

Date: 30th October, 2020

To,

The General Manager-Listing
Corporate Relations Department
BSE LIMITED
PJ Towers, 25th floor, Dalal Street,
Mumbai -400 001

Sub: Annual Report for the F.Y. 2019-20.

Ref: Bhakti Gems and Jewellery Limited (Script Code - 540545)

Dear Sir/Madam

With reference to the above subject and as per Regulation 34 of SEBI (LODR) Regulations, 2015 please find attached herewith Annual Report of financial year 2019 - 20

Please take the information on record.

Thanking you,

Yours faithfully,

For, BHAKTI GEMS AND JEWELLERY LIMITED

27/10/20, 21/10/20, 1/11/20.

AKSHAY SEVANTILAL MEHTA
MANAGING DIRECTOR
DIN: 02986761



Managing Director's Message to Stakeholders



It gives me immense pleasure to share with you an update on performance of your Company for the F.Y. 2019-20. As compare to last year company has made more profits. While year 2020 is a year of extreme economic challenges for the world, a situation aggravated almost beyond measure by the unprecedented COVID-19 pandemic, your Company continued to play on its strengths and posted almost stable financial performance.

I would like to extend my sincere gratitude to each and every team member of Bhakti Gems and Jewellery Limited for their relentless efforts, who have responded beyond their call of duty during the nationwide lockdown. Our teams have demonstrated a strong sense of responsibility and have ensured that we continue with business as usual, despite the hardship.

Warm Regards
Akshay Mehta
Managing Director

NOTICE OF 10TH ANNUAL GENERAL MEETING

Notice is hereby given that the **10TH ANNUAL GENERAL MEETING** of the members of **Bhakti Gems and Jewellery Limited** ("the Company") will be held on **Wednesday, 25th November 2020 at 03:00 P.M** at the registered office of the Company at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Near Circle - P, C. G. Road, Ahmedabad- 380009, Gujarat, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Financial Statement including Audited Balance Sheet of the Company as at March 31st, 2020 and statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with Board of Directors' and Auditors' Report thereon.
2. To appoint a director in place of Mr. Meet Prafulchandra Mehta (DIN: 07542183) who retires by rotation, and being eligible offers himself for re-appointment.

**BY ORDER OF THE BOARD OF DIRECTORS OF
BHAKTI GEMS AND JEWELLERY LIMITED**

Place: Ahmedabad
Date: 29th October, 2020

SD/-
Akshay S. Mehta
Managing Director
DIN: 02986761

Registered Office:
209, Shree Balaji Paragon, B/S Rock Regency Hotel,
Opp. Axis Bank, Near Circle - P, C.G. Road,
Ahmedabad 380009 Gujarat

NOTES

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.
2. Members/Proxies are advised to bring the enclosed Attendance Slip duly filled in for attending the meeting along with the Annual Report already circulated to them. Duplicate admission slips and or copies of the report and accounts will not be provided at the AGM venue.
3. Corporate Members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act 2013 to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A person authorized by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate which he/she represents.
4. **Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday 21st November, 2020 to Wednesday, 25th November, 2020 (Both days inclusive).**
5. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
6. 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.
7. As per general extension granted by ROC, Ahmedabad, Gujarat, due to this pandemic situation due to COVID-19, dated 08.09.2020, Company can hold its Annual General Meeting up to 31st December, 2020.
8. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, SKYLINE FINANCIAL SERVICES PVT. LTD for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
9. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication.

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 & the Register of Contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by the members at the AGM venue during the continuance of the meeting.
11. All the Documents referred to in the notice are open for inspection at the registered office of the Company between 11 A.M. to 5.00 P.M on any working day prior to the day of meeting and will also be available at the meeting venue on the date of meeting.
12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8 April 2020, 13 April 2020 and 5 May 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Ltd (CDSL) as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.
13. 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 i.e. **Wednesday, 18th November, 2020**, shall be entitled to avail the facility of e-voting system.
14. The remote e-voting will commence on **Sunday, 22nd November 2020 at 9.00 a.m. and will end on Tuesday, 24th November 2020 at 5.00 p.m.** During this period, the members of the Company holding shares either in physical mode or in demat mode as on the Cut-off date i.e. **Wednesday, 18th November 2020** may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
15. The Company has appointed CS Shikha Patel, Practising Company Secretary (Membership No. ACS: 43955; CP No: 16201), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 22nd November 2020 at 9.00 and ends on Tuesday, 24th November 2020 at 5.00 p. m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **18th November, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on _____ indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant **Bhakti Gems and Jewellery Limited** on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app - “m - Voting” for e voting . m - Voting app is available on Apple , Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
16. The Scrutiniser after conclusion of voting at the AGM, first count the votes cast at the meeting and unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the company and shall make within 48 hours of the conclusion of the AGM a Consolidated Scrutinizer’s Report of the total votes cast in favour or against or invalid votes, if any, forthwith to the Chairman of the Company or any other director or person authorised, who shall countersign the same and declare the result of the voting forthwith.

17. The results so declared along with Scrutiniser's Report shall be placed on the Company's website i.e www.bhaktijewellery.com and on the website of CDSL i.e. www.cdslindia.com and shall also be disseminated on the website of Stock Exchanges, where the Company's shares are listed.
18. Members holding shares in electronic form must inform about change in address to their respective Depository Participant only and not to the Company or the Company's Registrar and Transfer Agent.
19. Members are requested to bring their copy of Annual Report at the meeting.

**BY ORDER OF THE BOARD OF DIRECTORS OF
BHAKTI GEMS AND JEWELLERY LIMITED**

Place: Ahmedabad
Date: 29th October, 2020

Registered Office:
209, Shree Balaji Paragon,
B/S Rock Regency Hotel, Opp. Axis Bank, Near Circle - P,
C.G. Road, Ahmedabad 380009 Gujarat

SD/-
Akshay S. Mehta
Managing Director
DIN: 02986761

DIRECTOR'S REPORT

**To.
The Members,**

Your Directors have pleasure in presenting their 10th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2020.

