL REPORT

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## Corporate Profile

**Company Name: SILGO RETAIL LIMITED**

**CIN: L36911RJ2016PLC049036**

**ISIN: INE011I01013**

**Investor Relation Mail Id: info@silgo.in**

**Stock Exchange details: National Stock Exchange of India Ltd. (NSE)**

### **REGISTERED OFFICE:**

B-11, Mahalaxmi Nagar, Jawaharlal Nehru Marg,

Jaipur-302017, Rajasthan

Tel. No.: 0141-4919655

### **Board of Directors:**

<b>Mrs.BelaAgrawal</b>	Chairperson & Whole-time Director
<b>Mr. Nitin Jain</b>	Managing Director
<b>Mrs.Anjana Jain</b>	Additional Non-executive Director
<b>Mr.Gopal Singh</b>	Non-executive Independent Director
<b>Mr.Shalabh Gupta</b>	Non-executive Independent Director

### **Other Key Managerial Personnel:**

<b>Mr.Vaibhav Khandelwal</b>	Chief Financial Officer
<b>Ms.Tripti Sharma</b>	Company Secretary & Compliance Officer

### **REGISTRAR AND SHARE TRANSFER AGENT:**

**Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis Makwana Road, Moral,  
Andheri- East, Mumbai – 400059, Maharashtra

### **BANKERS**

**State Bank of India Limited,**

*IBB Branch, Jaipur*

**ICICI Bank Limited,**

*Johari Bazar, Jaipur*

### **STATUTORY AUDITORS**

**J K SARAWGI & COMPANY**

Chartered Accountants  
B-51, Subhash Nagar, Jaipur  
Rajasthan-302016

### **INTERNAL AUDITORS**

**SNEHA AGARWAL & COMPANY**

Chartered Accountants  
35, Shree Shyam Villa, Lohiya Colony,  
Vaishali Nagar, Jaipur, Rajasthan-302021

### **SECRETARIAL AUDITORS**

**PAYAL AGARWAL**

Company Secretary,  
Plot No-8, Moti Nagar, Jhotwara  
Jaipur, Rajasthan-302012

### **AUDIT COMMITTEE**

Mr.Gopal Singh- Chairperson

Mr.Shalabh Gupta

Mr. Nitin Jain

### **STAKEHOLDER'S RELATIONSHIP COMMITTEE**

Mrs.Anjana Jain- Chairperson

Mr.Shalabh Gupta

Mr.Gopal Singh

### **NOMINATION & REMUNERATION COMMITTEE**

Mr.Shalabh Gupta- Chairperson

Mr.Gopal Singh

Mrs.Anjana Jain



**From the Chairperson's desk**

Dear Valued Shareholders,

We are pleased to present the annual review of our Company for the financial year 2018-19. This fiscal year has been quite eventful for our Company as well as for the Industry as a whole. The year witnessed various structural reforms introduced by the government, including Goods & Services Tax (GST), opportunities for foreign investment in India, 'Make in India' initiatives (especially beneficial for manufacturing sectors), resolution of banks' NPA, recapitalisation, etc.

Developing economies are the key drivers of global economic growth, and our country has been at the forefront among them. Driven by government support, India is expected to witness significant industrial growth and foreign investments. Upside in private consumption and services is expected to support economic growth.

The year gone by FY 2018-19 has been a milestone year for us, Silgo Retail Limited got listed on NSE Emerge Platform of NSE Limited on October 10, 2019. We have ended the year FY 2018-19 with Revenues of INR 2167.12 Lakh and PAT of INR 123.09 lakh.

At Silgo, we continued to strengthen our industry positioning through our consistent focus on new product development, quality and innovation. With your continued support and trust, we have begun our journey of being a valued silver jewelry and articles manufacturing brand.

The Indian economy is likely to grow at around 7% over the next decade. As the gems and jewellery industry is one of the biggest businesses in India, it shall play a crucial role in the Indian economy. Gems and jewelry industry contributes in huge foreign exchange earnings and provides employment to over 4.5 million workers, both in organized as well as unorganized sectors.

The Company, during its short existence so far, has constantly evolved to stay relevant to meet the needs of customers and contribute to nation building. It remains focused on building sustainable value to all our stakeholders while upholding the SILGO values. Overall, I am very happy with the performance we have been able to deliver notwithstanding difficult business conditions.

I would like to take this opportunity to thank every member of SILGO family for their untiring efforts. I would also thank our clients, creditors, banks and other stakeholders, without whose patronage we could not have been where we are.

**BELA AGRAWAL  
CHAIRPERSON**

**From the Managing Director's desk****My Dear Shareholders,**

It gives me great pleasure to present to you the 4<sup>th</sup> Annual Report of the Company for the year 2018-19. Despite all the challenges, it has been an exciting year for SILGO and our adherence to our growth strategy leaves us confident of a better year ahead.

2018 has been a historic year for the company and it fills us with immense pride that we now call ourselves a Public Company. We listed our equity shares on NSE Emerge Platform. I believe that with better performance year-on-year, listing will provide a fantastic platform to enhance the recognition and goodwill of the Company and widen investor base.

I feel privileged to share an update of your Company's performance for 2018-19, a year of great achievements wherein we continued to demonstrate our proficiency and determination in achieving operational excellence and financial soundness. We remained robust and resilient in an ever-changing and challenging business environment, and stayed focused on our legacy of contributing to the growth of the country by delivering value to our shareholders. Our Total Revenue during the year stood at Rs. 2167.12 Lakh an increase of 31.62% y-o-y and the Profit Before Tax stood at Rs. 187.33 Lakh, an increase of 41.83% y-o-y. Despite the unforeseen challenges within the industry and also from the external environment, we continued to strengthen our internal operations by streamlining processes and rationalization of human resources.

India has emerged as a big investment destination for silver. So far, its biggest consumer segments were jewellery and silverware. Although both have shown a marked positive growth and have contributed towards keeping the overall global demand positive, silver demand grew at a handsome 30% in India. The demand for silver in India is price sensitive and traditional investors also keep a portion of investment for trading. Premium on silver has doubled in the Indian bullion market in the past one month as supply has fallen due to aggressive buying by China, which is buying the metal for industrial usage. Also, the demand for silver jewellery from the US has pushed up the demand for the metal in India, which has witnessed a massive over 186% jump in silver jewellery exports in April 2019, compared with the same month last year.

Last but not the least, our team is the backbone of our organization, without their experience, expertise and commitment we would not have scaled this height that we have in such a short span. Our journey, our success, is really about our people. Our industry is one that is critically dependent on skilled hands and experience. Our Company is fortunate to have teams of experts, knowledgeable and talented people.

I would like to take this opportunity to thank all our shareholders for their continued support and confidence in the Company and the management.

**NITIN JAIN**  
**Managing Director**



## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 4<sup>th</sup> (FORTH) ANNUAL GENERAL MEETING OF SILGO RETAIL LIMITED (CIN:L36911RJ2016PLC049036) WILL BE HELD ON THURSDAY 14<sup>TH</sup> NOVEMBER, 2019 AT 2:30 P.M. AT – “B-11, MAHALAXMI NAGAR, J.L.N. MARG, JAIPUR-302017 INDIA TO TRANSACT THE FOLLOWING BUSINESS:**

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### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.

2. To consider and approve the appointment of Statutory Auditors of the Company for a term of 5 (five) years from conclusion of 04th Annual General Meeting until the conclusion of the 09th Annual General Meeting and to fix their remuneration and to pass, the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with allied rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of Audit Committee and Board of Directors of the Company, the appointment of M/s. J K Sarawgi & Company, Chartered Accountants (Firm Registration No.006836C), as Statutory Auditors of the Company for a term of 5(five) consecutive years from the conclusion of 04th (Forth) Annual General Meeting till the conclusion of the 09th(Ninth) Annual General Meeting, be and is hereby approved on a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2020.”

**“RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

### **SPECIAL BUSINESSES:**

**3. Regularisation of Mrs. Anjana Jain (DIN: 01874461) as Non-Executive Director of the Company and in this regard, to consider and if thought fit, to pass, the following resolution as an ordinary resolution:**

**“RESOLVED THAT** Mrs. Anjana Jain who was Re-designated as an Additional Director with effect from June 14, 2019 on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Non-Executive Director of the Company”

**“RESOLVED FURTHER THAT** the Board of directors and/or the Company Secretary of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required for the purpose of giving effect to this resolution.”



#### 4. To Approve contact/arrangement for material Related Party Transactions with various related parties.

To consider and if thought fit to pass with or without modifications, the following resolution as Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 188 and other applicable provisions, if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) and the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015 (including any statutory modification(s) or enactment therefore for the time being in force) and also pursuant to the consent of the member of the Company be and is hereby accorded to the Material Related Party Transactions with all the related parties as mentioned in the explanatory statement as entered by the Company for the financial year 2019-20 of a value of **Rs. 10 crores**.

#### 5. To Issue of 1,600,000 Equity Shares on a Preferential basis.

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

**“RESOLVED THAT** pursuant to the provisions of Section 23, 42 & 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and in accordance with the provision of Memorandum and Article of Association of the Company, Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2018, as amended from time to time (“**SEBI ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time (“**SEBI LODR Regulations**”), along with provisions of listing agreement entered into with stock exchange and amendment thereto, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers), Regulation, 2011, as amended from time to time (“**SEBI Takeover Regulations**”), any other guidelines and clarification issued by the Government of India, all applicable circulars, notifications issued by the Securities and Exchange Board of India (“**SEBI**”), and subject to all necessary approvals, consents, permission and/or sanctions of Government of India, any other statutory or regulatory authorities, other applicable laws, the consent of the Members of the Company be and is hereby accorded, to create, offer, issue and allot on preferential basis (“**Preferential Issue**”) 16,00,000 (Sixteen Lakh) equity shares of Face value Rs. 10 (Rupees Ten) each, at a price of Rs. 40 (Rupees Forty Only) per share including premium of Rs. 30 (Rupees Thirty Only) per equity share, aggregating to Rs. 6,40,00,000 (Rupees Six Crore Forty Lakh Only) to the following proposed allottees, in one or more than one tranches, provided that the minimum price of the equity share so issued shall not be less than the price arrived at, in accordance with Chapter V of the SEBI (ICDR Regulations) for preferential issue on such terms and conditions, as are stipulated in the explanatory statement attached and as the Board may deemed fit in absolute discretion;

Sr. No.	Names of the Proposed allottees	No. of shares	Category of allottee
1	Amar Mukeshbhai Shah (PAN: AQEPS9060L)	3,00,000	Non-Promoter
2	Shah Amar Mukeshkumar HUF (PAN: AARHS6052F)	20,000	Non-Promoter



3	Shah Pareshkumar Babulal HUF (PAN: AACHS5651R)	30,000	Non-Promoter
4	Babulal Vadilal Shah (PAN: ADKPS5217Q)	50,000	Non-Promoter
5	Nitin Jain (PAN: AEDPD6732M)	6,00,000	Promoter
6	Bela Agrawal (PAN: AJIPA1002F)	6,00,000	Promoter
<b>TOTAL</b>		<b>16,00,000</b>	

**RESOLVED FURTHER THAT** in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations the “Relevant Date” for the purpose of calculating the floor price for the issue of equity shares be and is hereby fixed as **15<sup>th</sup> October, 2019** being date 30 days prior to the date of Annual General Meeting.

**RESOLVED FURTHER THAT** the aforesaid issue and allotment of the Equity Shares to the Investor shall be made on the following terms and conditions:

- The Equity Shares to be issued and allotted pursuant to this resolution shall be listed and traded on National Stock Exchange of India Limited (Emerge) and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;
- The Equity Shares allotted to the Investor shall rank pari-passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting rights);
- The Investor shall be required to bring in the entire consideration for the Equity Shares to be allotted to such Investor, on or before the date of allotment thereof;
- The consideration for allotment of Equity Shares shall be paid to the Company from the bank account of the Investor;
- The Equity Shares shall be allotted within a period of 15 (fifteen) days from the date of passing this resolution provided where the allotment of the Equity Shares is pending on account of pendency of any approval or permission of such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of such approval or permission;
- Allotment of Equity Shares shall only be made in dematerialized form;
- The Equity Shares allotted on a preferential basis shall remain locked-in in accordance with the provisions of the ICDR Regulations;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modifications(s) to or modify the terms of issue of Equity Shares, subject to the provisions of the Act and ICDR Regulations, without being required to seek any further consent or approval of the Members of the Company.



**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and for the purpose of issue and allotment of the Equity Shares and listing thereof with the Stock Exchange(s), the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including application to Stock Exchange(s) for obtaining in-principle approval, listing of shares, filing of requisite documents with the Registrar of Companies, filing of requisite documents with the Depositories, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said Equity Shares, utilization of issue proceeds, signing of all deeds and documents as may be required and effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any regulatory, or other authorities or agencies involved in or concerned with the issue of the Equity Shares without being required to seek any further consent or approval of the Board.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Board be and is hereby authorized to delegate any or all of the powers conferred upon it by this resolution to any committee of directors, any other director(s), and/or officer(s) of the Company.

**RESOLVED FURTHER THAT** all actions taken by the Board or Committee(s), if any, duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved and confirmed in all respects.”

<b>Date: 09<sup>th</sup> October 2019</b> <b>Place: Jaipur</b>	<b>For Silgo Retail Limited</b> <b>Tripti Sharma</b> <b>(Company Secretary)</b>
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**NOTES:**

1. The Explanatory Statement pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the Ordinary Business as set out in Item No. 2 and pursuant to Section 102 of the Companies Act, 2013, with respect to the Special Businesses asset out in Item No. 3, 4 and 5 are annexed hereto. Additional Information, pursuant to Para 1.2.5 of SS-2 (“Secretarial Standard on General Meetings”) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of regularization of Mrs. Anjana Jain as Non-executive director in the 04<sup>th</sup> Annual General Meeting are made part of their respective explanatory statements.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING/ AGM”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED, DULY COMPLETED AND SIGNED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ATTACHED HEREWITH.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.



3. The proxy holder shall prove his/her identity at the time of attending the Meeting.
4. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy stands automatically revoked.
5. Requisition for inspection of proxies shall be received by the Company in writing from a Member entitled to vote on any resolution at least three days before the commencement of the Meeting.
6. Proxies shall be made available for inspection during the period beginning twenty four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.
7. Corporate Members intending to attend the Meeting are required to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday November 07, 2019 to Thursday, November 14, 2019** (both days inclusive) for the purposes of the Annual General Meeting. Board of Directors has not recommended Final Dividend for the Financial Year 2018-19.
10. The Securities and Exchange Board of India (SEBI) vide its Circular No. CIR/MRD/DP/10/2013 dated March 21, 2013 has mandated all Companies to use approved electronic mode of payment for making cash payments such as dividend to the Members (where core banking details are available) or to print the bank account details of the Members (as per the Company's records) on the physical payment instruments (in case where the core banking details are not available or electronic payment instructions have failed or rejected by the Bank).

