



CIN:- U74999GJ2017PLC098438

S. M. Gold Limited.

To,
The Corporate Relations Department
BSE Limited
PJ Towers, 25th floor, Dalal Street,
Mumbai -400 001

Date: 02.09.2020

Subject: Annual Report of the Company for the Financial Year 2019-20
Ref: S. M. Gold Limited (Script Coe: 542034)

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

Please take the information on record.

Yours faithfully,
For, S. M. Gold Limited

PRIYANK S. SHAH
DIRECTOR
DIN: 07878194

House of Mangalsutra

-: REGISTERED OFFICE :-

Shop No-1, 916 Building, Opp. Luhar Ni Pole M.G Haveli Road, Manekchowk Ahmedabad-380001, Gujarat.

Email: compliancesmgold@gmail.com | Contact: 079 - 2211 4411, +91 94281 38019, 9428980017 | Website: www.smgold.in

S. M. Gold Limited.

ANNUAL REPORT 2019-20



S. M. GOLD LIMITED

BOARD OF DIRECTORS

Mr. Pulkitkumar Sureshbhai Shah	: Managing Director
Mr. Priyank Sureshkumar Shah	: Executive Director
Mrs. Nitaben Sureshkumar Shah	: Non-Executive Director
Mr. Nilesh Babulal Salla	: Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Priyank Sureshkumar Shah

COMPLIANCE OFFICER

Mrs. Komalben Tolani

STATUTORY AUDITORS

BHAGAT & CO.

Chartered Accountant
Ahmedabad

BANKERS TO THE COMPANY

YES BANK LIMITED

Ground floor, Shop No 1, Ganguram Chambers,
Gheekanta Cross road Relief Road
Ahmedabad 380001

REGISTERED OFFICE

Shop No-1916 Building opp. Luhar Ni Pole
Manekchowk Ahmedabad - 380001

REGISTRAR & TRANSFER AGENT

KFIN TECH PRIVATE LIMITED

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad 500 032

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NOTICE is hereby given that the 3rd **ANNUAL GENERAL MEETING** of the members of **S. M. GOLD LIMITED** (“the Company”) will be held as scheduled below:

Date : 23rd day of September, 2020

Day : Wednesday

Time : 2:30 P.M.

Place : At registered office of the Company situated at

Shop No-1,916 Building, Opp. Luhar Ni Pole M.G Haveli Road, Manekchowk Ahmedabad 380001

To transact the following business:

ORDINARY BUSINESS:

1. To Receive, Consider and Adopt Audited Financial Statement of the Company for the financial year ended on March 31st, 2020 together with Report of Board of Directors and Auditors’ Report thereon.

2. To Appoint a Director in place of Mr. Priyank Sureshkumar Shah (DIN: 07878194), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To Increase Authorised Share Capital of the company

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

"RESOLVED THAT pursuant to the provisions of sections 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, the consent of the company be and is hereby accorded to increase the Authorised Share capital of the company from existing 7,40,00,000/- (Rupees Seven Crore Forty Lakh only) divided into 74,00,000 (Seventy Four Lakh) equity shares of Rs.10 each to 10,04,00,000 (Rupees Ten Crore Four Lakh only) divided into 1,00,40,000 (One Crore Forty Thousand) equity shares of Rs. 10 each by creation of additional 26,40,000 (Twenty Six Lakh Forty Thousand) equity shares of Rs.10/- each ranking pari passu in all respect with the existing equity shares of the company.

RESOLVED FURTHER THAT any director of the company be and is hereby authorized to sign and file require e-forms and other documents and to do all such acts, deeds, matters, and things and execute such other documents as may be necessary for the purpose of giving effect to this resolution.

4. Alteration in the Capital Clause of Memorandum of Association

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

"RESOLVED FURTHER THAT pursuant to the provisions of section 13 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, the consent of the members of the company be and is hereby accorded for substituting clause V of the Memorandum of Association of the company with the following clause:

"V. The Authorised share capital of the company is Rs. 10,04,00,000 (Rupees Ten Crore Four Lakh Only) divide into 1,00,40,000 (One Crore Forty Lakh) equity shares of Rs.10/- (Rupees Ten Only) each."