1. FINANCIAL RESULTS

The Financial performance of the company for the year ended 31st March, 2020 is summarized as follows:

Particular	Year Ended On 31st March, 2020	Year Ended On 31st March, 2019
Income	55,12,70,605	62,37,63,536
Less: Expenditure	(54,81,57,737)	(62,27,78,046)
Profit/(Loss) Before Depreciation and Taxes	31,12,868	9,85,490
Less: Depreciation	1,12,191	(99,440)
Net Profit/(Loss) Before Tax	30,00,677	8,86,050
Less: Provision For Tax	(7,00,000)	(2,00,000)
Deferred Tax	(25,450)	(24,368)
Profit/(Loss) After Tax	22,75,227	6,61,682

2. FINANCIAL HIGHLIGHTS

Your Company posted a total income of Rs. 55,12,70,605 in the financial year ended on 31 March 2020. Profit after tax is Rs. 22,75,227 in the financial year ended on 31 March 2020.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

No change of business occurs during the year under review.

4. DIVIDEND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. RESERVES

The amounts, as on ended of financial year, Reserves are Rs. 6,09,41,510/-

6. SHARE CAPITAL

During the year under review the company has allotted 13,07,785 fully paid up Equity shares as bonus. The paid-up equity share capital as on 31 March 2020 stood Rs. 10,02,63,450.

7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary or joint ventures or associate companies.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of five members as on 31 March 2020, two of whom are Promoters and Non-Independent Directors and the remaining three are Independent Directors.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial personnel of the company are mentioned below as on this Report:

Name	Designation	Date of Appointment
Mr. Akshay Sevantilal Mehta	Managing Director	30/12/2016
Mrs Varshaben Akshay Mehta	Whole Time Director	17/03/2017
Mr. Meet Prafulchandra Mehta	Non Executive Director	24/07/2019
Mr. Pratikkumar Rameshbhai Valani	Chief Financial Officer	07/03/2017
Mrs. Shalu Agrawal Singhania	Company Secretary	29/06/2019

The Board of Director has appointed Mrs. Shalu Agrawal Singhania as a Company Secretary and Compliance Officer of the company w.e.f. 29th June, 2019.

Except above there is no other changed in Board and key Managerial Personnel of the company.

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 and 16 (b) of the Listing Regulations from Independent Directors confirming that they are not disqualified for continuing as an Independent Director.

• RETIREMENT BY ROTATION

In accordance with the provisions of the Companies Act, 2013 Mr. Meet Prafulchandra Mehta, No Executive Director of the company who is liable to retire by rotation, being eligible for reappointment, offers himself for reappointment. Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM.

9. MEETINGS OF BOARD

Regular meetings of the Board are held, inter-alia, to review the financial results of the Company and other meetings for discuss and decide on various business policies, strategies and other businesses.

During the Financial Year under review, the Board of Directors of the Company met Nine times i.e 15 April 2019, 30 May 2019, 29 June 2019, 26 24.07.2019, August, 2019, 09 October 2019, 24 October 2019 and 14 November 2019, and 14 February, 2020.

The following table gives the attendance of the Directors at the Board meetings of the Company:

Sr. No	Name of the Director	Category & Position	No. of Board meetings held during the year	No. Board meetings attended
1	Akshay Sevantilal Mehta	Managing Director	9	9
2	Varshaben Akshaykumar Mehta	Whole time Director	9	9
3	Vijaykumar Bhikhabhai Patel	Non-Executive and Independent Director	9	9
4	Milan Chandrakant Dave	Non-Executive and Independent Director	9	9
5	Meet Prafulchandra Mehta	Non-Executive	9	6

10. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 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 Various Committees.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit/loss of the company for that period;
- (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; and
- (e) The directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering nature of activities undertaken by the company during the year under review.

Further during the year under review, the Company has neither earned nor used any foreign exchange.

13. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS

A. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

➤ Composition:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Milan C Dave	Non-Executive & Independent Director	Chairman	4	4
Vijaykumar B Patel	Non-Executive & Independent Director	Member	4	4
Akshay Sevantilal Mehta	Managing Director	Member	4	4

➤ Terms of reference:

The broad terms of reference of the Audit Committee are as under:

- Reviewing of the Company's financial reporting process and the disclosure of its financial information
- To ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of external Auditor.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments

- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing with management the Annual financial statements and half yearly and Quarterly financial results before submission to the Board.
- Reviewing periodically the adequacy of the internal control system.
- Discussions with Internal Auditor on any significant findings and follow up there on.

B. NOMINATION AND REMMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The Composition of the Committee is in conformity with the provisions of the said Section.

➤ Composition:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Milan C Dave	Non-Executive & Independent Director	Chairman	2	2
Vijaykumar B Patel	Non-Executive & Independent Director	Member	2	2
Meet Prafulchandra Mehta	Non Executive Director	Member	2	2

➤ Terms of reference:

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director;
- Devising a policy on Board diversity;
- Formulation of Remuneration policy;
- Review the structure, size and composition of the Board;
- Identifying and selection of candidates for appointment as Directors;
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management;
- Formulation of criteria for evaluation of Independent Directors and the Board.

Policy of the Nomination and Remuneration is formal part of the this Report.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of Directors was constituted pursuant to the provisions of Section 178(5) of the Companies Act, 2013. The composition of the Committee is in conformity with the provisions of the said section.

➤ **Composition:**

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Milan C. Dave	Non-Executive & Independent Director	Chairman	4	4
Vijaykumar B. Patel	Non-Executive & Independent Director	Member	4	4
Akshay Sevantilal Mehta	Managing Director	Member	4	4

➤ **Details of Investor's grievances/ Complaints:**

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2020 are NIL.

14. AUDITORS

At the 08th AGM held on September 19, 2018 the Members approved appointment of M/s. Parth Shah and Associates, Chartered Accounts (FRN: 144251W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the AGM to be held in 2023-2024.

The Board has duly reviewed the Statutory Auditors' Report of M/s. Parth Shah and Associates for the financial year ended on 31 March 2020 and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/ clarification by the Board of Directors as provided under Section 134 of the Companies Act, 2013.

15. AUDITORS' REPORT

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

16. SECRETARIAL AUDITOR

In terms of Section 204 of the Act and Rules made there under, Practicing Company Secretary have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed to this report as "Annexure - A". The report is self-explanatory.

17. DISCLOSURE ABOUT COST AUDIT

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

18. INTERNAL AUDIT & CONTROLS

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

19. VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

20. RISK MANAGEMENT POLICY

Pursuant to Section 134(3) (n) of the Companies Act 2013 & SEBI (LODR) Regulation, 2015, the Company has constituted a Business Risk Management Committee. At present the Company has not identified any element of risk which may threaten the existence of the Company.