Hence, the Members are requested to furnish/update their bank account name & branch, bank account number and account type along with other core banking details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. at the earliest with:

- i. The respective Depository Participants (DP) (in case of the shares held in Electronic Mode) or;
- ii. The Registrar & Share Transfer Agent of the Company (R&T Agent) (in case of the shares held in Physical form).

11. Members holding shares in demat mode may kindly note that any request for change of address or change of E-mail ID or change in bank particulars/mandates or registration of nomination are to be instructed to their Depository Participant only, as the Company or its Registrar & Share Transfer Agent cannot act on any such request received directly from the Members holding shares in demat mode.

However, Members holding shares in physical mode are requested to notify the Registrar & Share Transfer Agent of the Company of any change in their address and e-mail id as soon as possible.

12. Members are requested to contact the Company's Registrar & Share Transfer Agent Bigshare Services Private Limited. 1st Floor, Bharat Tin works building, opposite vasant oasis Makwana Road, Marol, Andheri east, Mumbai 400 059. Tel.: (022) 62638200/02 Email id:



admission@bigshareonline.com; Website: [www.bigshareonline.com](http://www.bigshareonline.com) for reply to their queries/redressal of complaints, if any, or contact Ms. Tripti Sharma, Company Secretary at the Registered Office of the Company (Phone No.: +0141-4919655; Email: [cs@silgo.in](mailto:cs@silgo.in)).

13. Members are requested to bring their attendance slip, duly signed as per the specimen signature recorded with the Company for admission into the Meeting Hall.

14. Members who hold shares in dematerialised form are requested to furnish their Client ID and DP ID Nos. for easy identification of attendance at the Meeting.

15. Members may avail the facility of nomination by nominating a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's Registrar & Share Transfer Agent.

16. Members who hold shares in physical form in multiple folios in identical names or joint names in the same order of names are requested to send the share certificates to the Company's Registrar & Share Transfer Agent for consolidation into single folio.

17. Since, the securities of the Company are traded compulsorily in dematerialized form as per SEBI mandate, Members holding shares in physical form are requested to get their shares dematerialized at the earliest.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent, Bigshare Services Pvt. Ltd.

19. Electronic copy of the Annual Report 2018-19, Notice of the aforesaid AGM of the Company, along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar & Share Transfer Agent/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. The physical copies of the Notice of the aforesaid AGM of the Company, along with Attendance Slip and Proxy Form are being sent to the registered address of the Members of the Company who have not registered their e-mail address in the permitted mode.

20. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests the Members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically.

21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules made there under, Memorandum and Articles of Association, Agreements entered into between the Company and Executive Directors etc. are open for inspection by the Members at the registered office of the Company on all working days, except Saturdays, between 11:00 a.m. to 1:00 p.m. and also at the AGM. Also, the Notice for this 04<sup>th</sup> AGM along with requisite documents and the Annual Report for the financial year 2018-19 shall also be available on the Company's website [www.silgo.in](http://www.silgo.in)



22. AS per Sub rule 2 of the Rule 20 of the Companies (Management and Administration) Rules, 2014, SMEs' are exempted from the provisions of E-voting as given under section 108 of the Companies Act, 2013. Therefore the Company is not providing the option of E-Voting.

23. Only those Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of voting at the AGM through Poll/Ballot Paper.

24. The Company has appointed **Mr.Sharat Kumar Shetty, Practicing Company Secretary** as the Scrutinizer to scrutinize the voting and process for the Annual General Meeting in a fair and transparent manner.

25. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which the voting is to be held, allow voting with the assistance of the scrutinizer, by use of Poll/ Ballot Paper for all those Members who are present at the AGM.

26. The Scrutinizer shall after the conclusion of voting at the Meeting, will first count the votes cast at the Meeting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, within 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting within 48 hours of conclusion of the AGM.

27. The Notice of the AGM shall be placed on the website of the Company till the date of AGM. The Results declared, along with the Scrutinizer's Report shall be placed on the Company's website [www.silgo.in](http://www.silgo.in) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Results shall also be immediately forwarded to the Stock Exchange(s) where the shares of the Company are listed.

Further, the results shall be displayed on the Notice Board of the Company at its Registered Office as well as Head Office.

28. The Cut-off date for determining the names of shareholders eligible to get Notice of Annual General Meeting is Friday, October 11, 2019.

29. The route map showing directions to reach the venue of the Meeting is annexed.

30. A Minor shall not be appointed as a Proxy. The proxy of a member, who is blind or incapable of writing may be accepted if such member has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address, provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the member before he attached his signature or mark.

31. The proxy of a member who does not know English may be accepted if it is executed in the manner given above and the witness certifies that it was explained to the member in the language known to him, and gives the member's name in English below the signature.

**Date: 09<sup>th</sup> October, 2019**  
**Place: Jaipur**

**For Silgo Retail Limited**  
**Tripti Sharma**  
**(Company Secretary)**



## **Explanatory statement pursuant to Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

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### **Item No. 2**

#### **APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR A TERM OF 5 (FIVE) YEARS.**

In terms of Section 139 of the Companies Act, 2013("the Act") and the Companies (Audit and Auditors) Rules, 2014, made there under, the term of the present Statutory Auditors of the Company, M/s. J K Sarawgi & Company, Chartered Accountants (ICAI Firm Registration No.0006836C) will be concluded at the end of this 04<sup>th</sup> Annual General Meeting (AGM). The Company is required to appoint Auditor for a period of five years to hold office from the conclusion of 04<sup>th</sup> AGM till the conclusion of 09<sup>th</sup> AGM to be held in the financial year 2023-24. The Board of Directors of the Company, after considering the recommendations of the Audit Committee, has recommended the appointment of M/s. J K Sarawgi & Company, Chartered Accountants (ICAI Firm Registration No. 0006836C) as Statutory Auditors of the Company for a term of five years from conclusion of 04<sup>th</sup> AGM to be held in the financial year 2019-20 to conclusion of 09<sup>th</sup> AGM of the Company to be held in the financial year 2023-24, for the approval of the Members.

M/s. J K Sarawgi & Company, Chartered Accountants, have consented to the aforesaid appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made there under. The basis of recommendation for appointment and brief profile and credentials of M/s. J K Sarawgi & Company are mentioned below:

"M/s. J K Sarawgi & Company, a firm of Chartered Accountants has over 20 years standing with multi industry experience. They have various clientele across industry i.e., cement, power, engineering, textile, sugar, construction, banking and financial sector. The firm is acting as auditors to various companies listed on the Stock Exchanges."

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. J K Sarawgi & Company, Chartered Accountants as the Statutory Auditors of the Company for the aforesaid term at a remuneration to be fixed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2020."

The remuneration payable to the statutory auditors shall be exclusive of applicable taxes and all out of pocket expenses as may be incurred by the statutory auditor in course of their audit.

Pursuant to requirement of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of proposed fees payable to the statutory auditors for the financial year 2019-20 is mentioned below:



Type	Period	Amount
Statutory Audit of standalone and consolidated financial statements including audit of internal financial controls over financial reporting and limited review of quarterly financial results.	For F.Y. 2019-20	Rs. 50,000/-

None of the Directors or Key Managerial Personnel of the Company and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution mentioned at Item No. 3 of the Notice.

### **Item No. 3**

#### **REGULARISATION OF MRS. ANJANA JAIN AS A NON- EXECUTIVE DIRECTOR OF THE COMPANY.**

Mrs. Anjana Jain was re-designated as Additional Director w.e.f. 14th June, 2019 by board of directors of the Company. She was appointed till the date of AGM to be held.

Now, according to provisions of the Companies Act, 2013, approval of Members is required for the purpose of regularizing her appointment as Director of the Company.

Therefore, The Directors commend the Resolutions for acceptance by the Members.

None of the Directors of the Company are interested in the resolution .

Brief Profile of Mrs. Anjana Jain, Non-executive director, pursuant to para 1.2.5 of SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, is provided in the table below:

Name:	Anjana Jain
Address:	S-42, Adinath Nagar, Opposite World trade park, J.L.N. Marg, Jawahar Circle, Jaipur Rajasthan 302018
Date of Birth:	16.12.1975
Contact No & Email ID:	+91-9829054027; anjanajain1612@gmail.com
Qualification:	Bachelor of Arts from Rajasthan University
Current Occupation	Freelancer
Experience:	She is Executive director in Silgo Creation (Jaipur) Pvt. Ltd. since 02/07/2005; Executive director in Glamo Retail Pvt. Ltd. since 27.08.2015;

**Item No. 4****TO APPROVE CONTACT / ARRANGEMENT FOR MATERIAL RELATED PARTY TRANSACTIONS WITH VARIOUS RELATED PARTIES.**

Section 188 of the Companies Act, 2013 read with rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended, prescribe certain procedure for approval of related party transactions. The Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also prescribed seeking of shareholder's approval for material related party transactions. Proviso to Section 188 provides that nothing contained in sub-section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on an arm's length basis.

All the proposed transactions put up for approval are in ordinary course of business and at arm's length. Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the following contracts /arrangements/ transactions are material in nature and require approval of unrelated shareholders of the Company by an Ordinary Resolution:

Sr. No.	Name of Related Party	Relationship	Maximum Value of Transactions per annum (Rs. in Crore)	Nature and Material Terms/Particulars of the contract or arrangement
1	M/s Creative Jewellery	One Director is interested as he is proprietor of this entity.	10.00	Sale and Purchase

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material related party transactions shall require approval of the shareholders through ordinary resolution and the related parties shall abstain from voting on such resolution whether the entity is a related party to the particular transaction or not. Further as per Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, where any Director is interested in any contract or arrangement with a related party, such Director shall not be present at the meeting during discussion on the subject matter of the resolution relating to such contract or arrangement. Accordingly, all related parties of the Company shall not participate or vote on this resolution.

The Board recommends this resolution set out in Item No. 04 of this notice for approval of the members. Mr. Nitin Jain is interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

**Item No. 5****TO ISSUE OF 1,600,000 EQUITY SHARES ON A PREFERENTIAL BASIS**

The Company is engaged in the business of designing, manufacturing, retailing and wholesale of silver jewellery. The Company deals in silver jewellery and offer a wide variety of designs to suit the preference of the end customers. With regional diversity of tastes and preferences, the Company has diverse portfolio of ornaments and jewellery to suit the taste and preference of one and all.



As per Sections 23, 42, 62 of the Companies Act, 2013 read with rules thereunder and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), consent of the Members of the Company by way of a Special Resolution is required for allotment of Equity Shares on preferential basis.

The Board of Directors of the Company has approved the issue of 16,00,000 (Sixteen Lakh) equity shares to the allottees on preferential basis, at its meeting held on Wednesday, October 09, 2019. The Company proposes to create, issue, offer and allot 16,00,000 (Sixteen Lakh) equity shares of Face value Rs. 10 (Rupees Ten) each, at a price of Rs. 40 (Rupees Forty Only) per share including premium of Rs. 30 (Rupees Thirty Only) per equity share, aggregating to Rs. 6,40,00,000 (Rupees Six Crore Forty Lakh Only), entitling the allottees to subscribe to the Equity Shares of the Company, for which approval of the Members is being sought.

In terms of the provisions of the Companies Act, 2013 and SEBI (ICDR) Regulations, the following disclosures are provided below:

**a) Objects of the Preferential Issue;**

The Company shall utilize the proceeds from preferential issue for working capital requirements and general corporate purposes.

**b) Particulars of the offer including date of passing of Board resolution;**

The Company proposes to create, issue, offer and allot 16,00,000 (Sixteen Lakh) equity shares of Face value Rs. 10 (Rupees Ten) each, at a price of Rs. 40 (Rupees Forty Only) per share including premium of Rs. 30 (Rupees Thirty Only) per equity share, aggregating to Rs. 6,40,00,000 (Rupees Six Crore Forty Lakh Only), entitling the allottees to subscribe to the Equity Shares of the Company, for which approval of the Members is being sought.

The Board of Directors of the Company has approved the issue of 16,00,000 (Sixteen Lakh) equity shares to the allottees on preferential basis, at its meeting held on Wednesday, October 09, 2019.

**c) Kinds of securities offered and the price at which security is being offered;**

16,00,000 (Sixteen Lakhs) Equity shares ranking pari-passu in all respect including dividend with the existing equity shares of the Company are being offered at Rs. 40/- (Rupees Forty Only) including premium of Rs. 30/- (Rupees Thirty Only) per equity share.

**d) Basis or justification for the price (including premium, if any) at which offer or invitation is being made;**

The price of Rs. 40 per Equity Share to be issued on preferential basis, has been determined in accordance with the SEBI (ICDR) Regulations, which is not less than higher of the following:

- i. the average of the weekly high and low of the volume weighted average price of the Equity Shares of the Company quoted on NSE Emerge during the twenty six weeks preceding the Relevant Date; or
- ii. the average of the weekly high and low of the volume weighted average prices of the Equity Shares of the Company quoted on NSE Emerge during the two weeks preceding the Relevant Date.



The price has been determined on the basis of the price of the Equity Shares of the Company available on the NSE Emerge having highest trading volume during the preceding twenty-six weeks prior to the Relevant Date.

**e) Amount which the company intends to raise by way of such securities;**

The Company intends to raise Rs. 6,40,00,000 (Rupees Six Crore Forty Lakhs Only).

**f) Proposed time schedule;**

In terms of the SEBI (ICDR) Regulations, the Company shall complete allotment of Equity Shares pursuant to this Resolution within a period of 15 (fifteen) days from the date of passing of this Resolution by the members of the Company, provided that where the allotment of equity shares is subject to any approval or permission from any statutory or regulatory authority, the period of fifteen days shall be counted from the date of receipt of such approval or permission, as the case may bear such other extended period as may be permitted under applicable SEBI (ICDR) Regulations, as amended from time to time.

**g) The size of issue and number of equity shares to be issued and nominal value of each equity share;**

16,00,000 (Sixteen Lakhs) Equity shares shall be offered at Rs. 40/- (Rupees Forty Only) including premium of Rs. 30/- (Rupees Thirty Only) per equity share.

**h) The manner of issue of equity share;**

Equity Shares shall be offered to the proposed allottees through preferential issue.

**i) Voting Rights;**

Equity shares shall rank pari-passu in all respect including dividend with the existing equity shares.

**j) Relevant date with reference to which the price has been arrived at;**

The Relevant Date in terms of SEBI (ICDR) Regulation for determining the minimum price is 15<sup>th</sup> October, 2019 which is 30 (Thirty) days prior to the date of Annual General Meeting, i.e. 14<sup>th</sup> November, 2019.