RESOLVED FURTHER THAT any director of the company, be and is hereby authorized to sign and file various e-forms and other documents and to do all such acts, deeds, matters, and things and execute such other documents as may be necessary for the purpose of giving effect to this resolution.

5. To Issue Bonus Shares

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

RESOLVED THAT pursuant to Section 63 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, read with rule 14 of Companies (Share Capital & Debenture Rules), 2014 (including any amendment thereto or re-enactment thereof) and subject to the regulations and guidelines issued by Securities and Exchange Board of India (SEBI) including SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 (as amended from time to time) and other applicable laws, rules, regulations, etc., if any and subject to such consents and approvals as may be required from the appropriate authorities, the consent of the shareholders be and is hereby accorded to capitalize sum not exceeding Rs. 3,34,58,450/- (Rupees Three Crore Thirty Four lakh Fifty Eight Thousand Four Hundred Fifty only) out of Free Reserves and the Securities Premium Account of the company and transfer to Share Capital Account towards issuance and allotment of fully paid equity of Rs. 10/- (Rupees Ten Only) each as Bonus Shares credited as fully paid up to the members of the Company holding Equity shares of Rs. 10/- (Rupees Ten Only) each whose names stand in Register of members of the Company as on the Record Date as the Board of Directors may determine, in that behalf in the proportion of 1 (One) new Fully Paid up Equity Shares of Rs. 10/- (Rupees Ten Only) each for every 2 (two) existing Equity Shares of Rs. 10/- (Rupees Ten Only) each (fractional entitlements of Bonus shares shall be rounded off to one) held as on the record date and that the bonus shares so issued and allotted be treated for all purposes as an increase of the nominal amount of the Equity Capital of the Company held by each such member/person and not as income.

RESOLVED FURTHER THAT the Bonus Equity shares so allotted shall be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company and shall rank Pari passu with the existing Equity shares. No Letters of allotment shall be issued for the Bonus shares.

RESOLVED FURTHER THAT the Share Certificates in respect of the New Equity Shares will be issued and dispatched to the shareholders who holds the existing Equity Shares in physical form and the New Equity Shares will be credited in electronic form to the demat accounts of the shareholders who hold the existing Equity Shares in electronic form, within the period prescribed.

RESOLVED FURTHER THAT the allotment of the New Equity Shares as Bonus Shares to the extent they relate to Non-Resident Indians (NRIs), Foreign Portfolio Investors (FPIs), Persons of Indian Origin (PIO), Overseas Corporate Bodies (OCB) and other foreign investors of the Company shall be subject to the approval of the RBI, under the Foreign Exchange Management Act, 1999, or any other regulatory authority, as necessary.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of the New Equity Shares on the Stock Exchanges where the securities of the Company are presently listed, as per the provisions of the SEBI Listing Regulations and other applicable guidelines, rules and regulations.

S. M. Gold Limited.

RESOLVED FUTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the issue, allotment, distribution and listing of the new Equity Shares and its decision shall be final and binding.

Place: Ahmedabad
Date: 29th August, 2020

BY ORDER OF THE BOARD OF DIRECTORS OF
S. M. GOLD LIMITED

Registered Office:
Shop No-1,916 Building,
Opp.Luhar Ni Pole M.G Haveli Road,
Manekchowk Ahmedabad 380001 Gujarat, India

Sd/-
Pulkitkumar S. Shah
Managing Director
(DIN: 07878190)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.

3. The Statement pursuant to section 102(1) of the Companies act, 2013, which sets out details relating to the special business to be transacted at the Meeting, is annexed hereto.

4. The Register of Members and Share Transfer Books will remain closed from 17th September, 2020 to 23rd September, 2020 (both days inclusive) for the purpose of Annual General Meeting (AGM).

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

6. 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.

7. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.

8. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.

9. 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.

10. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.

11. 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, Kfin Technologies Private Limited for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.

12. 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. The Annual Report of the company will also be available on the Company's website www.smgold.in

13. 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.

14. The Company being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules 2014 is not mandatory to provide remote e-voting facility to its member.

15. BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT / REAPPOINTMENT AT ANNUAL GENERAL MEETING

Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting item no. 2 is as follows.