21. EXTRACT OF ANNUAL RETURN

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

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the financial year under review company has been migrated from BSE SME platform to main Board.

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year and the date of Directors' Report.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and material order has been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future. The company is doing reasonable growth and development.

24. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The company has adequate internal control systems in place. With a view to monitor the Company's performance as well as to make sure that internal checks and controls are operating properly, the Company has appointed external firms of Chartered Accountant as Internal auditor. The audit committee ensures that the internal control systems are adequate and working effectively.

25. DEPOSITS

Your Company has neither invited nor accepted any fixed deposit from the public during the year.

26. PARTICULARS OF LOANS GIVEN, GUARANTEES PROVIDED OR INVESTMENTS MADE UNDER SECTION 186

The Company has not granted any loans, Investment made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement.

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and Listing Obligation Disclosure Regulation (LODR), 2015 during the financial year ended March 31, 2020 are disclosed. Suitable disclosures as required under AS 18 have been made in the Financial Statement. It means there is no related party transaction.

28. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197 of the Companies Act, 2013, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. However as per the provisions of Section 136 of the said Act, the Annual Report Excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any, member interested in obtaining the information on employee's particulars, which is available for inspection by the members at the registered office of the Company during Business hours on working days of the Company up to the date of ensuing Annual General Meeting, may write to the Company at the registered office of the Company in advance.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 shall not be applicable to the Company.

30. LISTING

The Equity Shares of the Company are listed on Bombay Stock Exchange. Further, the Company is regular in compliances of various clauses and regulations of the Listing Agreement and/or LODR.

31. PARTICULARS REGARDING EMPLOYEES:

During the year under report, none of the employees was in receipt of remuneration exceeding the limit prescribed under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

32. HUMAN RESOURCES

Your Company treats its “human resources” as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

33. CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is not having the paid up share capital exceeding Rs. 10 crore and Net worth is exceeding Rs. 25 cores.

34. INSIDER TRADING REGULATIONS

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the code of conduct for prohibition of insider trading, as approved and adopted by the Directors and designated Employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information during the period of Trading Window Closure. The Board is responsible for implementation of the Code. All Board of Directors and designated employees have confirmed compliance with the Code. The Board has appointed Mrs. Shalu Agrawal Singhania, Compliance officer under the code.

35. ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the continuing support of Shareholders, Bankers, various government authorities, members and business associates for their continued support and valuable co-operation.

**By order of Board of
Bhakti Gems and Jewellery Limited**

Date: 29.10.2020
Place: Ahmedabad

S/d
Akshay S. Mehta
Managing Director
DIN: 02986761

S/d
Varshaben A. Mehta
Executive Director
DIN: 02988112

Annexure B
Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR END ON 31/03/2020

[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:

i. CIN	L36910GJ2010PLC060064
ii. Registration Date	30/03/2010
iii. Name of the Company	Bhakti Gems and Jewellery Limited
iv. Category/Sub-Category of the Company	Company limited by Shares/ Indian Non-govt company
v. Address of the Registered office and Contact details	209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G.Road, Ahmedabad, Gujarat- 380009
vi. Whether listed company	listed
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited D-153a, First Floor Okhla Industrial Area, Phase-I New Delhi - 110020

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:-

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Gold Ornaments	36911	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and Address of the Company	CIN/GL N	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01 st April, 2019)				No. of Shares held at the end of the year (As on 31 st March, 2020)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/HUF	6080170	0	6080170	69.74	6014996	0	6014996	59.99	-9.75
b) Central Govt	-	-	-	-	-	-	-	-	0
c) State Govt(s)	-	-	-	-	-	-	-	-	0
d) Bodies Corp	-	-	-	-	-	-	-	-	0
e) Banks / FI	-	-	-	-	-	-	-	-	0
f) Any Other	-	-	-	-	-	-	-	-	0
Sub-total(A)(1):-	6080170	0	6080170	69.74	6014996	0	6014996	59.99	-9.75
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	0
h) Other-Individuals	-	-	-	-	-	-	-	-	0
i) Bodies Corp.	-	-	-	-	-	-	-	-	0
j) Banks / FI	-	-	-	-	-	-	-	-	0
k) Any Other....	-	-	-	-	-	-	-	-	0
Sub-total(A)(2):-	-	-	-	-	-	-	-	-	0
TOTAL A	6080170	0	6080170	69.74	6014996	0	6014996	59.99	-9.75
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0%	-	-	-	0%	0
b) Banks / FI	-	-	-	0%	-	-	-	0%	0
c) Central Govt	-	-	-	0%	-	-	-	0%	0
d) State Govt(s)	-	-	-	0%	-	-	-	0%	0
e) Venture Capital Funds	-	-	-	0%	-	-	-	0%	0
f) Insurance Companies	-	-	-	0%	-	-	-	0%	0
g) FIIs	-	-	-	0%	-	-	-	0%	0
h) Foreign Venture Capital Funds	-	-	-	0%	-	-	-	0%	0
i) Others (specify)	-	-	-	0%	-	-	-	0%	0
Sub-total(B)(1)	-	-	-	0%	-	-	-	0%	0
2. Non Institutions	-	-	-	-	-	-	-	-	-

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

Bodies Corp. Indian Overseas	1886190	0	1886190	21.63	1732711	0	1732711	17.28	-4.35
b) Individuals									
(i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	90200	0	90200	1.03	182159	0	182159	1.82	0.79
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	542000	0	542000	6.22	2090399	0	2090399	20.85	14.63
	-		-						
Others(Reside nt Indian Huf)	120000	0	120000	1.38	5138	0	5138	0.05	-1.33
Sub-total(B)(2)	2638390	0	2638390	30.26	4011349	0	4011349	40.01	9.75
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2638390	0	2638390	30.26	4011349	0	4011349	40.01	9.75
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8718560	0	8718560	100.00	10026345	0	10026345	100.00	0.00

i. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01 st April, 2019)			Shareholding at the end of the year (As on 31 st March, 2020)			
		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	% change in share holding during the year
1.	AKSHAY S MEHTA	5016385	57.54	-	5191843	51.78	-	1.74
2.	VARSHBEN A MEHTA	1063785	12.20	-	823153	8.21	-	(3.99)
	Total	6080170	60.64	-	6014996	59.99	-	(2.25)

ii. Change in Promoters' Share holding (please specify, if there is no change)