**k) The class or classes of persons to whom the allotment is proposed to be made;**

The entire allotment is proposed to be made to 4 Non-Promoter Shareholders and 2 promoters, Mrs. Bela Agrawal and Mr. Nitin Jain.

**l) Intention of promoters, directors or key managerial personnel to subscribe to the offer;**

Mr. Nitin Jain and Mrs. Bela Agrawal, Promoters of the Company intends to subscribe to the Equity Shares offered under the Preferential issue. No shares being offered to any other promoter and Promoter Group Companies, Directors, KMP or relative of Directors or KMP of the Company.

**m) The names of the proposed allottees and the percentage of pre and post preferential offer capital that may be held by them;**



Names of Proposed Allottees	Before Preferential Issue		After Preferential Issue	
	No. of equity shares held	% of shareholding	No. of equity shares held	% of shareholding
Nitin Jain (PAN: AEDPD6732M)	18,54,700	36.61	24,54,700	36.82
Bela Agrawal (PAN: AJIPA1002F)	18,54,700	36.61	24,54,700	36.82
Amar Mukeshbhai Shah (PAN: AQEPS9060L)	--	--	300,000	4.50
Shah Amar Mukeshkumar HUF (PAN: AARHS6052F)	--	--	20,000	0.30
Shah Pareshkumar Babulal HUF (PAN: AACHS5651R)	--	--	30,000	0.45
Babulal Vadilal Shah (PAN: ADKPS5217Q)	--	--	50,000	0.75

**n) Identity of the natural persons who are ultimate beneficial owners of the equity shares proposed to be allotted and / or who ultimately control the proposed allottees;**

The details of the Proposed Allottees are as per the following table. No change in control or management shall occur consequent to the proposed preferential issue of Equity Shares.



Name & Address of the Proposed allottee	Category (Promoter /Non-Promoter)	Names of Ultimate Beneficial Owners of the proposed allottee(s)	% of shareholding post Preferential issue
Shah Amar Mukeshkumar (HUF) (PAN: AARHS6052F)  (Address: C-204, Vrajvihar, Opp. New Auda Lane, Near Indraprastha, 6, Prahladnagar Satellite, Ahmedabad – 380015)	Non-Promoter	<ul style="list-style-type: none"> <li>• Amar Mukeshbhai Shah</li> <li>• Hiral Amar Shah</li> <li>• Jinay Amar Shah</li> <li>• Hiyansh Amar Shah</li> </ul>	0.30
Shah Pareshkumar Babulal (HUF)  (PAN: AACHS5651R)  (Address : Adinath Malinath Flat Area, Opp. Alankar Tokij, Opp. Simandhar Derasar, Surendranagar – 363001)	Non-Promoter	<ul style="list-style-type: none"> <li>• Pareshkumar Babulal Shah</li> <li>• Beena Paresh Shah</li> <li>• Pratik Paresh Shah</li> <li>• Vidhi Paresh Shah</li> <li>• Mirali Pratik Shah</li> </ul>	0.45

Rest of the allottees are natural persons. So they shall be the direct beneficial owners of the equity shares.

**o) the change in control, if any, in the company that would occur consequent to the preferential offer;**

There shall be no change in control pursuant to the preferential offer of equity shares.

**p) the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;**

The Company has not allotted any securities on preferential basis during the year.

**q) The pre and post issue shareholding pattern of the company in the following format;**

Sr. No.	Category	Pre-issue		Post-issue	
		No. of shares held	% of share holding	No. of shares held	% of share holding



A	Promoters' holding				
1	Indian				
	Individual	3710000	73.23	4910000	73.66
	Bodies corporate	-	-	-	-
	<b>Sub-total</b>	<b>3710000</b>	<b>73.23</b>	<b>4910000</b>	<b>73.66</b>
2	Foreign promoters	-	-	-	-
	<b>sub-total (A)</b>	<b>3710000</b>	<b>73.23</b>	<b>4910000</b>	<b>73.66</b>
B	Non-promoters' holding				
1	Institutional investors	-	-	-	-
2	Non-institution	-	-	-	-
	Private corporate bodies	114000	2.25	114000	1.71
	Directors and relatives	-	-	-	-
	Indian public	1242000	24.52	1642000	24.63
	others (including NRIs)	-	-	-	-
	<b>Sub-total (B)</b>	<b>1356600</b>	<b>26.78</b>	<b>1756000</b>	<b>26.34</b>
	<b>GRAND TOTAL</b>	<b>5066000</b>	<b>100</b>	<b>6666000</b>	<b>100</b>

Above shareholding pattern is based on the details as on 04<sup>th</sup> October, 2019.

**r) Auditors' Certificate;**

The Auditors' Certificate certifying that the issue is being made in accordance with the requirements of SEBI (ICDR) Regulations, shall be kept open for inspection by the Members at the Registered Office of the Company on all working days between 10.30AM to 1.00 PM upto 14<sup>th</sup> November, 2019 being the date on which the above resolution shall be deemed to have been passed, if approved by the requisite majority.

**s) Undertakings: In terms of SEBI (ICDR) Regulations, the Company hereby undertakes that:**

- i. It shall re-compute the price of the securities specified above in terms of the provision of these Regulations where it is required to do so.



- ii. If the amount payable on account of the re-computation of price is not paid within the time stipulated in these Regulations, the securities specified above shall continue to be locked-in till the time such amount is paid by the allottees.

**t) Lock in period;**

The Equity Shares being allotted shall be subject to a lock-in for such period as specified under applicable provisions of SEBI (ICDR) Regulations.

- u) Neither the Company nor any of its Directors, KMP or promoters are wilful defaulters or Fugitive Economic Offender.
- v) In accordance with the ICDR Regulations, all the Equity Shares held by the Proposed Allottees in the Company are in dematerialized form only;
- w) No person belonging to the promoters / promoter group have sold any Equity Shares of the Company during the 6(Six) months preceding the Relevant Date;
- x) Valuation requirement is not applicable as the securities are proposed to be issued for cash consideration;

The Special Resolution, if passed, will have the effect of allowing the Board to offer, issue and allot Shares to the allottees. The Board recommends passing of the resolution contained above of the accompanying notice.

None of the Directors and Key Managerial Personnel (KMP) of the Company and/or their relatives are concerned or interested, financially or otherwise, in the above resolution except Mr. Nitin Jain and Mr. Bela Agrawal who are Directors of the Company and shall subscribe the preferential issue.

<p><b>Date: 09<sup>th</sup> October, 2019</b>  <b>Place: Jaipur</b></p>	<p><b>For Silgo Retail Limited</b>  <b>Tripti Sharma</b>  <b>(Company Secretary)</b></p>
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## DIRECTOR'S REPORT

To,  
The Members,  
**SILGO RETAIL LIMITED**

Your Directors have pleasure in presenting the 4th Annual Report together with the Audited Financial results for the year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

The financial performance of our Company for financial Year 2018-19 and 2017-18 is summarized as below:

Particulars	(Amount in Rs. Lakhs)	
	2018-19	2017-18
Income from Operations	2167.12	1646.51
<b>Total Income</b>	<b>2167.12</b>	<b>1646.51</b>
Expenditures (Excluding Interest & Depreciation)	1970.20	1462.15
<b>Profit before Interest and Depreciation Tax</b>	<b>196.92</b>	<b>184.36</b>
Less: Depreciation	9.60	6.46
Less: Interest	-	45.84
<b>Profit before Tax</b>	<b>187.32</b>	<b>132.07</b>
Less: Tax Expenses (Including Deferred Tax)	64.23	37.32
<b>Profit After Tax</b>	<b>123.09</b>	<b>94.75</b>

### BUSINESS OPERATIONS AND PERFORMANCE REVIEW

During the year under review, Revenue from Operations stood at Rs. 2,167.12Lacs. FY 2018-19 and Net Profit stood at Rs. 123.09Lacs.

Revenue from operations grew by 31.62% on y-o-y basis in FY 2018-19 as compared to FY 2017-18. Our margins and performance were remarkable due to increase in prices of final products of the Company. The Company recorded a Net Profit growth of 29.91% in FY 2018-19 on y-o-y basis as compared to FY 2017-18, despite a relatively sluggish industry growth, primarily on account of increase in sales volumes and improved cost efficiencies. Earnings per Share (EPS) stood at Rs. 3.18 for FY 2018-19.

### DIVIDEND

Your Directors do not recommend any dividend for the year ended on March 31, 2019 and proposes to keep the reserves for the business and expansion of company.

### LISTING INFORMATION

The Equity Shares in the Company are in dematerialized form and is listed with NSE EMERGE Platform. The Listing Fee has been paid to the Stock Exchanges for the year 2018-19. The ISIN No. of the Company is INE01II01013.

**CHANGE IN NATURE OF BUSINESS**

During the year under review, there is no change in the nature of the business of the Company.

Factory had been working efficiently during the year. There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report. Your Directors are pleased to report a good performance of the Company in terms of both financial and operational performance.

**TRANSFER TO RESERVES**

The Board of Directors has decided not to transfer any amount to the reserve for the year under review.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company does not have any subsidiary, joint venture or associate company as on March 31, 2019.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**ORDER OF SEBI, NSE LIMITED**

There are no orders received by the company from SEBI and NSE Limited which would impact the listing of company's shares.

**PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS**

Details of loans, guarantees and investments under section 186 of the companies Act, 2013 have been disclosed in the Financial Statements.

**BORROWINGS**

The Company has not availed any term loan or short term loan during the year.

**CREDIT RATING**

The company has not obtained any rating from any Credit Rating Agency during the year.

**CHANGES IN SHARE CAPITAL**

The company has increased its Authorised share capital from Rs. 1 lac to Rs. 7.50 crores by creation of new 74.90 lacs equity shares pursuant to resolution passed in shareholders meeting dated May 18, 2018.

The company has increased its paid-up share capital by issuing 11 lacs Bonus shares pursuant to board resolution dated 19th May, 2018. Thereafter, at a board meeting dated June 06, 2018 the company has again increased the paid up capital by issuing 26 lacs equity shares by the way of conversion of Loan into equity. Thereafter the company has issued new 13.56 lacs equity shares in the public by way of Initial public offer pursuant to a board resolution dated October 08, 2018.

The paid up Equity Share Capital as at March 31, 2019 stood at Rs. 506.6 lacs (Nos. – 506.60 lacs).

**DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES AND EQUITY SHARES WITH DIFFERENTIAL RIGHTS**



During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2019, none of the Directors of the company hold instruments convertible into equity shares of the Company.

#### EXTRACT OF ANNUAL REPORT

As required pursuant to section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, (as amended) is furnished in the Form MGT 9.

The Extract of Annual Return are attached herewith as **ANNEXURE-I** and are displayed on the website of the Company [www.silgo.in](http://www.silgo.in)

#### SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

#### COST RECORDS

The provisions of section 148(1) of the companies act, 2013 and other applicable rules and provisions are not applicable on the company. Therefore, no cost record has been maintained by the company.

#### DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONS WHO WERE APPOINTED AND RESIGNED DURING THE YEAR

The Composition of the Board and Key Managerial Persons of the Company as on March 31, 2019 were as follows:

Sr. No.	Name	Category	Date of Appointment	Date of Resignation
1	Mr. NITIN JAIN	Managing Director	09.01.2016	-----
2	Mrs. ANJANA JAIN	Non-Executive Director	14.06.2018	-----
3	Mrs. BELA AGRAWAL	Whole time Director	09.01.2016	13.12.2018
3	Mr. AMIT SURANA	Non-Executive Director	13.12.2018	-----
4	Mr. SHALABH GUPTA	Non-Executive Independent Director	28.07.2018	-----
5	Mr. GOPAL SINGH	Non-Executive Independent Director	28.07.2018	-----
6	Ms. TRIPTI SHARMA	Company Secretary (Key Managerial Person)	14.06.2018	-----
7	Mr. VAIBHAV KHANDELWAL	Chief Financial Officer (Key Managerial Person)	14.06.2018	-----

Mrs. Anjana Jain had been re-designated as Whole time director after the resignation of Mrs. Bela Agrawal on 13.12.2018.

#### RETIRE BY ROTATION

No director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting.

#### DISCLOSURES BY DIRECTORS

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.



### DECLARATION OF INDEPENDENCE

Your Company have received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.

### ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 Stakeholders' Relationship Committee.

### BOARD MEETINGS

Total Seventeen (17) meetings of the Board of Directors of the Company were conducted during the financial year under review as under:-

May 10, 2018; May 19, 2018; May 23, 2018; June 06, 2018; June 11, 2018; June 14, 2018; July 02, 2018; July 28, 2018; August 01, 2018; August 03, 2018; August 10, 2018; August 16, 2018; September 06, 2018; September 14, 2018; October 08, 2018; December 13, 2018; March 29, 2019;

Name of Directors	Number of Meetings Attended/Total Meetings held during the F.Y. 2018-19	Last AGM Attended
Mr. Nitin Jain	17/17	Yes
Mrs. Anjana Jain	11/17	No
Mrs. Bela Agrawal	15/17	Yes
Mr. Shalabh Gupta	09/17	No
Mr. Gopal Singh	09/17	No
Mr. Amit Surana	01/17	No

### BOARD COMMITTEES

The Board has constituted three Committees i.e. the Audit Committee and Nomination & Remuneration Committee, Stakeholder's Relationship Committee in accordance with Companies Act, 2013 Details of such committees are as under:

### AUDIT COMMITTEE

The Committee was constituted by Board of Directors of the Company on August 01, 2018. During the year, committee met three (3) times i.e. on 03.08.2018, 08.10.2018 and 28.03.2019. Presently, the committee comprises of:-

Name of the member	Nature of Directorship	Designation in the committee	No. Of meetings attended
Mr. Gopal Singh	Non-Executive Independent Director	Chairperson	03
Mr. Shalabh Gupta	Non-Executive Independent Director	Member	03
Mr. Nitin Jain	Managing Director	Member	03



#### NOMINATION AND REMUNERATION COMMITTEE

The Committee was constituted by Board of Directors of the Company on 01st August, 2018. The Committee has re-constituted on December 13, 2018. During the year, committee met once i.e. on 13.12.2018. Presently, the committee comprises of:-

Name of the member	Nature of Directorship	Designation in the committee	No. of meetings attended
Mr. Shalabh Gupta	Non-Executive Independent Director	Chairperson	01
Mr. Gopal Singh	Non-Executive Independent Director	Member	01
Mrs. Anjana Jain	Non-Executive Director	Member	01

#### STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Committee was constituted by Board of Directors of the Company on 01st August, 2018. The Committee has re-constituted on December 13, 2018. During the year, committee met once i.e. on 15.01.2019. Presently, the committee comprises of:-

Name of the member	Nature of Directorship	Designation in the committee	No. Of meetings attended
Mrs. Anjana Jain	Non-Executive Director	Chairperson	01
Mr. Shalabh Gupta	Non-Executive Independent Director	Member	01
Mr. Gopal Singh	Non-Executive Independent Director	Member	01

#### DETAILS OF RECOMMENDATIONS OF AUDIT COMMITTEE WHICH WERE NOT ACCEPTED BY THE BOARD ALONG WITH REASONS

The same is not applicable as the Audit Committee's recommendations were accepted and implemented by the Board.