Particular	Mr. Priyank S Shah
Date of Birth	07/11/1988
Date of Appointment	26/07/2017
Qualification	He has done Graduation.
Relationships between directors inter se	He is Brother of Pulkitkumar S Shah.
Directorship held in other companies	Nil
Membership/Chairmanships of Committee in other Public Companies	Nil

Place: Ahmedabad
Date: 29th August, 2020

BY ORDER OF THE BOARD OF DIRECTORS OF
S. M. GOLD LIMITED

Registered Office:
Shop No-1,916 Building,
Opp.Luhar Ni Pole M.G Haveli Road,
Manekchowk Ahmedabad 380001 Gujarat, India

Sd/-
Pulkitkumar S. Shah
Managing Director
(DIN: 07878190)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.3 & 4.

As per item Nos. 5 of the Notice, the Company proposes to issue Bonus Equity Shares to existing Equity Shareholders of the company. To enable the Company to issue Bonus shares, it is proposed to increase the existing Authorized Share Capital of the Company Rs. 7,40,00,000 (Rupees Seven Crore Forty Lakh only) to Rs. 10,04,00,000 (Rupees Ten Crore Four Lakh only) as per the resolution. The resolution seeks approval of members by amending the said Clause V of the Memorandum of Association.

The present authorized capital (Rs. 7,40,00,000 (Rupees Seven Crore Forty Lakh) of the Company is insufficient for further issue of bonus shares by the Company. Therefore, it became necessary for the Company to increase the authorized share capital of the Company.

Pursuant to section 61 and 13 of the Companies Act, 2013, the Company cannot increase its Authorized Share Capital without the consent of the members of the Company.

Therefore, it is proposed to obtain the consent of the members to increase its Authorised Share Capital.

None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the resolution.

Item no.5

The Board of Directors at their meeting held on 29th August, 2020, recommended issue of bonus shares in proportion of 1 (One) share for every 2 (Two) existing equity shares held by the members on a record date to be herein after fixed by the board of directors, by capitalizing sum not exceeding Rs. 3,34,58,450 /- (Rupees Three Crore Thirty Four Lakh Fifty Eight Thousand Four Hundred Fifty only) out of Free Reserves and the Securities Premium Account of the company. Pursuant to the provisions of Articles of Association of the Company and in terms of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the capitalization of reserves and bonus issue thereof require approval of the members in general meeting.

Further, it is necessary to authorize the Board of Directors of the Company to complete all the regulatory formalities prescribed under the companies act, 2013, in connection with bonus issue. Accordingly, the resolution seeks the approval of the members for capitalizing the sum out of Free Reserves and the Securities Premium Account and issue of bonus shares out of the same on the terms and conditions set out in the resolution.

The Board recommends the resolution for approval of shareholders.

The Directors of the Company may be deemed to be concerned or interested in this item of business to the extent of their shareholdings in the company or to the extent of securities that may be allotted to them as Bonus Shares. Save as aforesaid none of directors of the company is in any way concerned or interested in this item of business.

Place: Ahmedabad
Date: 29th August, 2020

BY ORDER OF THE BOARD OF DIRECTORS OF
S. M. GOLD LIMITED

Registered Office:
Shop No-1,916 Building,
Opp.Luhar Ni Pole M.G Haveli Road,
Manekchowk Ahmedabad 380001 Gujarat, India

Sd/-
Pulkitkumar S. Shah
Managing Director
(DIN: 07878190)

DIRECTORS REPORT

To,

The Members,

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

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)

The Board's Report is prepared based on the stand alone financial statements of the company.
(Amount in Rs)

PARTICULAR	2019-20	2018-19
Total Income for the year was	29,18,30,657	26,40,22,379
Operating & Administrative expenses	28,96,34,115	28,61,249
Profit/(Loss) Before Depreciation And Taxes	21,96,542	5,57,062
Less: Depreciation	2,89,614	2,75,500
Net Profit/(Loss) Before Tax	19,06,928	2,81,562
Less: Provision For Tax	5,00,000	73,000
Deferred Tax	-	-
Profit/(Loss) After Tax	14,06,928	2,08,562
EPS	0.19	0.03

2. OPERATION & REVIEW

During the year under review Total income of the company is Rs.29,18,30,657 /- And the net Profit after tax is Rs. 14,06,928.