SN	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		Increase/ Decrease in share holding	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES		NO OF SHARES	% OF TOTAL SHARES
1	AKSHAY S MEHTA	5016385	57.54	175458	51,91,843	51.78
2	VARSHBEN A MEHTA	1063785	12.20	240632	8,23,153	8.21

iii. Shareholding pattern of Top Ten Shareholders

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

Sr. No.	Name OF Shareholders	Shareholding at the beginning of the year		Increase / Decrease in Shareholding	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Ardi Anvestment And Trading Company Ltd	357140	4.1	32161	389301	3.88
2	Vivid Offset Printers Private Limited	606000	6.95	213560	819560	8.17
3	U H Zaveri Limited	0	0	143103	143103	1.43
4	Dibakar Laha	0	0	152200	152200	1.52
5	Sumit Laha	0	0	169300	169300	1.69
6	Ujjal Laha	0	0	77341	77341	0.77
7	S. M. Gold Limited	0	0	105400	105400	1.05
8	Satishkumar Ramanlal Gajjar	0	0	152404	152404	1.52
9	Guiness Securities Limited	36000	0.41	5400	41400	0.41
10	Sanjay Dey	0	0	93,295	93,295	0.93

iv. Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name of Directors and Key Managerial Personnel	Shareholding during the year	
		No. of shares	% of total shares of the company
1	AKSHAY S MEHTA		
	At the beginning of the year (As on 01 st April, 2019)	50,16,385	57.54%
	Increase due to allotment of shares	1,75,458	
	At the End of the year (As on 31 st March, 2020)	51,91,843	51.78%
2.	VARSHBEN A MEHTA		
	At the beginning of the year (As on 01 st April, 2019)	10,63,785	12.20%
	Increase due to allotment of shares	2,40,632	
	At the End of the year (As on 31 st March, 2020)	8,23,153	8.21%

INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	3,02,76,540	-	-	3,02,76,540
Principal Amount				
Interest due but not paid				
Interest accrued but not				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
- Addition				
- Reduction	(3,02,76,540)	-	-	(3,02,76,540)
Net Change	(3,02,76,540)	-	-	(3,02,76,540)
Indebtedness at the end of the financial year				
Principal Amount				
) Interest due but not paid				
) Interest accrued but not due				
Total (i+ii+iii)	-	-	-	-

v. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD	Name of WTD	Total Amount
	NAME	AKSHAY SEVANTILAL MEHTA (MD)	VARSHABEN AKSHAY MEHTA	
1.	Gross salary	8,69,260	9,15,470	17,84,730
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit Others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total(A)	-	-	17,84,730

B. Remuneration to other directors: N.A

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
	<u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-	Nil
	Total(2)	Nil	Nil	Nil	Nil	Nil
	Total(B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as% of profit - others, specify...				
5.	Others, please specify				
6.	Total	Nil	Nil	Nil	Nil

vi. **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

**“Annexure - C”
FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

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

1. Details of contracts or arrangements or transactions not at Arm’s length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	There were no transactions or arrangements which were not at Arm’s Length Basis.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions’	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm’s length basis.

SL. No.	Particulars	Details	Details
a)	Name (s) of the related party & nature of relationship	Akshay Mehta He is Husband of Varsha Mehta	Varsha Mehta She is wife of Akshay Mehta
b)	Nature of contracts/arrangements/transaction	Remuneration of Rs. 8,69,260/-	Remuneration of Rs. 9,15,470/-
c)	Duration of the contracts/arrangements/transaction	NA	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	NA
e)	Date of approval by the Board	14/02/2020	14/02/2020
f)	Amount paid as advances, if any	NA	NA

For and on behalf of Board

DATE: 29/10/2020
PLACE: AHMEDABAD

SD/-
Akshay S. Mehta
Managing Director

SD/-
Varshaben A. Mehta
Whole Time Director

“Annexure - D”

Policy of Nomination and Remuneration Committee of the Company

Policy for Identification of Persons For Appointment And Removal As Director And Senior Managerial Personnel

The Committee shall:

1. Identify and ascertain the honesty, reliability, qualification, expertise and experience of the person for appointment as Director or Senior Managerial Personnel and recommend the Board accordingly.
2. The committee must ensure itself regarding the capabilities and eligibilities of the proposed appointee(s) and must ensure that the proposed appointee shall be able to devote the required time as may be necessary.
3. The Committee shall be at discretion to decide whether qualification, expertise and experience possessed by the person is adequate for the proposed position.
4. Any other assessment as may be required must be carried out by the Committee and on being satisfied with the overall eligibility of the person, the committee shall recommend his/her appointment to the Board accordingly.
5. With respect to Independent Directors of the Company the committee shall additionally ensure the independence of the Director as per the applicable provisions of Companies Act, 2013 and the Rules made there under.
6. The Committee may recommend to the Board with the reasons recorded in writing, the removal of Director or Senior Managerial Personnel based on any disqualification that may be applicable as per the provisions of Companies Act, 2013 and the rules made there under or for any other reasons as may be justified by the Committee.

TERM OF APPOINTMENT:

The term of Appointment of Managing Director/ Whole Time Directors and Independent Directors of the Company shall be as per the provisions of the Companies Act, 2013 and the Rules made there under.

RETIREMENT:

The Managing Director/ Whole Time Directors and Independent Directors of the Company shall be subject to retirement as per the applicable provisions of Companies Act, 2013 and the Rules made there under. The Committee will be at its discretion to recommend retention of Directors even after they have attained the retirement age for the benefit of the Company subject to fulfillment of the requirements as mentioned in Companies Act, 2013.

POLICY FOR EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

1. Evaluation of performance of Board and Individual Directors:

- a. Achievement of financial/ business targets as fixed by the Board;
- b. Proper development, management and execution of business plans;
- c. Display of leadership qualities i.e. correctly anticipating business trends and opportunities;

- d. Establishment of an effective organization structure;
- e. Participation in the Board/Committee Meetings;
- f. Integrity and maintenance of confidentiality;
- g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board may be considered by the Committee.

2. Evaluation of performance of Committee:

- a. Discharge of its functions and duties as per its terms of reference;
- b. Effectiveness of the suggestions and recommendations received;
- c. Conduct of its meeting and procedures followed in this regard.

3. Review of the Implementation of this policy:

The Committee shall review the implementation and compliance of this policy at least once a year.