#### CODE OF CONDUCT

Your Company has adopted a Code of Conduct for members of the Board (incorporating duties of Independent Directors) and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. Your Company has received confirmations from all concerned regarding their adherence to the said Code. Pursuant to Regulation 17(5) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nitin Jain, Managing Director confirmed compliance with the Code by all members of the Board and the Senior Management. The full text of the Code is hosted on the Company's website [www.silgo.in](http://www.silgo.in) under the Investors Corner link.

#### CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations,



2015.the full text of the Code is available on the Company's website [www.slgo.in](http://www.slgo.in) under the Investors Corner link.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013 the directors would like to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- c) The directors have 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 have prepared the annual accounts on a going concern basis.
- 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 system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **FINANCE AND ACCOUNTS**

As mandated by the Ministry of Corporate Affairs, INDAS is not applicable to the Company because Companies listed on SME exchange are not required to comply with IND AS. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2019. Financial Statement has been prepared in accordance with accounting standards as issued by the Institute of Chartered Accountants of India and as specified in Section 133 of the Companies act, 2013 and the relevant rules thereof and in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **STATUTORY AUDITORS & AUDIT REPORT**

M/s. J K Sarawgi & Co., Chartered Accountants, Firm Registration No. 006836C were appointed as Statutory Auditors of the Company by the board of directors on April 09, 2019 to fill the casual vacancy caused due to the resignation of M/s. S.C. Kabra & Co., Chartered Accountants. The members have approved his appointment in the Extra-ordinary general meeting held on July 08, 2019 as per the provisions of Section 139 of the Companies Act, 2013.

It is proposed to appoint M/s. J K Sarawgi & Co., Chartered Accountants as Auditors of the Company from the conclusion ensuing Annual General Meeting till the conclusion of next Annual General Meeting of the Company to be held in year 2020.

The auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under. As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.



Necessary resolution to consider above re-appointment is included in the Notice of the 4<sup>th</sup> Annual General Meeting. Necessary certificate has been obtained from the Auditors as per Section 139(1) of the Companies Act, 2013. The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation. The Auditors' Report is annexed hereto and forms part of the Annual Report. The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

#### **SECRETARIAL AUDITORS**

Ms. Payal Agarwal, Practising Company Secretary, having office address at Plot No-8, Moti Nagar, Jhotwara, Jaipur - 302012, Rajasthan has been appointed as Secretarial Auditors of the Company for the FY ended 31.03.2019. The Secretarial audit report received from the Secretarial Auditors is annexed to this report marked as **Annexure – II** and forms part of this report.

#### **INTERNAL AUDITORS**

Pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Company has appointed M/s. Sneha Agarwal & Company, Chartered Accountants having office address at 35, Shri Shyam Villa, Lohiya Colony, Vaishali Nagar, Jaipur- 302021, Rajasthan as Internal Auditors of the Company for the F.Y. ended 31.03.2019. The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board time to time.

#### **PUBLIC DEPOSITS**

During the Financial Year 2018-19 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014. As such, no specific details prescribed in Rule (8)(1) of the Companies (Accounts) Rules, 2014 (as amended) are acquired to be given or provided.

#### **RELATED PARTY TRANSACTIONS**

All related party transactions entered during the period under review were on arm's length basis and in the ordinary course of business. In terms of Section 134(3)(h) of the Companies Act, 2013. There are no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large. As per applicable provisions of the Companies Act, 2013, the details of contracts and arrangements with related parties in Form AOC-2 are annexed herewith as **Annexure III**. The details of the transactions with Related Parties are provided in the accompanying financial statements as required under Accounting Standard -18.

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

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

In its Endeavour towards conservation of energy your Company ensures optimal use of energy, avoid wastages and conserve energy as far as possible. Your Company strives cautiously to conserve energy by adopting innovative measures to change to eco-friendly and cheaper fuels, reducing wastage and optimizing consumption. There was no capital investment made on energy conservation equipment during the year under review.



## B. TECHNOLOGY ABSORPTION

### The efforts made towards technology absorption:

There is no such need in the business and operations being conducted by the company. However the company is and shall be ready to identify and use technology beneficial to the interest of company. The Company has not carried out any research and development activities.

### In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year:

- The details of technologies imported. – Nil
- The year of import – NA
- Whether the technology been fully absorbed. – NA
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof. –NA

## C. FOREIGN EXCHANGE EARNING AND OUTGO

There was no Foreign exchange earnings and outgo during the year under review.

## MANAGEMENTDISCUSSION & ANALYSIS REPORT

Management Discussion and Analysis Report as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed separately as part of the annual report as **Annexure - VI**.

## CORPORATE GOVERNANCE

Corporate Governance at Silgo Retail Limited is evolved by not only ensuring compliance with regulatory requirements but also by being responsive and responsible to the needs of stakeholders with rewarding environment. Your Company believes that best Corporate Governance practices are critical to enhance and retain investor trust.

We, at Silgo Retail Limited, believe that good and effective Corporate Governance is critical to achieve corporate vision and mission of the organization; it is more of an organizational culture than a mere adherence to rules and regulations. Law alone cannot bring changes and transformation, and voluntary compliance both in form and in substance plays an important role in developing good Corporate Governance.

As our company has been listed on SME Emerge Platform of National Stock exchange Limited (NSE), by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of schedule V are not applicable to the company. Hence, Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

## DETAILS OF POLICIES

- i. **Nomination and 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 Company's Remuneration Policy is available on the Company's website [www.silgo.in](http://www.silgo.in) and the same is attached herewith as **Annexure - V**.



- ii. **Risk Management Policy:** Business Risk Evaluation and Management is an on-going process within the Organization. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Board has framed a Risk Management Policy for the Company. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis. At present the company has not identified any element of risk which may threaten the business (or) existence of the company.
- iii. **Whistle Blower Policy – Vigil Mechanism:** Your Company has formulated a Vigil Mechanism Policy with a view to provide a mechanism for employees and directors of the Company to approach the Chairman of the Audit Committee to ensure adequate safeguards against victimisation. This policy would help to create an environment wherein individuals feel free and secure to raise an alarm, whenever any fraudulent activity takes place or is likely to take place. It will also ensure that complainant(s) are protected from retribution, whether within or outside the organization. The Board has elected Ms. Tripti Sharma, Company Secretary as the Whistle Officer under the vigil mechanism policy. The details of establishment of the Vigil Mechanism Policy are displayed on the website of the Company [www.silgo.in](http://www.silgo.in) under the Investors Corner link.

#### **COMMITTEE AND POLICY UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

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

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Internal Financial Controls are adequate and working effectively. The scope and authority of the Internal Audit is laid down by the Audit Committee and accordingly the Internal Audit Plan is laid out to maintain its objectivity and independence, the Internal Auditors reports to the Chairman of the Audit Committee of the Board. The Internal Auditors monitors and evaluates the efficiency and adequacy of internal control system in the Company. Based on the report of internal audit, process owners/concerned departments undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

#### **RISK MANAGEMENT**

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is



comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

#### **FRAUD REPORTING**

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has earned net profit of Rs. 123.08 Lacs during the financial year ended 31st March, 2019 and therefore it is not required to constitute CSR committee and make expenses towards CSR activities as per the requirements of Section 135 of the Companies Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, the provision of section 125(2) of Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by Central Government of India.

#### **UNPAID AND UNCLAIMED AMOUNT OF DIVIDEND AND SHARE APPLICATION MONEY**

There is no unpaid or unclaimed Share Application Money and Dividend is pending to be paid to the investors and shareholders till 31.03.2019.

#### **INSURANCE**

Our Company generally maintains insurance covering our inventories/ stock at such levels that we believe to be appropriate. The insurance policy covers stock lying in the premises, money in transit and the stock which is in our custody and specified person.

#### **BUSINESS RESPONSIBILITY REPORT**

Your Company does not fall under Top 500 listed entities as per Market Capitalisation. Hence, the Business Responsibility Report for the financial year, as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not attached to this Annual Report.

#### **PARTICULARS OF EMPLOYEES AND REMUNERATION**

Disclosures pertaining to remuneration and other details are required under Section 197(12) of the Act read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is forming part of the Directors' Report for the year ended March 31, 2019 and is annexed to this Report and marked as **ANNEXURE VI**.

During the financial year 2018-19, no employee, whether employed for whole or part of the year, was drawing remuneration exceeding the limits mentioned under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**MANDATORY UPDATE OF PAN AND BANK DETAILS AGAINST YOUR SHARE HOLDING**

Pursuant to SEBI circular SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April, 2018, shareholders whose ledger folios do not have/have incomplete details with respect to PAN and Bank Account particulars are mandatorily required to furnish these details to the Issuer Company/RTA for registration in the folio. As per the records of the Company, few Shareholders' folio needs to be updated with the PAN / Complete Bank Account details so that the investments held by them are in compliance with the aforementioned circular.

Such Shareholders are hence requested to submit the following documents within 21 days of receipt of this communication:

Enclosed Form duly filled in and signed by all the shareholders.

Self-Attested Copy of Pan Card of all the shareholders,

Cancelled Cheque Leaf with Name (if name is not printed on cheque - self-attested copy of first page of pass book) of all the shareholders and

Address Proof (self-attested copy of Aadhaar-Card of all the shareholders)

**TRANSFER OF SHARES COMPULSORILY IN DEMATMODE**

As per amended Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended vide SEBI Notification No. SEBI/LADNRO/GN/2018/24 dated June 08, 2018 effective from December 05, 2018; securities of the listed companies can be transferred (except in case of transmission or transposition) only in the dematerialized form. In case any of the Shareholders have any queries or need any assistance in this regard, please contact our company Secretary Ms. Tripti Sharma (0141-4919655) or e-mail at [cs@silgo.in](mailto:cs@silgo.in)

**ACKNOWLEDGEMENT**

The Board appreciates the commitment and dedication of its employees across all the levels who have Contributed to the growth and sustained success of the Company. We would like to thank all our customers, vendors, bankers and other business associates for their continued support and encouragement during the year. We also thank the Government of India, Government of Rajasthan and all Other Government Agencies for their support during the year and look forward to the same in the future.

**For and on behalf of the Board of Directors of  
SILGO RETAIL LIMITED**

Place: Jaipur  
Date: 09.10.2019

**NITIN JAIN**  
Managing Director  
DIN: 00935911

**BELA AGRAWAL**  
Whole-time Director  
DIN: 01874461


**ANNEXURE- I OF DIRECTOR'S REPORT**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURNAS ON THE FINANCIAL YEAR ENDED ON 31.03.2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

- a) **CIN:** - L36911RJ2016PLC049036
- b) **Registration Date:** January 09, 2016
- c) **Name of the Company:** SILGO RETAIL LIMITED
- d) **Category/Sub-Category of the Company:** Company Limited by shares, Indian Non-Government Company
- e) **Address of the registered office and contact details:**  
B-11, Mahalaxmi Nagar, J.L.N. Marg, Jaipur – 302017, Rajasthan  
Email: [info@silgo.in](mailto:info@silgo.in), Tel. No.: 0141-4919655
- f) **Whether listed company:** Yes
- g) **Name, Address and Contact details of Registrar and Transfer Agent, if any:**  
Bigshare Services Private Limited,  
1st Floor, Bharat Tin works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri - East, Mumbai-400 059  
Tel. No.: 022-62638200, Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**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	NPCS Code of the Product/ service	% total turnover of the company
1.	Wholesale of Jewellery	46498	92.87%

**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
NIL					

#### IV. SHAREHOLDING PATTERN(Equity Share Capital Break-up as percentage of total Equity)

##### a) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% Change During the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a)Individual/HUF	-	10,000	10,000	100	37,10,000	-	37,10,000	73.23	(26.77)
b)Central Govt.	-	-	-	-	-	-	-	-	-
c)State Govt.(s)	-	-	-	-	-	-	-	-	-
d)Bodies Corp.	-	-	-	-	-	-	-	-	-
e)Banks/FI	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a)NRIs-Individual	-	-	-	-	-	-	-	-	-
b)Other Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e)Any other	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter(A)=A(1)+A(2)</b>	-	10,000	10,000	100	37,10,000	-	37,10,000	73.23	(26.77)
<b>B.Public Shareholding</b>									
<b>1. Institutions</b>									
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Banks/FI	-	-	-	-	-	-	-	-	-
c)Central Govt.	-	-	-	-	-	-	-	-	-
d)State Govt.(s)	-	-	-	-	-	-	-	-	-
e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g)FIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-



Category of shareholders	No. of shares held at the beginning of the year (As on 01.04.2018)				No. of shares held at the end of the year (As on 31.03.2019)				% Change During the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>2) Non- Institutions</b>									
a) Bodies Corp.									
(i) Indian	-	-	-	-	1,68,000	-	1,68,000	3.32	3.32
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	1,23,000	-	1,23,000	2.42	2.42
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	7,20,000	-	7,20,000	14.21	14.21
c) Others	-	-	-	-	-	-	-	-	-
(i) HUF					1,32,000	-	1,32,000	2.61	2.61
(ii) Clearing Member					57,000	-	57,000	1.13	1.13
(iii) Market Maker					1,56,000	-	1,56,000	3.08	3.08
<b>Sub-total (B)(2)</b>	-	-	-	-	13,56,000	-	13,56,000	26.76	26.77
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	13,56,000	-	13,56,000	26.76	26.77
C) Shares held by Custodian for GDRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	10,000	10,000	100	50,66,000	-	50,66,000	100	-

## b) Shareholding of Promoters

Shareholders Name	No. of shares held at the beginning of the year (As on 01.04.2018)			No. of shares held at the end of the year (As on 31.03.2019)			% Change in share holding during the year
	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
Mr. Nitin Jain	5,000	50.00	-	18,54,700	36.61	-	(13.39)
Mrs. Bela Agrawal	5,000	50.00	-	18,54,700	36.61	-	(13.39)
Mr. Mohan Lal Agarwal	-	-	-	150	Negligible	-	Negligible
Mr. Pankaj Agarwal	-	-	-	150	Negligible	-	Negligible
Mrs. Anjana Jain	-	-	-	100	Negligible	-	Negligible
Mrs. Sunita Jain	-	-	-	100	Negligible	-	Negligible
Mr. Amit Surana	-	-	-	100	Negligible	-	Negligible
<b>TOTAL</b>	<b>10,000</b>	<b>100.00</b>	<b>-</b>	<b>37,10,000</b>	<b>73.23</b>	<b>-</b>	<b>(26.77)</b>

## c) Change in Promoters' Shareholding

Name of Promoter	No. of Shares held at the beginning of the year (1.4.2018)		Changes during the year (FY 2018-19)			Cumulative shareholding at the end of year (31.3.2019)	
	No. of shares	% of total Capital	Date	Increase(+) / Decrease(-) during the year	Reason	No. of shares	% of total Capital
Mr. Nitin Jain	5,000	50.00	19.5.2018 6.6.2018 11.6.2018	5,50,000 13,00,000 (300)	Bonus Rights Transfer	18,54,700	36.61
Mrs. Bela Agrawal	5000	50.00	19.5.2018 6.6.2018 11.6.2018	5,50,000 13,00,000 (300)	Bonus Rights Transfer	18,54,700	36.61
Mr. Mohan Lal Agarwal	-	-	11.6.2018	150	Transfer	150	Negligible
Mr. Pankaj Agarwal	-	-	11.6.2018	150	Transfer	150	Negligible
Mrs. Anjana Jain	-	-	11.6.2018	100	Transfer	100	Negligible



Name of Promoter	No. of Shares held at the beginning of the year (1.4.2018)		Changes during the year (FY 2018-19)			Cumulative shareholding at the end of year (31.3.2019)	
	No. of shares	% of total Capital	Date	Increase(+) / Decrease(-) during the year	Reason	No. of shares	% of total Capital
Mrs. Sunita Jain	-	-	11.6.2018	100	Transfer	100	Negligible
Mr. Amit Surana	-	-	11.6.2018	100	Transfer	100	Negligible

**d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Top Ten Shareholders	Shareholding at the beginning of the year (As on 01.04.2018)		Cumulative Shareholding during the year (As on 31.03.2019)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Sajankumar Rameshwarlal Bajaj	-	-	2,46,000	4.85%
2	Overskud Multi Asset Management Private Limited	-	-	1,68,000	3.31%
3	Mr. Amrutlal Gordhandas Thobhani	-	-	1,68,000	3.31%
4	Aryaman Capital Markets Limited	-	-	1,56,000	3.07%
5	Sanjay Suri And Sons (Huf)	-	-	1,26,000	2.48%
6	Mr. Sanjay Suri	-	-	84,000	1.65%
7	Mrs. Anuradha Suri	-	-	69,000	1.36%
8	NNM Securities	-	-	57,000	1.12%
9	Mr. Parth Suri	-	-	42,000	0.82%
10	Mrs. Sarita Batheja	-	-	33,000	0.65%

**Note:**

*All the shares of the company are held in dematerialized form, and are widely traded on daily basis. Therefore, the date-wise increase/decrease in shareholding is not indicated.*

*The shares of the company are issued in the public on 08th October, 2018. Therefore, at the beginning of the year only promoters of the company held all the shares.*

## e) Shareholding of Directors and Key Managerial Personnel:

Name of Director / KMP	No. of Shares held at the beginning of the year (1.4.2018)		Changes during the year (FY 2018-19)			Cumulative shareholding at the end of year (31.3.2019)	
	No. of shares	% of total Capital	Date	Increase(+) / Decrease(-) during the year	Reason	No. of shares	% of total Capital
Mr. Nitin Jain	5,000	50.00	19.5.2018 6.6.2018 11.6.2018	5,50,000 13,00,000 (300)	Bonus Rights Transfer	18,54,700	36.61
Mrs. Bela Agrawal	5000	50.00	19.5.2018 6.6.2018 11.6.2018	5,50,000 13,00,000 (300)	Bonus Rights Transfer	18,54,700	36.61
Mrs. Anjana Jain	-	-	11.6.2018	100	Transfer	100	Negligible
Mr. Amit Surana	-	-	11.6.2018	100	Transfer	100	Negligible

**Note:**

Mr. Amit Surana has resigned from directorship w.e.f. June 7, 2019.

Mrs. Anjana Jain was appointed as director w.e.f. June 14, 2018

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i + ii + iii)</b>				
<b>Change in Indebtedness during the financial year</b>	NIL			
- Addition				
- Reduction				
Net Change				
<b>Indebtedness at the</b>	NIL			

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>end of the financial year</b>				
i)Principal Amount				
ii)Interest due but not paid				
iii)Interest accrued but not due				
<b>Total (i + ii +iii)</b>				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Particulars of Remuneration	Mr. Nitin Jain	Mrs. Bela Agrawal	Mrs. Anjana Jain	Total Amount (Rs. in Lakhs)
<b>1. Gross salary</b>				
(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	19.00	4.50	4.50	28.00
(b)Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-	-	-
2. Stock Option	-	-	-	-
3. Sweat Equity	-	-	-	-
4. Commission - as % of profit - others, specify...	-	-	-	-
5. Others, please specify	-	-	-	-
<b>Total(A)</b>	<b>19.00</b>	<b>4.50</b>	<b>4.50</b>	<b>28.00</b>
<b>Ceiling as per the Act</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

### b) Remuneration to other directors:

Particulars of Remuneration	Name of Directors			Total Amount (Rs. In lakhs)
	Mr. Shalabh Gupta	Mr. Gopal singh	Mrs. Anjana Jain	
<b>1. Independent Directors</b>				
Fee for attending board committee meetings	0.18	0.18	-	0.36
<b>Total (B1)</b>	<b>0.18</b>	<b>0.18</b>	<b>-</b>	<b>0.36</b>
<b>2. Other Non-Executive Directors</b>				
Fee for attending board committee meetings	-	-	0.16	0.16

Particulars of Remuneration	Name of Directors			Total Amount (Rs. In lakhs)
	Mr. Shalabh Gupta	Mr. Gopal singh	Mrs. Anjana Jain	
Total (B2)	-	-	0.16	0.16
Total (B)=(B1)+(B2)	0.18	0.18	0.16	0.52
Total Managerial Remuneration *	0.18	0.18	0.16	0.52
Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.

**Note:**

Mrs. Anjana Jain was appointed as Non – Executive director w.e.f. 14.06.2018 and re-designated as whole time director w.e.f. 13.12.2018

**c) Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD**

Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs. In Lakhs)
	Company Secretary	CFO	
<b>1.Gross Salary</b>			
(a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	2.57	4.00	6.57
(b)Value of perquisites u/s 17(2) of Income-tax Act,1961	-	-	-
2.Stock Option	-	-	-
3.Sweat Equity	-	-	-
4.Commission - as %of profit - others, specify...	-	-	-
5.Others, please specify	-	-	-
<b>Total</b>	<b>2.57</b>	<b>4.00</b>	<b>6.57</b>

**VII. 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)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		



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)
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors of  
SILGO RETAIL LIMITED

Place: Jaipur  
Date: 09.10.2019

NITIN JAIN  
Managing Director  
DIN: 00935911

BELA AGRAWAL  
Whole-time Director  
DIN: 01874461



**ANNEXURE-II OF DIRECTOR'S REPORT  
SECRETARIAL AUDIT REPORT  
Form No. MR-3**

(For the financial year ended March 31, 2019)

[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 of  
**SILGO RETAIL LIMITED**  
B-11, Mahalaxmi Nagar, Jawaharlal Nehru Marg,  
Jaipur – 302017, Rajasthan

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SILGO RETAIL LIMITED (CIN: L36911RJ2016PLC049036)** (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 my verification of the Company's 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, I hereby report that in our opinion, during the audit period covering the financial year ended on March 31, 2019 ("Audit Period"), the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined:-

- (a) all the books, papers, minutes, forms, returns filed, other documents and records maintained by the Company and made available to us and explanation provided by **Silgo Retail Limited** ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended March 31, 2019 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");
- (c) the Depositories Act, 1996 and the Regulations, rules, circulars, guidelines framed there under



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

- (a) The Companies Act, 2013 (the Act) and the rules made there under;
- (b) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (e) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (f) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not attracted during the year under review**
- (g) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014– **Not attracted during the year under review**
- (h) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not attracted during the year under review**
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – **Not Applicable**
- (j) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, I hereby report that, during the Review Period:

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

Sr.No	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
NIL			

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my/our examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
NIL				



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

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2019	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
N.A.				

**I 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/Committee Meetings, agenda and detailed notes on agenda were sent generally seven days in advance.

A system exist for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings/ Committee Meetings were taken with requisite majority.

**Place: Jaipur**  
**Date: 25 May, 2019**

**Sd/-**  
**Payal Agarwal**  
**(Practicing Company Secretary)**  
**ACS No. 51523**  
**C P No. 19113**

**Note:** This report is to be read with my letter of even date which is annexed as "ANNEXURE – A" and forms an integral part of this report.



**“Annexure – A” of SECRETARIAL AUDIT REPORT (Form No. MR-3)**

To,  
The Members of  
**SILGO RETAIL LIMITED**  
B-11, Mahalaxmi Nagar, Jawaharlal Nehru Marg,  
Jaipur – 302017, Rajasthan

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

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

**Place: Jaipur**  
**Date: 25 May, 2019**

**Sd/-**  
**Payal Agarwal**  
**(Practicing Company Secretary)**  
**ACS No. 51523**  
**C P No. 19113**



## ANNEXURE-III OF DIRECTOR'S REPORT

## FORM AOC-2

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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

- i. Details of contracts or arrangements or transactions not at arm's length basis: N.A.
- ii. Details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

S. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Amount paid as advances, if any
1.	M/s. Silgo Creations Private Limited (Group Company)	Purchase of Goods	12 Months	Transaction entered between the parties are Arm's Length Basis at Rs. 239.21 lacs	N.A.
2.	Mr. Nitin Jain (Director)	Rent Paid	6 Months	Transaction entered between the parties are Arm's Length Basis at Rs. 17.70 lacs	N.A.



## ANNEXURE-IV OF DIRECTOR'S REPORT MANAGEMENT DISCUSSION ANALYSIS REPORT

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### INDUSTRY STRUCTURE AND DEVELOPMENTS

The global gems and jewelry market is projected to grow at the rate of 5.5% during the forecast period 2018 to 2023. The market is expected to witness a strong growth during the forecast period owing to the increasing demand for branded jewelry due to distinctive designs, rise in demand for artistic jewelry, credibility, and quality, rising focus on e-commerce sales in both developed and developing market and increase in wedding budget, especially in bridal weddings. In addition, there's an increase in cross-cultural designs, which will increase the growth of gems and jewelry market in the coming years. Jewelry inspired by European, Egyptian, and Italian cultures are gaining popularity. For instance, Titan's brand Zoya offers jewelry studded with precious stones like diamond. However, market is highly dependent on macroeconomic factors, coupled with high presence of unorganized players that provides counterfeit gems and jewelry, restraining the growth of the gems and jewelry market globally.

Last year, the silver market faced a challenging environment which was reflected in a muted price performance. Preliminary estimates point towards a minor 0.3 percent increase in total supply whereas demand contracted 3 percent. A slowing Chinese economy, coupled with rising U.S. interest rates, an equity market bull run, and global trade tensions, affected the price performance across many markets, including gold and silver.

This year, we expect the sentiment to be more supportive for the silver market. The start of 2019 has already proven to be good for silver investors. The U.S. Mint for example, sold 12 percent more American Eagles in January compared to January 2018. In addition, the expected slowdown in the U.S. FED rate hiking cycle should also benefit silver, which in comparison to gold, has a very attractive price point based on the high gold: silver ratio at around 82.

### **ECONOMIC OVERVIEW**

Against this backdrop, the Silver Institute provides the following insights on 2019 silver market trends.

**Silver demand from industrial fabrication**, responsible for approximately 60 percent of total demand, is forecast to rise modestly in 2019. We expect most sectors to record reasonable growth based on silver's use in a wide variety of applications. Silver demand from brazing alloys and solders as well as electrical and electric applications is expected to rise again this year. This is on the back of continued demand from the automotive sector, which uses an increasing amount of applications, such as safety features, window defogging and infotainment systems, and for electric and hybrid vehicles. We also forecast growth in silver's use in a variety of additional sectors, such as water purification, chemical applications, LED lighting, flexible electronics and screens as well as anti-microbial applications in textiles.

**Photovoltaic (PV) demand** has been expanding considerably in recent years due to various countries stepping up the pace to diversify their energy generating portfolio away from conventional fossil fuels and towards a higher share of renewable sources. Even with legislative changes in China, coupled with global overstocking and continued attempts at thirsting, PV demand will still be very supportive of silver



usage, as many governments will continue to provide incentives to install more solar power. Indeed, global solar capacity additions are likely to be above 100 GW per year over the 2018-2022 period. Even though growth of solar capacity additions in China slowed modestly last year, that slack is expected to be offset by other countries, such as India, Australia and various European countries in the coming years.

**India is expected** to continue to be one of the largest silver consumers in 2019. Silver imports reached nearly 225 million ounces (Moz) last year, which was over 35 percent higher compared to 2017. Silver imports fell in India after the implementation of the demonetization plan at the end of 2016 and the introduction of the goods-and-services-tax (GST) in mid-2017, which reduced the amount of cash in circulation that was previously used for silver imports.

**Jewellery demand** is expected to record a solid year of growth in 2019, with Thailand set to be one of the driving forces behind the rise. In the United States, silver jewelry will remain a popular alternative to lower carat gold items, driven by many issues, but especially female self-purchases. Globally, silver jewelry is expected to continue to expand, due to its diversity of design, fine quality and excellent retail margins.

**Exchange traded products (ETPs)** are forecast to expand by 8 million ounces this year. Silver-backed ETPs are “stickier” than other precious metal products, as a majority are held by retail investors, rather than institutional investors.

**Silver Physical Investment** demand is likely to increase by approximately 5 percent in 2019. Bullion coin demand has been strong in the United States during January of this year, and we expect sentiment in Europe, which rose by 6 percent in 2018, and India to be supportive of global growth as the year continues. Bullion coin demand in the U.S. fell last year, but non-bullion silver coins rose for the second consecutive year by 42 percent (see chart above).

### Silver Supply

**Silver mine production** is forecast to decline by 2 percent this year. While we expect a small rise from silver recovered in gold mining, all other primary and by-product production is expected to fall, except for supply from lead/zinc operations which are forecast to rise this year.

**Silver scrap supply** is forecast to pick up modestly in 2019, following four consecutive years of stable scrap flows. That will be mainly a function of scrap generated from industrial processes but also from jewellery items, which tend to be strongly price elastic.

**The silver market balance** (total supply less total demand) in 2019 is projected to be the third consecutive year, within the boundaries of margin, where all the silver produced is absorbed by the various downstream sectors.

### Silver Price

We expect the silver price to strengthen this year to post an average price of \$16.75, a 7% increase over the 2018 average price based on the LBMA Silver Price. The volatility in the equity markets is motivating investors to look for alternative options such as precious metals, which will boost silver investment.