POLICY FOR REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

The remuneration of the Directors and Key Managerial Personnel must be in accordance with the provisions of Companies Act, 2013 and the Rules made there under. The committee must ensure that:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

MANAGEMENT DISCUSSION & ANALYSIS

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6-7 per cent of the country's GDP. 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 world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. Moreover, India exports 95 per cent of the world's 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). 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.

HUMAN RESOURCES & INDUSTRIAL RELATIONS:

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels.



With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities. In order to keep the employees skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial relations scenario remained harmonious throughout the year.

Further Bhakti Gems and Jewellery always ensure implementation of the best industry practices to evolve the working methods and recruiting and nurturing the right talents. This has allowed the Company to successfully evolve over the years amidst challenging environment. To ensure the smooth functioning of the organization, the Management and HR department work together in sync to develop employee bonding initiatives and break the boundaries and silos within the organisation. The Company also believes in harnessing the young talent by giving those challenging tasks and making them ready to adapt future leadership.

RISKS AND CONCERNS:

It is essential to correctly assess the risk in each segment so that the risk is mitigated before it becomes a possible threat. General risk segments are statutory compliances, economy, financials, Government policies, market related, operational, products and technology etc., The management has a rapid review of likely risk areas with the objective to define a framework for identification, evaluation and mitigating the risk in the decision making process and to encourage proactive management and not reactive management.

BHAKTI GEMS AND JEWELLERY LIMITED

(CIN: L36910GJ2010PLC060064)

Registered Office : 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Near Circle - P, C.G.Road, Ahmedabad- 380009, Phone No. -079-26421701

Email-compliancebhakti@gmail.com Website: www.bhaktijewellery.com

Annual General Meeting – Wednesday, 25th November, 2020

ATTENDANCE SLIP

Folio No. /Client Id:	
Name of Shareholder:	
Address of Shareholder:	

I, hereby record my presence at the Annual General Meeting of the Company to be held on **Wednesday, 25th November, 2020** at 03.00 PM at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G. Road, Ahmedabad- 380009, Gujarat, India.

_____ **Signature of the Member**

Notes:

- A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- B. Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.

Member/Proxy should bring his/her copy of the Notice of Annual General Meeting for reference at the meeting.

BHAKTI GEMS AND JEWELLERY LIMITED

(CIN: L36910GJ2010PLC060064)

Registered Office : 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G.Road, Ahmedabad- 380009, Phone No. -079-26421701

Email-compliancebhakti@gmail.com Website: www.bhaktijewellery.com

Form MGT-11 Proxy Form

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

Annual General Meeting – Wednesday, 25th November, 2020

Name of the shareholder(s): _____ Registered

Address: _____

E-mail ID: _____

Folio No ./Client Id : _____ DP ID _____

I/We, being member(S) of Palm Jewels Limited, holding share of the company, hereby appoint

A: Name

Address:

E-mail ID: ____

Signature: ____ Or failing him/her

B:

Name_ Address:

E-mail ID: ____

Signature: ____ Or failing him/her

C:

Name_ Address:

E-mail ID: ____

Signature: ____ Or failing him/her

As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, 25th November, 2020 at 03.00 PM at **209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Near Circle - P, C. G. Road, Ahmedabad - 380009 Gujarat, India.**

As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the Annual General Meeting of the Company to be held on – Wednesday, 25th November, 2020 at 03.00 P.M. at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C. G. Road, Ahmedabad- 380009, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	VOTING	
		FOR	AGAINST
ORDINARY BUSINESS			
1	Adoption of the Audited Balance Sheet as at March 31, 2020, the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.		
2	Appointment of Director in place of Mr. Meet Prafulchandra Mehta (DIN: 07542183), who retires by rotation and being eligible, offers himself for reappointment.		

Signed this..... day of... 2020

Signature of shareholder Signature of Proxy holder(s)

Note: 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.

*Bhakti Gems and Jewellery
Limited*

*Statutory Audit Report
F.Y. 2019-20*

--: Auditors :--

PARTH SHAH AND ASSOCIATES.
(Chartered Accountants)

GF – 9, Ankur Complex, B/h. Town Hall,
Ellisbridge, Ahmedabad – 380006
Email – psa010217@gmail.com

Independent Auditor's Report

To the Members of Bhakti Gems and Jewellery Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Bhakti Gems and Jewellery Limited.** ("the Company"), which comprise the balance sheet as at **31 March 2020**, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 standalone 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 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) In our opinion with respect to internal financial control, the said Para is applicable to Company and & hereby attached as **Annexure - B**.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigation which would impact its financial position.
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which are required to be transferred to the investor education and protection fund by the company.

For, Parth Shah and Associates
Chartered Accountants

S/d
Parth N. Shah
(Partner)
M No: 173468
FRN No. 144251W

Date: 31/07/2020
Place: Ahmedabad

“Annexure - A “to” the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are not held in the name of the Company. As the company has, taken immovable property on rent from the directors.

The Company is regular in maintaining physical inventory in accordance with paragraph 3(ii) of the Order applicable to the Company.

(ii) The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).

(iii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(iv) The Company has not accepted any deposits from the public.

(v) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the book of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance and duty of excise.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(vi) The Company has taken loan from yes bank for business purpose. The company has not make any default in repayment of loan.

(vii) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(viii) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(ix) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(x) 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 sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

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

For, Parth Shah and Associates
Chartered Accountants

S/d
Parth N. Shah
(Partner)
M No: 173468
FRN No. 144251W

Date: 31/07/2020
Place: Ahmedabad

ANNEXURE B TO THE AUDITOR'S REPORT

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 **Bhakti Gems and Jewellery limited** ('the Company') as of 31 March 2020 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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, Parth Shah and Associates
Chartered Accountants

S/d

Parth N. Shah (Partner)
M No: 173468
FRN No. 144251W

Date: 31/07/2020
Place: Ahmedabad

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	10,02,63,450	8,71,85,600
(b) Reserves and Surplus	2	4,78,63,660	5,86,66,283
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		77,743	52,293
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	3	-	3,02,76,540
(b) Trade Payables	4	16,73,528	31,79,708
(c) Other Current Liabilities	5	1,94,995	2,26,190
(d) Short-Term Provisions	6	11,09,190	2,45,810
Total Equity & Liabilities		15,11,82,565	17,98,32,424
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Property, Plant and Equipment	7	16,86,745	16,08,480
(ii) Immovable Property		-	-
(iii) Capital Work in Progress		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	8	1,06,33,230	15,75,470
(e) Other non-current assets	9	55,35,270	45,10,968
(2) Current Assets			
(a) Current investments			
(b) Inventories		7,03,80,259	9,64,98,927
(c) Trade receivables	10	5,65,80,619	7,12,06,650
(d) Cash and cash equivalents	11	26,15,363	1,70,995
(e) Short-term loans and advances		-	-
(f) Other current assets	12	37,51,079	42,60,930
Total Assets		15,11,82,565	17,98,32,424
NOTES TO ACCOUNTS	20		
<i>Notes referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
For, PARTH SHAH AND ASSOCIATES		FOR BHAKTI GEMS AND JEWELLERY LTD	
CHARTERED ACCOUNTANTS			
Firm Regi.No.:144251W		S/d	S/d
S/d		Akshay S. Mehta	Varshaben A. Mehta
PARTH N. SHAH		(DIN: 02986761)	(DIN: 02988112)
(Proprietor)			
Membership No.:173468			
Date: 31.07.2020			
Place: Ahmedabad			

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2020

Sr. No	Particulars	Note No.	Year Ended 31 March 2020	Year ended 31 March 2019
I	Revenue from operations	13	55,03,91,319	62,28,46,564
II	Other Income	14	8,79,285	9,16,972
III	III. Total Revenue (I +II)		55,12,70,605	62,37,63,536
IV	Expenses:			
	Cost of materials consumed	15	51,13,62,640	65,24,06,846
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	2,61,18,669	(4,01,78,192)
	Employee Benefit Expense	17	35,36,997	33,13,530
	Financial Costs	18	6,83,743	12,48,791
	Depreciation and Amortization Expense		1,12,191	99,440
	Other Administrative Expenses	19	64,55,688	59,87,071
	Total Expenses (IV)		54,82,69,928	62,28,77,486
V	Profit before exceptional and extraordinary items and tax	(III - IV)	30,00,677	8,86,050
VI	Exceptional Items			-
VII	Profit before extraordinary items and tax (V - VI)		30,00,677	8,86,050
VIII	Extraordinary Items			-
IX	Profit before tax (VII - VIII)		30,00,677	8,86,050
X	Tax expense:			
	(1) Current tax		7,00,000	2,00,000
	(2) Deferred tax		25,450	24,368
XI	Profit(Loss) from the period from continuing operations	(IX-X)	22,75,227	6,61,682
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		22,75,227	6,61,682
	Add:- Transfer from reserve			-
	Less: Proposed Dividend			-
	Less: Tax on Dividend			-
	Balance Carried Forward to Balance Sheet		22,75,227	6,61,682
XVI	Earning per equity share:			
	(1) Basic		0.23	0.08
	(2) Diluted		0.23	0.08
NOTES TO ACCOUNTS		22		
<i>Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement</i>				
<i>This is the Profit & Loss Statement referred to in our Report of even date.</i>				
For, PARTH SHAH AND ASSOCIATES		FOR BHAKTI GEMS AND JEWELLERY LTD		
CHARTERED ACCOUNTANTS				
Firm Regi.No.:144251W		s/d		S/d
s/d		Akshay S. Mehta		Varshaben A.Mehta
PARTH N. SHAH		(Managing Director)		(Wholetime director)
(Proprietor)		(DIN: 02986761)		(DIN:02988112)
Membership No.:173468				
Date: 31.07.2020				
Place: Ahmedabad				

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

PARTICULARS	31 March 2020	31 March 2019
A. Cash Flow from Operating Activity		
Profit before Taxation and Extra Ordinary Items	3000677.201	886050
Add : Non Cash & Non Operating Expenses		
Depreciation	112190.9588	99440
Interest Expenses	683742.59	1248791
Interest Income	-151431.63	-369935
Operating Profit before Working Capital Changes	3645179.12	1864346
Adjustment for;		
(Increase) / Decrease in Inventory	-26118667.98	-40178192
(Increase) / Decrease in Debtors	-14626030.86	-18160247
Increase/(Decrease) in Trade Payables	-1506180	-7497211
(Increase)/ Decrease in Loans & Advances	9057760	5233046
(Increase) / Decrease in Current Assets	-509851.01	-911471
Increase / (Decrease) in Current Liabilities & Provisions	-673995	-631320
Cash Generated from Operation	-30731785.73	-60281049
Taxes Paid	700000	200000
Net Cash Flow from Operating Activities	-31431785.73	-60481049
B. Cash Flow from Investing Activity		
(Increase) / Decrease in Fixed Assets (net)	78265.04125	0
(Increase) / Decrease in Investments & Accrued Interest	-9	16519823
(Increase) / Decrease in other Noncurrent Investments	1024301.5	-498819
Net Cash Flow from Investing Activities	1102557.541	16021004
C. Cash Flow from Financing Activity		
Proceeds from Issue of Shares	0	19047600
Proceeds from Securities Premium	0	20952360
Increase / (Decrease) in Short term Borrowings	-10	2828884
Increase / (Decrease) in Long term Borrowings	-30276540	-370000
Interest Expenses	-683742.59	-1248791
Interest Income	151432	369935
Net Cash Flow from Financing Activities	-30808860.59	41579988
Net Increase / (Decrease) in Cash & Cash Equivalents	-61138088.78	-2880057
Opening Balance of Cash & Cash Equivalents	170995	3051052
Closing Balance of Cash & Cash Equivalents	2615363.07	170995
Net Increase / (Decrease) in Cash & Cash Equivalents	2444368.07	-2880057
NOTES :		
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 . "Cash Flow Statement" issued by ICAI.		
2. The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.		
For, PARTH SHAH AND ASSOCIATES	FOR BHAKTI GEMS AND JEWELLERY LTD	
CHARTERED ACCOUNTANTS	s/d	s/d
s/d	Akshay S. Mehta	Varshaben A. Mehta
PARTH N. SHAH	(Managing Director)	(Wholetime director)
(Proprietor)	(DIN: 02986761)	(DIN: 02988112)
Membership No.:173468	Date: 31.07.2020	
Firm Regi.No.:144251W	Place: Ahmedabad	

Note : 1 Share Capital			
Sr. No	Particulars	As at 31st March 2020	As at 31st March 2019
1	<u>AUTHORISED CAPITAL</u>		
	70,00,000 Equity Shares of ` 10/- each.		
	10010000 Equity Shares of Rs 10/-each	10,04,00,000	1,00,10,00,000
		10,04,00,000	1,00,10,00,000
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
	<i>To the Subscribers of the Memorandum</i>		
	1,00,26,345 shares of Rs.10 each	10,02,63,450	8,71,85,600
	Total	10,02,63,450	8,71,85,600

Following Shareholders hold equity shares more than 5% of the total equity shares of the Company.