### **GEMS AND JEWELLERY INDUSTRY SNAPSHOT**

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 7 per cent of the country's GDP and 15 per cent to India's total merchandise exports. The industry is growing at around 16% CAGR over 2014-2019. It also employs over 4.5 million workers and is expected to employ over 8 million by 2022. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government of India has declared the Gems and Jewellery sector as a focus area for export promotion. The Government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote 'Brand India' in the international market.

India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the biggest buyer of gold in the world. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. India has the largest diamond processing centre in the world. Moreover, India exports 75 per cent of the world's polished diamonds, as per statistics from the Gems and Jewellery Export promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). India is the 2nd largest Foreign Exchange Earner (FEE) in the Indian economy. US, Hong Kong and UAE are the major importers, who accounted for 75% of the total gems and jewellery exports from India during 2016-17. Other big importers of Indian jewellery include Russia, Singapore, Latin America and China. The Government of India has viewed the sector as a thrust area for export promotion. The Indian government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route.

### **MARKET SIZE**

The Gems & Jewellery market comprises the following: -

- Diamond studded jewellery
- Gold jewellery
- Silver jewellery, and
- Precious and semi-precious Gemstones and its jewellery

Gold demand in India rose to over 760 tonnes between January to December 2018. India's gems and jewellery exports stood at approximately US\$ 5 billion between Apr 2019 –May 2019. During the same period, exports of cut and polished diamonds stood at over US\$ 3.5 billion, thereby contributing about 77 per cent of the total gems and jewellery exports in value terms. Exports of gold coins and medallions stood at over US\$ 686.5 million and silver jewellery exports stood at approximately US\$ 766 million between April 2018 - March 2019.

The gems and jewellery market in India is home to more than 3 lacs players, with the majority being small players. Its market size is about US\$ 75 billion as of 2017 and is expected to reach US\$ 100 billion by 2025. It contributes 29 per cent to the global jewellery consumption.

India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to the total foreign reserves of the country. The Goods and Services Tax (GST) and monsoon will steer India's gold demand going forward.

### INVESTMENTS/DEVELOPMENTS

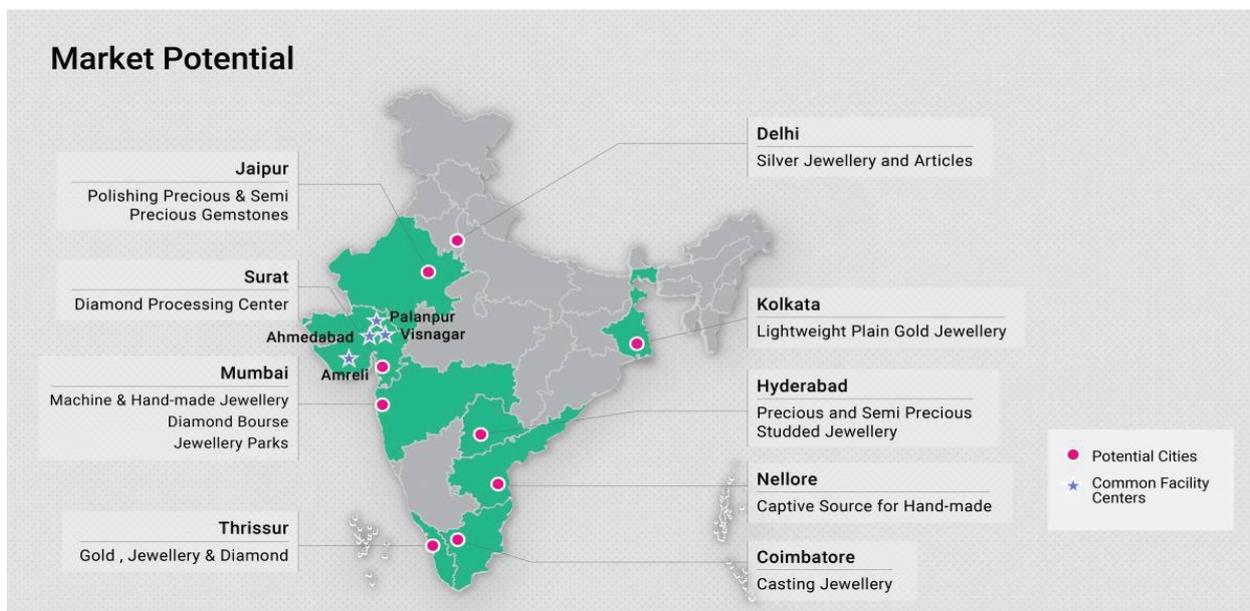
The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and branded jewellers are able to fulfil their changing demands better than the local unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery, as jewellery is a status symbol in India.

The cumulative Foreign Direct Investment (FDI) inflows in diamond and gold ornaments in the period April 2000 – March 2019 were US\$ 1.16 billion, according to Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key investments in this industry are listed below.

Deals worth Rs. 8,000 crore (US\$ 1.19 billion) were made at the Indian International Jewellery Show held in August 2018.

Many companies are planning to introduce a virtual-reality (VR) experience for their customers. The customer will have to wear a VR headset, through which they can select any jewellery, see the jewellery from different angles and zoom on it to view intricate designs.



### GOVERNMENT INITIATIVES

The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fitness as well as the unit’s identification and the jeweller’s identification mark. The move is aimed at ensuring a quality check on gold jewellery.

The Gems and Jewellery Export Promotion Council (GJEPC) signed a Memorandum of Understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India’s largest jewellery park in at Ghansoli in Navi-Mumbai on a 25 acres land with about more



than 5000 jewellery units of various sizes ranging from 500-10,000 square feet. The overall investment of Rs. 13,500 crore (US\$ 2.09 billion).

Gold Monetisation Scheme enables individuals, trusts and mutual funds to deposit gold with banks and earn interest on the same in return.

## OPPORTUNITIES

The following are the growth drivers for the industry:

- Traditional Domestic Demand
- Rising Income Levels
- Growing Middle-Class Population
- Increasing Expenditure
- Growing Organized Retail Format

The potential exists to significantly increase the silver market participation rate, which would subsequently result in more spectacular gains with the momentum snowballing. New discoveries could provide the catalyst for the next stage of the silver "bull" market as the money flow filters down to the junior explorers. The general public is aware of silver mainly through utensils and medals won in sporting events, and grasping the investment concept whilst taking some time could be far more easily digested than the "New Economy". **Silver could increase 400-500% and still be viewed as being relatively cheap to investors that have not followed the sector closely.**

## THREATS

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

- Slowing economic growth dampening industrial demand
- Continual selling pressure from speculative longs at the first sign of any significant rise in the POS
- Selling from China and Russia. (Unknown stockpiles)
- Further developments in photography that further eliminate the need for silver
- A major market meltdown that would have a near-term impact on silver equities in the race for liquidity.

## OUTLOOK

In the coming years, growth in Gems and Jewellery sector would be largely contributed by the development of large retailers/brands. At the domestic level, the organised retailers are expected to fare well, mainly due to the ongoing structural changes together with strong macro-demographic trends. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Regulatory changes introduced by the Government of India over last few years are likely to increase the preference towards branded jewellery and shift the scales in favour of organised sector at the cost of the unorganised sector. The demand for jewellery is expected to remain robust, given India's demographics and the consumer's affinity towards gold for both wedding related purchases and as store of value. Overall, India is expected to play a more important role in the global gems & jewellery sector, with diamond miners setting up auction centres in India and with significant investment seen in the retail end of the sector by domestic players, foreign players and private equity investors.

**DISCLAIMER**

Statements in the Management Discussion and Analysis, describing the company's objectives, projections, estimates, expectations or predictions, may be forward-looking statements within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those either expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions, variation in prices of raw materials, changes in government regulations, tax regimes, economic developments and other incidental factors. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

**For and on behalf of the Board of Directors of  
SILGO RETAIL LIMITED**

**Place: Jaipur  
Date: 09.10.2019**

**NITIN JAIN  
Managing Director  
DIN: 00935911**

**BELA AGRAWAL  
Whole-time Director  
DIN: 01874461**



## ANNEXURE-V OF DIRECTOR'S REPORT NOMINATION AND REMUNERATION POLICY

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### INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013, and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) (the "SEBI Listing Regulations"), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

The Nomination and Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

### DEFINITIONS

- a) **"Board"** means Board of Directors of the Company.
- b) **"Company"** means **"SILGO RETAIL LIMITED"**
- c) **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- d) **"Key Managerial Personnel" (KMP)** means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) Such other officer not more than one level below the directors who is in the whole-time employment, designated as key managerial personnel by the board; (vi) such other officer as may be prescribed.
- e) **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- f) **"Policy or This Policy"** means, "Nomination and Remuneration Policy."
- g) **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- h) **"Senior Management"** shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer

### SCOPE

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors.

**OBJECTIVE**

**The Key Objectives of the policy would be:**

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board of Directors of the Company (the "Board"), policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. To formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations
4. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
5. To devise a Policy on Board Diversity.
6. To develop a succession plan for the Board and to regularly review the plan.
7. To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

**GUIDING PRINCIPLES**

The Policy ensures that:

1. The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person.
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
3. The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets.

**TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

1. To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
2. Formulate criteria for evaluation of Independent Directors and the Board.
3. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.



4. To carry out evaluation of every Director's performance.
5. To recommend to the Board the appointment and removal of Directors and Senior Management.
6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks
8. To devise a policy on Board diversity.
9. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
10. Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
11. Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non-Executive Directors.
12. Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
13. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice
14. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
15. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT APPOINTMENT OF DIRECTOR (INCLUDING INDEPENDENT DIRECTORS)**

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.

The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Company shall not recommend or appoint or continue the employment of any person as the Managing Director, Whole-time director or Manager within the meaning of the Act, who has attained



the age of 75 (seventy five) years. Provided that the appointment of such a person who has attained the age of 75 (seventy five) years shall be made with the approval of the Shareholders by passing a special resolution, based on the explanatory statement annexed to the notice for the Meeting of the Shareholders for such motion indicating the justification for appointment or extension of appointment beyond the age of 75 (seventy five) years.

As per the applicable provisions of Companies Act 2013, Rules made there under, the Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

#### **CRITERIA FOR APPOINTMENT OF KMP/SENIOR MANAGEMENT**

1. To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
2. To practice and encourage professionalism and transparent working environment.
3. To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
4. To adhere strictly to code of conduct.

#### **TERM / TENURE**

##### **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 5 (five) years at a time. No re- appointment shall be made earlier than 1 (one) year before the expiry of term.

##### **Independent Director:**

- I. An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board 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.
- II. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly
- III. At the time of appointment of Independent Director(s) it should be ensured that number of Boards on which such Independent Director serves is restricted to 7 (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 or such other number as may be prescribed under the Act or the SEBI Listing Regulations.



## **EVALUATION**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular intervals (yearly).

The evaluation of performance of the Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance

The evaluation of independent directors shall be done by the entire board of directors which shall include –

- a) performance of the directors; and
- b) fulfillment of the independence criteria as specified in these regulations and their Independence from the management:

Provided that in the above evaluation, the directors who are subject to evaluation shall not participate.

## **REMOVAL**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under 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 subject to the provisions and compliance of the said Act, rules and regulations.

## **RETIREMENT**

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

## **POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL**

1. No director/KMP/ other employee is involved in deciding his or her own remuneration.
2. The trend prevalent in the similar industry, nature and size of business is kept in view and given due weight age to arrive at a competitive quantum of remuneration.
3. Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
4. Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.



5. Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
6. Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated /disclosed adequately.
7. Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance. In determining packages of remuneration, the Committee may take the advice of the Chairman/ Managing Director of the Company.
8. The annual variable pay of senior managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against specific Key Result Areas, which are aligned to the Company's objectives.
9. The remuneration/commission payable to Whole-time/Executive/Managing Director, KMP and Senior Management shall be in accordance with the statutory provisions of the Act and the Rules made there under for the time being in force.
10. Remuneration/commission payable to Non-Executive / Independent shall be in accordance with the statutory provisions of the Act and the Rules made there under for the time being in force.
11. The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
12. An Independent Director shall not be entitled to any stock option of the Company.

#### **FOLLOWING CRITERIA ARE ALSO TO BE CONSIDERED**

Responsibilities and duties; Time & efforts devoted; Value addition; Profitability of the Company & growth of its business; analyzing each and every position and skills for fixing the remuneration yardstick. There should be consistent application of remuneration parameters across the organisation.

#### **DEVIATION FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

#### **AMENDMENT**

Any change in the Policy shall be approved by the Board of Directors or any of its Committees (as may be authorized by the Board of Directors in this regard). The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. Any subsequent amendment / modification in the Listing Regulations



and / or any other laws in this regard shall automatically apply to this Policy.

**REVIEW**

The policy shall be reviewed by the Nomination & Remuneration Committee and the Board, from time to time as may be necessary.



## ANNEXURE-VI OF DIRECTOR'S REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2018-19, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

S. No.	Name of the Director & Designation	Remuneration for FY 2018-19 p.a. (Rs. in Lacs.)	% increase in Remuneration in the financial year 2018-19	Ratio of the remuneration of each director to the median remuneration of the employees
1	Mr. Nitin Jain, Managing Director	24.00	NA	12.82
2	Mrs. Bela Agrawal, Whole-time Director	12.00	NA	6.41
3	Mrs. Anjana Jain, Non-executive Director	12.00	NA	6.41

2. **The percentage increase in the median remuneration of employees in the financial year;**  
There is no increase in median remuneration of employee during the year.
3. **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year:**  
The Directors were not drawing any remuneration in FY 2017-18 and The Chief Financial Officer and Company Secretary have appointed in FY 2018-19. Hence, there is no increase in there remuneration in FY 2018-19.
4. **The number of permanent employees on the rolls of company;**  
42 permanent employees on the rolls of the Company as on March 31, 2019
5. **The median remuneration of employees of the Company during the financial year;**  
Rs. 1.87 lacs p.a.
6. **Affirmation that the remuneration is as per the remuneration policy of the Company;**  
Remuneration paid during the year ended March 31, 2019 is as per Remuneration policy of the Company



## INDEPENDENT AUDITOR'S REPORT

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**To,  
THE MEMBERS OF  
SILGO RETAIL LIMITED.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/S SILGO RETAIL LIMITED (“the Company”), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘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, 2019, its profit and cash flows for the year ended on that date.

### **Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

### **Information other than the financial statements and Auditors’ Report thereon**

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis,



Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially.

### **Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

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

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



Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on other legal and regulatory requirements**

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

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 purposes 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, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 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 and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- a) The Company does not have any pending litigations which would impact its financial position;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - c) here has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For JK SARAWGI & Co.**  
**Chartered Accountants**  
**FRN-006836C**

**(CA Laxmi Tatiwala)**  
**Partner**  
**M.No.- 418000**

**Date : 25.05.2019**  
**Place: Jaipur**



## Annexure –A to the Independent Auditors’ Report

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(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Silgo Retail Limited Limited of even date)

- (i) In respect of the Company’s property, plant and equipment:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) These fixed assets have been physically verified by the management at reasonable Intervals.
  - (c) Total Assets of company includes Immovable property also and the title deeds of Immovable properties are held in the name of the company.
  
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification between the physical stock and the books of accounts.
  
- (iii) According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
  
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
  
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and hence, the provisions of the clause 3 (v) of the Order is not applicable to the Company.
  
- (vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
  
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales tax, goods and service tax, value added tax, cess and other material statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.



(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income tax, sales- tax, goods and service tax and value added tax which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks and dues to debenture holders. The Company has not borrowed any funds from the government.

(ix) During the year, the Company has raised money by way of initial public offer through SME Exchange. According to the information and opinion given to us, all of the money has been applied for the purpose for which it was raise. The company has not raised any term loan during the year.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, during the year the Company has made preferential allotment of 37,10,000 Shares @ 10 Rs Each and the amount raised has been used for the purpose for which the funds were raised.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For JK SARAWGI & Co.**  
**Chartered Accountants**  
**FRN-006836C**

**(CA Laxmi Tatiwala)**  
**Partner**  
**M.No.- 418000**

**Date : 25.05.2019**  
**Place: Jaipur**



## **Annexure – ‘B’ to the Independent Auditors’ Report**

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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 Silgo Retail Limited (‘the Company’) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

### **Auditors’ Responsibility**

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

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

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

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



A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2019, 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 JK SARAWGI & Co.  
Chartered Accountants  
FRN-006836C**

**(CA Laxmi Tatiwala)  
Partner  
M.No.- 418000**

**Date : 25.05.2019  
Place: Jaipur**



**Balance Sheet**  
As at 31st March 2019

(₹ in thousands)

PARTICULARS	Note No.	AS AT 31.03.2019	AS AT 31.03.2018
<b>A. EQUITY AND LIABILITIES</b>			
<b>1. SHARE HOLDER'S FUND</b>			
(a) Share Capital	3	50,660.00	100.00
(b) Reserve & Surplus	4	42,497.37	11,289.83
		<b>93,157.37</b>	<b>11,389.83</b>
<b>2. NON CURRENT LIABILITIES</b>			
(a) Long Term Borrowings		-	-
(b) Other Long Term Liabilities		-	-
(c) Long Term Provisions		-	-
		-	-
<b>3. CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	5	-	26,000.00
(b) Trade Payable	6	5,283.35	45,829.06
(c) Other Current Liabilities	7	1,888.02	3,359.05
(d) Short Term Provisions	8	5,785.32	3,677.82
		<b>12,956.69</b>	<b>78,865.93</b>
<b>TOTAL</b>		<b>106,114.06</b>	<b>90,255.77</b>
<b>B. ASSETS</b>			
<b>1. NON CURRENT ASSETS</b>			
(a) Property, Plant & Equipments			
(i) Tangible assets	9	3,667.24	4,471.36
(b) Deffered Tax Assets	10	91.30	25.98
(c) Other Non Current Assets	11	525.55	530.82
		<b>4,284.08</b>	<b>5,028.15</b>
<b>2. CURRENT ASSETS</b>			
(a) Inventories	12	77,716.58	51,196.75
(b) Short Term Loan & Advances	13	36.62	688.98
(c) Trade Receivable	14	20,847.17	30,231.55
(d) Cash & Cash Equivalents	15	1,026.61	2,700.04
(e) Other Current Assets	16	2,202.99	410.29
		<b>101,829.98</b>	<b>85,227.61</b>
<b>TOTAL</b>		<b>106,114.06</b>	<b>90,255.77</b>
SIGNIFICANT ACCOUNTING POLICIES		2	

SEE ACCOMPAINING NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR AND ON BEHALF OF THE BOARD  
SILGO RETAIL LIMITED

AS PER OUR AUDIT REPORT  
OF EVEN DATE ATTACHED  
FOR J K SARAWGI & Co.  
CHARTERED ACCOUNTANTS

NITIN JAIN  
(Managing Director)  
DIN: 00935911

ANJANA JAIN  
(Director)  
DIN: 01874461

TRIPTI SHARMA  
(Company Secretary)

VAIBHAV KHANDELWAL  
(Chief Financial Officer)

(CA. LAXMI TATIWALA)  
PARTNER  
M. NO. 418000  
FRN-006836C

Place: Jaipur  
Date : 25.05.2019



## Statement of Profit & Loss Account

For the year ended 31st March 2019

(₹ in thousands)

PARTICULARS	Note No.	FOR THE YEAR 2018-19	FOR THE YEAR 2017-18
<b>INCOME</b>			
Revenue From Operations	17	216,712.57	164,651.16
<b>Total Revenue</b>		<b>216,712.57</b>	<b>164,651.16</b>
<b>EXPENDITURE</b>			
Purchase	18	17,267.84	117,497.13
Cost of Material Consumed	19	151,287.80	28,166.47
Change In Inventory	20	5,123.17	(11,333.51)
Depreciation	9	959.62	645.85
Direct Expenses	21	7,557.99	3,708.90
Finance Costs	22	32.92	4,589.22
Other Expenses	23	7,611.07	3,639.16
Employee Benefits Expense	24	8,139.69	4,531.16
<b>Total Expenses</b>		<b>197,980.10</b>	<b>151,444.37</b>
<b>Profit Before Tax</b>		<b>18,732.46</b>	<b>13,206.80</b>
<b>TAX EXPENSES</b>			
Current Tax Expense for Previous Year		780.84	99.49
Current Tax Expense for Current Year		5,708.32	3,647.82
Deffered Tax Adjustment		(65.32)	(15.49)
<b>Profit After Tax</b>		<b>12,308.63</b>	<b>9,474.97</b>
<b>Earnings per equity share of face value of Rs.10 each</b>			
<b>Basic and Diluted (in Rs.) (Re-Stated)</b>	25	3.18	8.54

SEE ACCOMPAINING NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**FOR AND ON BEHALF OF THE BOARD  
SILGO RETAIL LIMITED**

**AS PER OUR AUDIT REPORT  
OF EVEN DATE ATTACHED  
FOR J K SARAWGI & Co.  
CHARTERED ACCOUNTANTS**

NITIN JAIN  
(Managing Director)  
DIN: 00935911

ANJANA JAIN  
(Director)  
DIN: 01874461

TRIPTI SHARMA  
(Company Secretary)

VAIBHAV KHANDELWAL  
(Chief Financial Officer)

(CA. LAXMI TATIWALA)  
PARTNER  
M. NO. 418000  
FRN-006836C

**Place: Jaipur  
Date : 25.05.2019**



## Cash Flow Statement

For the year ended 31st March 2019

(₹ in thousands)

PARTICULARS	FOR THE YEAR 2018-19	FOR THE YEAR 2017-18
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit After tax and extraordinary items	12,308.63	9,474.97
Adjustments for :		
Depreciation	959.62	645.85
	13,268.25	10,120.82
Operating profit before working capital changes		
Adjustments for :		
Sundry debtors	9,384.38	(27,225.15)
Short term loan and advances	652.35	(114.09)
Change in inventory	(26,519.83)	(31,381.74)
Other Current Assets	(1,792.70)	(410.29)
Other Non Current Assets	5.27	(509.73)
Trade payables	(40,545.71)	35,401.30
Short Term Provisions	2,107.50	2,806.23
Other Current Liabilities	(1,471.03)	3,081.09
Cash generated from Operations	(44,911.51)	(8,231.56)
Deffered Tax	(65.32)	(15.94)
Net cash generated/(used) from operating activities -A.	(44,976.83)	(8,247.50)
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(155.50)	(4,909.49)
Net cash generated/(used) in investing activities -B.	(155.50)	(4,909.49)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings	-	15,069.23
Net Proceed from Share Issued during the year	43,458.91	
Net cash generated/(used) in financing activities - C.	43,458.91	15,069.23
<b>NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS</b>	<b>(1,673.43)</b>	<b>1,912.24</b>
Cash and cash equivalents:		
Opening balance	2,700.04	787.80
Closing balance	1,026.61	2,700.04

### Notes:

- The above cash flow statement has been prepared under : "Indirect Method" set out in AS-3.
- Figures in brackets indicates cash outgo.
- Previous year's figures have been re-grouped and reclassified wherever necessary.

SEE ACCOMPAINING NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
**FOR AND ON BEHALF OF THE BOARD**  
**SILGO RETAIL LIMITED**

**AS PER OUR AUDIT REPORT**  
**OF EVEN DATE ATTACHED**  
**FOR J K SARAWGI & Co.**  
**CHARTERED ACCOUNTANTS**

NITIN JAIN                      ANJANA JAIN  
 (Managing Director)        (Director)  
 DIN: 00935911                DIN: 01874461

TRIPTI SHARMA                VAIBHAV KHANDELWAL  
 (Company Secretary)        (Chief Financial Officer)

**(CA. LAXMI TATIWALA)**  
**PARTNER**  
**M. NO. 418000**  
**FRN-006836C**

**Place: JAIPUR**  
**Date: 25.05.2019**



## **“Notes forming part of financial statement for the period ended 31<sup>st</sup> March 2019”**

### **1. Corporate information**

Our Company was incorporated as “Silgo Retail Private Limited” on January 09, 2016, under the Companies Act, 2013 with the Registrar of Companies, Jaipur at Rajasthan bearing Registration No. 049036. The status of our Company was changed to a public limited company and the name of our Company was changed to “Silgo Retail Limited” with effect from July 28, 2018. The Company is engaged in business of manufacturing & trading of Silver Jewellery and related business.

### **2. Significant Accounting Policies**

#### **A) Basis of Accounting:**

The Financial statements are prepared on the bases of Generally Accepted Accounting Principles and on the bases of applicable Accounting standards under the historical cost convention, unless stated otherwise, on accrual basis of Accounting Method.

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

#### **B) Use of Estimates and Judgments:**

The preparation of financial statement in conformity with accounting standard requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affects the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statement and reported amounts of revenue and expenses during the period. Accounting estimates could change form period to period. Actual result could differ from those estimates. As soon as the Management is aware of the changes, appropriate changes in estimates are made. The effect of such changes are reflected in the period in which such changes are made and, if material, their effect are disclosed in the notes to financial statement.

#### **C) Revenue recognition:**

Sales are recorded net of Goods and Service Tax collections. Purchases are recorded net of Input credit in respect of indirect taxes that are subsequently eligible for Input Credit / Refund.

#### **D) Expenditure:**

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities. The cost of software developed for in house use was charged to revenue in the same year in which the cost incurred.

#### **E) Property, Plant and Equipment:**

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

**F) Method of Depreciation:**

Depreciation on Fixed Asset is provided as per the useful life of such asset as per the guidance provided in schedule II of Companies Act, 2013 on Written Down Value method of Depreciation.

**G) Investments:**

Current Investment are valued at the lower of cost and fair value as at the Balance Sheet date. Non-Current Investments are carried at cost. However, where there is a decline, other than temporary in nature, the value

**H) Inventories:**

Inventories are valued at weighted average price. Cost of Inventory comprises of all cost of conversion and other cost incurred in bringing them to their respective present location, condition and valued on the basis of Weighted Average Price Method.

**I) Borrowing cost:**

The borrowing costs that are directly attributable to the acquisition, construction or productions of a qualifying asset are capitalized as part of the cost of that asset. The amount of borrowing cost eligible for capitalization is determined in accordance with Accounting Standard (AS) 16- Borrowing Costs issued by the Institute of Chartered Accountants of India (ICAI) and specified u/s 133 of the Act read with Rule 7 of the Companies (Accounts) Rule, 2006.

**J) Foreign currency transactions**

Foreign currency transactions during the year are booked at the applicable customs rates on the date of transactions. Monetary Assets & Liabilities related to foreign currency transactions, remaining un- settled at the end of the year are translated at rate prevailing on reporting date.

**K) Employee Benefits**

Eligible employees receives the benefit from Employee Provident Fund, Which is defined benefit plan. Both the eligible employees and Company Contributes to Provident Fund and the contribution is regularly deposited with Employees Provident Fund Authorities. The Contribution to Employees Provident Fund and Employees State Insurance Contribution is charged to the profit and loss account.

**L) Taxes on Income**

Tax on income for the current period is determined on the basis of the taxable income computed in accordance with the provisions of Income Tax Act, 1961. Deferred Tax is recognized on timing differences between accounting income and taxable income for the year, and based on the rates of tax as per law enacted or substantively enacted as on the balance sheet date at the year end. Deferred tax assets is recognised and carried forward, subject to consideration of prudence, to the extent that there is a reasonable certainty of its realization.

**M) Cash Flow Statement**

The statement of cash flow has been prepared under the indirect method as set out in Accounting Standard – 3 issued under the Companies (Accounting Standard) Rules, 2006.

**N) Earnings Per Share**

The Holding Company reports the basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20, "Earnings per Share". Basic EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of equity



shares outstanding during the year. Diluted EPS is computed by dividing the Net Profit or Loss attributable to the Equity Shareholders for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all potential Equity Shares, except where the results are Anti - Dilutive.

The weighted average number of Equity Shares outstanding during the period is adjusted for events such a Bonus Issue, Bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity Shares outstanding, without a corresponding change in resources.

#### **O) Cash and Cash Equivalents**

Cash and Cash Equivalents include Cash and Cheques in Hand, Balances with Banks, and demand deposits with Banks and other Short term highly liquid investments where the original maturity is less than three months or less.

#### **P) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006**

Based on the information available with the company, none of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED) to whom the company owes and the same is not outstanding for more than 45 days as at 31 March 2019. The information has been determined to the extent such parties have been identified on the basis of information available within the company.

#### **Q) Government Grant**

Government grant/subsidies are recognized on the reasonable assurance of receipt of subsidy and completion of all conditions attached. If the grant/subsidies are related to subvention a particular expenses than in that case, it deducted from those expenses in the year of recognition government grant/subsidies.

#### **R) IPO Expenses**

IPO Expenses comprise of expenses related to public issue of Equity Shares of the Company. The same are written off against Security Premium during current year on allotment of the securities under the said public issue.



## Notes

### Forming Part of the Financial Statements

(₹ in thousands)

3. SHARE CAPITAL	As at 31st March, 2019	As at 31st March, 2018
<b>Authorised Share Capital</b> 75,00,000 Equity shares of Rs. 10/- each	75,000.00	100.00
	<b>75,000.00</b>	<b>100.00</b>
<b>Issued, Subscribed and Paid Up Capital</b> 5066000 Equity shares of Rs. 10/- each fully paid up	50,660.00	100.00
<b>TOTAL</b>	<b>50,660.00</b>	<b>100.00</b>

#### 3.1 Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholder's are eligible to receive the remaining assets of Company after distribution of all preferential amounts, in proportion of their shareholdings.