Sr. No	SHARE HOLDER'S NAME	As at 31st March 2020	As at 31st March 2019
1	Akshay Sevantilal Mehta	51,91,843	50,16,385
		51.78	57.54%
2	Varshaben Akshay Mehta	8,23,153	10,63,785
		8.21	12.20%
3	Darshan orna limited	233546	6,78,000
		2.33%	7.78%
4	Vivid offset printers limited	819560	6,06,000
		8.17 %	-

Note : 2 Reserve & Surplus			
Sr. No	Particulars	As at 31st March 2020	As at 31st March 2019
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	4,14,69,191	5,45,47,041
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Shares Option Outstanding Account	-	-
7	General Reserve	-	-
8	Surplus (Profit & Loss Account)	63,94,469	41,19,242
	Balance brought forward from previous year	41,19,242	35,67,736
	Less: Tax of Ealier years		
	Less: Adjustments to Profit and Loss A/c	-	1,10,176
	Add: Profit for the period	22,75,227	6,61,682

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

Note : 3 Short Term Borrowings			
Sr. No	Particulars	As at 31st March,2020	As at 31st March,2019
1	<u>Term Loans</u>		
		-	-
2	<u>From Bank</u>		
	Secured-Yes Bank Gold Loan	-	2,64,41,017
	cash credit-Yes bank	-	38,35,523
	Total	-	3,02,76,540

Note : 4 Trades Payable			
Sr. No	Particulars	As at 31st March 2020	As at 31st March 2019
	<u>Trade Payables (List attached)</u>		
	ADV from customers	16,73,528	31,79,708
	Total	16,73,528	31,79,708

Note : 5 Other Current Liabilities			
Sr. No	Particulars	As at 31st March 2020	As at 31st March 2019
1	Statutory Remittances	-	-
	TDS	1,94,995	2,26,190
	Total	1,94,995	2,26,190

Note : 6 Short Term Provisions			
Sr. No	Particulars		
1	<u>Short Term Provisions</u>		
	Income tax Provisions	9,00,000	2,00,000
	Audit Fees Payable	35,000	-
	Unpaid Accounting Fees	40,000	-
	Unpaid Electrical Expenses	4,340	-
	Unpaid Telephone Expenses	850	-
	Unpaid Remuneration /Salary	1,29,000	45,810
	Total	11,09,190	2,45,810

Note : 7 Fixed Assets

Sr. No	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deducti on during the year	Value at the end	Value at the beginning	Addition during the year	Deductio n during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
1	Property, Plant and Equipment										
	software	1,15,121	-	-	1,15,121	43,376	11,630	-	55,006	60,115	71,745
	computer	1,37,400	95,534	-	2,32,934	83,117	24,285	-	1,07,402	1,25,532	54,283
	air conditioner	3,52,532	75,784	-	4,28,316	79,909	16,550	-	96,459	3,31,857	2,72,623
	furniture	1,14,500	-	-	1,14,500	17,121	4,626	-	21,746	92,754	97,379
	bar code system	1,42,288	2,738	-	1,45,026	28,788	5,521	-	34,309	1,10,717	1,13,500
	office equipment	60,146	-	-	60,146	15,698	2,111	-	17,809	42,337	44,448
	mobile	29,552	-	-	29,552	8,441	1,003	-	9,444	20,108	21,111
	camera	45,800	-	-	45,800	7,073	1,840	-	8,912	36,888	38,727
	cctv camera	81,857	-	-	81,857	11,120	3,360	-	14,480	67,377	70,737
	weighing scale	45,750	-	-	45,750	3,901	1,988	-	5,889	39,861	41,849
	printer	13,400	-	-	13,400	5,517	1,278	-	6,795	6,605	7,883
	Vehicle	8,33,777	-	-	8,33,777	59,583	36,774	-	96,357	7,37,420	7,74,194
	Canon Lid Scanner	-	3,900	-	3,900	-	632	-	632	3,268	-
	Ro Machine	-	12,500	-	12,500	-	594	-	594	11,906	-
	TOTAL	19,72,123	1,90,456	-	21,62,579	3,63,643	1,12,191	-	4,75,834	16,86,745	16,08,480

Note : 8 Long Term Loans and Advances			
Sr. No	Particulars	As at 31 March 2020	As at 31st March 2019
a)	<u>From Banks</u>		
	FD With ICICI Bank	50,00,000	0
b)	<u>From Others</u>		
	Bhakti ornaments loan A/c	14,50,000	14,50,000
	varshaben mehta	0	1,25,470
	Laxmi Banglow	19,75,067	0
	Infinite Construction	8,58,163	0
	TDS On Professional Fees	2,00,000	0
	Anandiben B Desai	11,50,000	0
	Total	1,06,33,230	15,75,470
Note : 9 Other Non Current Assets			
Sr. No	Particulars	As at 31 March 2020	As at 31st March 2019
1	<u>Misc Exp</u>	55,35,270	45,10,968
	(To the extent not written off)		
	Total	55,35,270	45,10,968
Note : 10 Trade Receivables			
Sr. No	Particulars	As at 31 March 2020	As at 31st March 2019
1	<u>Outstanding for Less than six months</u>		
	a) <u>Unsecured, Considered Good :</u>	5,65,80,619	7,09,22,159
2	<u>adv to suppliers</u>		
	a) <u>Unsecured, Considered Good :</u>	0	2,84,491
	Total	5,65,80,619	7,12,06,650
Note : 11 Cash & Cash Equivalent			
Sr. No	Particulars	As at 31 March 2020	As at 31st March 2019
1	<u>Cash-in-Hand</u>	-	
	Cash Balance	2,08,109	27,657
	Sub Total (A)	2,08,109	27,657
2	<u>Bank Balance</u>		
	YES Bank	2,40,193	1,43,338
	ICICI Bank Current Account	21,67,061	0
	Sub Total (B)	24,07,254	1,43,338
	Total [A + B]	26,15,363	1,70,995

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

Note : 12 Other Current Assets			
Sr. No	Particulars	As at 31 March 2020	As at 31st March 2019
1	TDS Receivable	31,784	2,31,784
2	Prepaid Expenses	62,029	0
3	Advance Tax	7,50,000	16,51,000
4	Income Tax A.Y. 2015-16	14,01,000	0
5	GST Receivable	8,36,231	17,08,111
6	Claim Outstanding	6,70,035	6,70,035
	Total	37,51,079	42,60,930