#### 3.2 The details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% held	No. of Shares	% held
Nitin Jain	1855000	36.61%	5000	50%
Bela Agrawal	1855000	36.61%	5000	50%

#### 3.3 The reconciliation of the number of shares outstanding is set out below:-

Particulars	As at 31st March, 2019	As at 31st March, 2018
Equity Shares at the beginning of the year	10000	10000
Add:- Shares issued during the year	5056000	-
Less:- Shares cancelled on buy back of Equity Shares	-	-
<b>Equity Shares at the end of the year</b>	<b>5066000</b>	<b>10000</b>

4. RESERVE AND SURPLUS	As at 31st March, 2019	As at 31st March, 2018
------------------------	---------------------------	---------------------------

#### A. Surplus/(Deficit) in Statement of Profit and Loss

As per last Balance Sheet	11,289.83	1,814.86
Add:- Profit/(loss) for the year	12,308.63	9,474.97
Less- Bonus Share	11,000.00	-
<b>TOTAL</b>	<b>12,598.46</b>	<b>11,289.83</b>

#### B. Securities Premium

As per last Balance Sheet	-	-
Add:- Premium Received during the year	35,256.00	-
Less- Share Issue Expenses	926.71	-
Less- IPO Expenses	4,430.38	-
<b>TOTAL</b>	<b>29,898.91</b>	<b>-</b>
<b>TOTAL (A+B)</b>	<b>42,497.37</b>	<b>11,289.83</b>



## Notes

### Forming Part of the Financial Statements (Contd.)

(₹ in thousands)

5. SHORT TERM BORROWINGS	As at 31st March, 2019	As at 31st March, 2018
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#### Loans Repayable on Demand From Other Parties

##### Unsecured

#### Loans & Advances From Related Parties

##### Unsecured

Loan from Directors	-	26,000.00
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<b>TOTAL</b>	<b>-</b>	<b>26,000.00</b>
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5.1 There is no default in repayment of Principal & Interest

5.2 Loan From Related Parties is Repayable on Demand

6. TRADE PAYABLES	As at 31st March, 2019	As at 31st March, 2018
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Creditors for Purchases*	3,647.01	45,217.96
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Creditors for Expenses	1,636.34	611.10
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<b>TOTAL</b>	<b>5,283.35</b>	<b>45,829.06</b>
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\* Also refer point 2(P) of notes to accounts

7. OTHER CURRENT LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
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Others Payable*	1,287.88	3,000.35
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Salary Payable	600.14	358.70
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<b>TOTAL</b>	<b>1,888.02</b>	<b>3,359.05</b>
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\* Includes Statutory Dues

8. SHORT TERM PROVISIONS	As at 31st March, 2019	As at 31st March, 2018
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Provision for Audit Fees	77.00	30.00
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Provision for Taxation	5,708.32	3,647.82
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<b>TOTAL</b>	<b>5,785.32</b>	<b>3,677.82</b>
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## Notes

### Forming Part of the Financial Statements (Contd.)

(₹ in thousands)

10. DEFERRED TAX ASSETS (NET)	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Assets (Net)	91.30	25.98
<b>TOTAL</b>	<b>91.30</b>	<b>25.98</b>

10.1 Computation of Deffered Tax Asset (Net)	As at 31st March, 2019	As at 31st March, 2018
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#### Timing Difference

#### DTA arising on account of difference in WDV

WDV as per Income Tax Act	3,995.42	4,565.64
WDV as per Companies Act	3,667.24	4,471.36
Timing Difference	328.18	0.09
Tax on Above	91.30	25.98

<b>Deferred Tax Assets</b>	<b>91.30</b>	<b>25.98</b>
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11. OTHER NON CURRENT ASSETS	As at 31st March, 2019	As at 31st March, 2018
Preliminary Expenses to be w/off	6.62	9.93
Pre-Operative Expenses	3.93	5.89
Security Deposits	515.00	515.00
<b>TOTAL</b>	<b>525.55</b>	<b>530.82</b>

12. INVENTORIES	As at 31st March, 2019	As at 31st March, 2018
<u>Closing Stock</u>		
Finished Goods	24,989.71	30,333.98
WIP	1,035.63	814.54
Raw Material	51,691.24	20,048.24
<b>TOTAL</b>	<b>77,716.58</b>	<b>51,196.75</b>

13. SHORT TERM LOAN & ADVANCE	As at 31st March, 2019	As at 31st March, 2018
(a) Other Advances	-	635.56
(b) TDS Receivable	36.62	53.42
<b>TOTAL</b>	<b>36.62</b>	<b>688.98</b>



## Notes

### Forming Part of the Financial Statements (Contd.)

(₹ in thousands)

<b>14. TRADE RECEIVABLES</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Trade Receivable Considered Good- Unsecured		
Sundry Debtors ( More than 180 Days)	394.39	1,835.73
Sundry Debtors ( Less than 180 Days)	20,452.77	28,395.82
<b>TOTAL</b>	<b>20,847.17</b>	<b>30,231.55</b>
<b>15. CASH AND CASH EQUIVALENTS</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
(a) Cash in Hand	634.10	984.45
(b) Balance with Schedule Bank	392.52	1,715.59
<b>TOTAL</b>	<b>1,026.61</b>	<b>2,700.04</b>
<b>16. OTHER CURRENT ASSETS</b>	<b>As at 31st March, 2019</b>	<b>As at 31st March, 2018</b>
Statutory Balance	1,487.03	193.42
Advance to Staff	-	209.64
Pre-Paid Exp.	-	7.23
Prepaid Insurance Expenses	5.72	-
Prepaid Marketing	222.08	-
Security Deposit	488.16	-
<b>TOTAL</b>	<b>2,202.99</b>	<b>410.29</b>
<b>17. REVENUE FROM OPERATIONS</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Revenue from operation	216,754.26	164,651.16
<b>TOTAL</b>	<b>216,754.26</b>	<b>164,651.16</b>
<b>17.1 REVENUE FROM OPERATIONS</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Sales of Jewellery	214,881.36	161,980.03
Jewellery Labour Invoice	1,831.21	2,671.13
<b>TOTAL</b>	<b>216,712.57</b>	<b>164,651.16</b>
<b>18. PURCHASES</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Purchase	17,267.84	117,497.13
<b>TOTAL</b>	<b>17,267.84</b>	<b>117,497.13</b>



## Notes

### Forming Part of the Financial Statements (Contd.)

(₹ in thousands)

<b>19. COST OF MATERIAL CONSUMED</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Opening Raw Material	20,048.24	-
Add: Purchase	182,930.80	48,214.70
Less: Closing Raw Material	51,691.24	20,048.24
<b>TOTAL</b>	<b>151,287.80</b>	<b>28,166.47</b>
<b>20. CHANGES IN INVENTORY OF STOCK IN TRADE</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
<b><u>Inventories at the end of the year</u></b>		
Finished Goods	24,989.71	30,333.98
WIP	1,035.63	814.54
<b><u>Inventories at the beginning of the year</u></b>		
Finished Goods/WIP	31,148.51	19,815.01
<b>TOTAL</b>	<b>5,123.17</b>	<b>(11,333.51)</b>
<b>21. DIRECT EXPENSES</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Job Work Expenses	293.47	281.13
Labour Expenses	4,754.62	2,082.20
Power & Fuel Expenses	419.42	256.60
Cam Expenses	373.33	261.31
Consumables	1,717.15	827.65
<b>TOTAL</b>	<b>7,557.99</b>	<b>3,708.90</b>
<b>22. FINANCE COSTS</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Bank Charges	32.92	5.35
Interest Paid	-	4,583.87
<b>TOTAL</b>	<b>32.92</b>	<b>4,589.22</b>
<b>23. OTHER EXPENSES</b>	<b>FOR THE YEAR 2018-19</b>	<b>FOR THE YEAR 2017-18</b>
Audit Fees	202.00	37.75
Advertisement & Business Promotion expenses	639.00	1,088.12
Internet & Telephone Expenses	121.53	148.05
Legal & Professional Expenses	382.25	5.30
Rent	3,292.00	1,506.00
Courier Expenses	529.43	137.76
		Contd.



## Notes

### Forming Part of the Financial Statements (Contd.)

	(₹ in thousands)	
Website Running & Maintenance Charges	126.49	183.08
Interest on TDS	64.41	4.92
Interest on Sales Tax	-	2.26
GST Late Fees	12.00	7.08
Pre Operative Expenses W/off	1.96	1.96
Preliminary Expenses W/off	3.31	3.31
Tours & Travel Expenses	459.37	238.80
Office Expenses	161.23	117.63
Electricity exp.	529.93	81.88
Printing and Stationary	131.38	27.42
Repair & Maintenance Exp.	238.90	43.64
Duties & Taxes	22.20	4.20
Packaging & Forwarding Expenses	97.02	-
Miscellaneous Expenditure	356.55	-
Insurance Exp	17.16	-
Round OFF	5.51	-
Director Sitting Fees	52.00	-
Factory & Pollution License Fees	165.44	-
<b>TOTAL</b>	<b>7,611.07</b>	<b>3,639.16</b>

23.1 PAYMENTS TO AUDITORS	2018-19	2017-18
Statutory Audit Fees/Peer Review Auditor Fees	50.00	37.75
<b>TOTAL</b>	<b>50.00</b>	<b>37.75</b>

24. EMPLOYEE BENEFIT EXPENSES	FOR THE YEAR 2018-19	FOR THE YEAR 2017-18
Salary & Allowances	7,621.72	4,490.31
Bonus	410.50	-
Staff Welfare Expenses	107.47	40.85
<b>TOTAL</b>	<b>8,139.69</b>	<b>4,531.16</b>

25. EARNING PER SHARE (EPS)	FOR THE YEAR 2018-19	FOR THE YEAR 2017-18
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	12,308.63	9,474.97
ii) Weighted Average number of equity shares used as denominator for calculating EPS (Re Stated)	3,871,732	1,110,000
iii) Basic and Diluted Earnings per share (In Rs.)	3.18	8.54
iv) Face Value per equity share	10.00	10.00

**RELATED PARTY DISCLOSURES:-**

**(i) List of related parties where control exists and related parties with whom transactions have taken and relationships: ANNEXURE: 1**

S.No.	Name of the Related Party	Relationship
1.	M/S Silgo Creations (Jaipur) Private Limited	Group Concen
2.	M/S Creative Jewellery	Director's Firm
3.	Nitin Jain	Director
4.	Bela Agrawal	Director
5.	Anjana Jain	Director
6.	Prakash Singh	Key Managerial Personnel
7.	Kishore Singh	Key Managerial Personnel
8.	Tripti Sharma	Key Managerial Personnel
9.	Vaibhav Khandelwal	Key Managerial Personnel

**(ii) Transactions during the year with related parties:- ANNEXURE: 2**

(₹ in thousands)

Name	Nature of Transactions	2018-19
1.M/S Silgo Creations (Jaipur) Private Limited	Opening Balance	11507.83
	Purchase	23921.08
	Reimbursement of Exp (Net)	185.18
	Rent	1062.00
	Amount Paid (Including TDS)	36676.09
	Closing Balance	0.00
2. M/S Creative Jewellery	Opening Balance	19589.30
	Amount Paid	19589.30
	Closing Balance	0.00
3. Payment to Director's	Opening Balance	26405.00
	Rent	1770.00
	Director Remuneration	2800.00
	Reimbursement of Exp	135.34
	Director Sitting Fees	16.00
	Coverion of Loan to Equity	26000.00
	Amount Paid (Including TDS)	5089.04
	Closing Balance	37.30
6. Payment to KMP's	Opening Balance	-84.64
	Salary	2182.48
	Reimbursement of Exp	21.04
	Amount Paid (Including TDS)	1974.14
	Closing Balance	144.74



**SILGO RETAIL LIMITED**

CIN: [L36911RJ2016PLC049036]

Regd. Off.: B-11, Mahalaxmi Nagar, Jawaharlal Nehru Marg, Jaipur-302017, Rajasthan

Tel. No. [0141-4919655], E-mail ID: [info@silgo.in], Website: [www.silgo.in]

**ATTENDANCE SLIP**

Name of the Shareholder	
Address	
Registered Folio/ DP ID & Client ID	
No. of Shares held	
Name of the Proxy / Authorised Representative, if any	

I / We hereby record my / our presence at the 4<sup>th</sup> Annual General Meeting of the Company held on Thursday, 14<sup>th</sup> day of November, 2019 at 11:00 A.M. at B-11, Mahalaxmi Nagar, JLN Marg, Jaipur-302017 Rajasthan, India

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**Signature of Shareholder/ Proxy/ Authorised Representative**

**Note:** The Member/Proxy must bring this Attendance Slip to the Meeting, duly completed and signed, and hand over the same at the venue entrance.





**Proxy Form  
FORM NO. MGT-11**

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

Name of Company: SILGO RETAIL LIMITED  
 CIN: L36911RJ2016PLC049036  
 Regd. Off.: B-11, Mahalaxmi Nagar, Jawaharlal Nehru Marg, Jaipur-302017, Rajasthan, India

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. / DP ID & Client ID	

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

1.	Name:	Address:
	E-mail Id:	Signature:

Or failing him/her

2.	Name:	Address:
	E-mail Id:	Signature:

Or failing him/her

3.	Name:	Address:
	E-mail Id:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Thursday, 14<sup>th</sup> day of November, 2019 at 11:00 A.M. at B-11, Mahalaxmi Nagar, J.L.N. Marg, Jaipur- 302017, Rajasthan, India and at any adjournment thereof in respect of such resolution as is/are indicated below:-

Item No.	Resolution(s)	Optional**	
		For	Against
	<b>Ordinary Business</b>		
1	To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019 and the Reports of the Board of Directors and Auditors thereon.		



Item No.	Resolution(s)	Optional**	
2.	To consider and approve the appointment of Statutory Auditors of the Company for a term of 5 (five) years from conclusion of 04 <sup>th</sup> Annual General Meeting until the conclusion of the 09 <sup>th</sup> Annual General Meeting and to fix their remuneration thereon.		
<b>Special Business</b>			
3.	Regularisation of Mrs. Anjana Jain (DIN: 01874461) as Non-Executive Director of the Company		
4.	To Approve contact/arrangement for material Related Party Transactions with various related parties.		
5.	To Issue of 1,600,000 Equity Shares on a Preferential basis		

Signed this ..... day of ....., 2019

Affix Re.1  
Revenue  
Stamp

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**Signature of Shareholder**

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**Signature of Proxy holder(s):**

**Notes:**

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. 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.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. \*\*This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
6. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
7. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

### ROUTE MAP OF AGM VENUE