Note : 13 Revenue from Operations			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Sales	55,03,91,319	62,28,46,564
	Total	55,03,91,319	62,28,46,564

Note : 14 Other Income			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Interest Income on Mutual Fund	1,51,432	3,69,935
2	Interest on FD	72,500	-
3	Labour Income	30,450	2,39,392
4	Stone Charge Income	41,980	3,07,645
5	Other Income	5,82,924	-
	Total	8,79,285	9,16,972

Note : 15 Cost of Material Consumed			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
a)	<u>PURCHASES OF RAW MATERIALS AND STORES</u>	-	
1	Purchases	51,13,34,500	65,24,06,846
	Direct Expenses	28,140	-
	Sub-total (a)	51,13,62,640	65,24,06,846

Note : 16 Change in Inventories			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Opening Stock	9,64,98,928	5,63,20,735
2	Closing Stock	7,03,80,259	9,64,98,927
	Total	2,61,18,669	(4,01,78,192)

Bhakti Gems & Jewellery Ltd.

MFG. OF : CZ & ANTIQUE GOLD JEWELLERY

Note : 17 Employment Benefit Expenses			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Salaries, Bonus, PF & ESIC	17,52,267	19,93,530
2	Directors Remuneration	17,84,730	13,20,000
	Total	35,36,997	33,13,530
Notes :18 Financial Cost			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Bank Charges & Interest	6,83,743	12,48,791
	Total	6,83,743	12,48,791

Note : 22 Other Administrative Expenses			
Sr. No	Particulars	Year ended 31st March 2020	Year ended 31 March 2019
1	Audit Fees	40,000	35,000
2	Electricity Expenses	84,770	1,03,910
3	Insurance Expenses	47,764	2,37,854
4	Rent Expenses	6,30,000	8,40,000
5	Municipal Taxes	67,004	37,241
6	Exhibition Exp	8,59,546	5,54,609
7	Office Exp	1,49,052	3,68,322
8	Telephone Exp	13,991	18,811
9	ROC & BSE & NSDL Expenses	3,24,900	1,86,686
10	Travelling Exp	1,06,575	2,46,460
11	Transportation Exp	6,000	6,04,050
12	Loss/ Profit on Gold Rate Exchanges	38,35,382	20,00,372
13	Repairing exp	2,33,704	2,59,210
14	Accounting Expenses	35,000	30,000
15	legal fees	22,000	4,64,546
	Total	64,55,688	59,87,071

Significant Accounting Policies and Notes forming parts of Accounts

Note : 23

NOTES ON ACCOUNTS

Previous year's figures are regrouped/rearranged wherever necessary.

Provision for Taxation for the current year has been made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

The balances of Loans and Advances are subject to their confirmation and reconciliation if any.

All the Opening Balances are taken as per previous year audit report.

Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counter claims aggregating to Rs. is Nil.

In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.

Information pursuant to paragraph 2, 3, 4, 5 of Part II of the schedule III is given as under so far as it applies to the company.

a) **Payment to Statutory Auditors**

	Current Year	Previous Year
1. Audit Fees	40000/-	35000/-

There is no adjustment required to be made to the profits or loss for complying with ICDS notified u/s 145(2).

**FOR, PARTH SHAH AND ASSOCIATES.
CHARTERED ACCOUNTANTS
FRN NO:- 144251W**

FOR AND ON BEHALF OF THE BOARD

S/d
**PARTH N SHAH
PROPRIETOR
MEM. NO.: 173468**

S/d S/d
(Director) (Director)

**Place: Ahmedabad
Date: 31/07/2020**

**Place: Ahmedabad
Date: 31/07/2020**

Significant Accounting Policies

A. Basis of preparation of Financial Statements

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with applicable accounting standards referred to in section 133 read with rule 7 of the Companies (Accounts) rules, 2014.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

B. Revenue Recognition

Sales are recorded exclusive of Taxes.

C. Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation, including financial cost till such assets are ready for its intended use.

D. Depreciation

Depreciation is charged on written down value method as per Companies Act 2013.

E. Impairment of Assets

Impairment of assets if any is ordinarily assessed by comparing recoverable value of individual assets with its carrying cost.

F. Inventories

Inventories are valued at cost or net realizable value whichever is lower. Cost in respect of inventories is ascertained on Weighted Average Method.

G. Investments

Long Term Investments are stated at cost. Provision for diminution if any in value of assets is only made when the same is of permanent nature.

H. Retirement Benefits

i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.

ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

I. Prior Period Items

Significant items of Income or Expenditure, which relates to the prior accounting periods, are accounted in the Profit and Loss Account under the head “prior year Adjustments” other than those occasioned by the events occurring during or after the close of the year and which are treated as relatable to the current year.

J. Borrowing Cost

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

K. Taxes on Income

Taxes on income of the current period are determined on the basis of taxable income and credits computed in accordance with the provisions of the Income tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable and virtual certainty as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

L. Provision, Contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but the same is disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

M. Applicability of AS-18

In accordance with the requirements of Accounting Standard-18 (AS-18) “Related Party Transaction” issued by the Institute of Chartered Accountants of India, the following persons are considered as Related Party as define in AS-18:

Sr. No	Name	2019-20	Relationship	Nature of transaction
1.	Akshay S Mehta	8,69,260	Director	Remuneration
2.	Varsha A Mehta	9,15,470	Director	Remuneration

N. Foreign Currency Transaction

There are no such foreign currency transactions during the year.

O. C/F Value of Import Raw Materials: NIL

P. Expenditure in Foreign Currency: NIL

Q. Earning per Share: The Earning Per Share (AS-20) has been computed as under:

(a) Profit after tax	Rs 2275227/-
(b) Equity Share (In Number)	No. 1,00,26,345
(c) Nominal value of share	Rs. 10 per share
(d) EPS	Rs. 0.23/-

**FOR, PARTH SHAH AND ASSOCIATES.
CHARTERED ACCOUNTANTS
FRN NO:- 144251W**

FOR AND ON BEHALF OF THE BOARD

S/d
**PARTH N SHAH
PROPRIETOR
MEM. NO.: 173468**

S/d S/d
(Director) (Director)

**Place: Ahmedabad
Date: 31.07.2020**

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