3. DIVIDEND

The Board of Directors of Your Company has not recommended any dividend for the Financial Year ended 31st March 2020

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

5. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to General Reserves account.

6. CHANGE IN THE NATURE OF THE BUSINESS

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

7. DIRECTORS & KEY MANAGERIAL PERSONNEL

During the Year under review **Mr. Priyank Sureshkumar Shah** is liable to retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer himself for re-appointment.

During the Year under review the board of director has appointed **Mrs. Komalben Tolani** as Company Secretary and Compliance officer of the Company w.e.f. 01.02.20.

Except above there were no changes in Director & Key Managerial Personnel during the F.Y 2019-20.

8. NUMBER OF BOARD MEETINGS

The Board of Directors duly met Six (6) times on 30/05/2019, 10/06/2019, 02/09/2019, 14/11/2019, 01/02/2020 and 14/02/2020 in respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

9. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

10. 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.

11. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year, such Controls were tested and no reportable material weakness was observed

12. CHANGE IN CAPITAL STRUCTURE OF COMPANY

During the year under review, the Company has not made any changes in their Capital Structure.

13. MATERIAL CHANGES AND COMMITMENTS, IF ANY

There are No other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

14. EXTRACT OF THE ANNUAL RETURN

The Extract of Annual Return as required under section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, is annexed herewith as “Annexure - A”

15. AUDITORS AND THEIR REPORT

• STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. BHAGAT & CO, Chartered Accountants (FRN: 127250W) the Statutory Auditors of the Company have been appointed in the annual General Meeting held on 30th September, 2018 for a term of 5 years.

The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company. Necessary resolution for appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

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.

• COST AUDITORS

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

• **SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Company has appointed Practicing Company Secretary have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed to this report. The report is self explanatory.

The Board of Directors has duly reviewed the Secretarial Auditors' Report 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 Act.

16. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits which are not in compliance with Chapter V of the Act is not applicable.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

18. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In terms of rule (9) of the Companies (Accounts) Rules, 2014 The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year, the Company has not given any loan, guarantee or provided security in connection with the loan to any other body corporate or person or made any investments hence no particulars of the loans, guarantees or investments falling under the provisions of Section 186 of the Companies Act, 2013 are provided by the Board.

20. RELATED PARTY TRANSACTIONS

During the year under review, contracts or arrangements entered into with the related party, as defined under section 188 of the companies Act, 2013 were in ordinary course of business and on arms' length basis. Details of the transactions pursuant to compliance of section 134(3)(h) of the companies act, 2013 and rule 8(2) of the companies (Accounts) Rule, 2014 are annexed herewith as per "**Annexure – B**".

However, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

21. SIGNIFICANT AND MATERIAL ORDER PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no significant and material order was passed by regulators or courts or tribunals impacting the going concern status and company's operations in future.

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

A. CONSERVATION OF ENERGY:

- I. the steps taken or impact on conservation of energy : **Nil**
- II. the steps taken by the company for utilising alternate sources of energy : **None**
- III. the capital investment on energy conservation equipments : **Nil**

B. TECHNOLOGY ABSORPTION:

- I. the efforts made towards technology absorption : **None**
- II. The benefits derived like product improvement, cost reduction, product development or import substitution: **None**
- III. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) The details of technology imported: **None**
 - b) The year of import: **N.A.**
 - c) Whether the technology been fully absorbed: **N.A.**
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: **N.A.**
 - e) The expenditure incurred on Research and Development: **Nil**

C. There was no foreign exchange inflow or Outflow during the year under review

Audit Committee/ Nomination and Remuneration Committee/ Stakeholders' Relationship Committee/ Sexual Harassment Committee

➤ Audit Committee

Constitution & Composition of Audit Committee:

Our Company has formed the Audit Committee as per the applicable provisions of the Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 18 of SEBI Listing Regulations (applicable upon listing of Company's Equity Shares).

The composition of the Audit Committee and details of meetings attended by the members of the Audit Committee are given below:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Mr. Nilesh Babulal Salla	Chairman	Non-Executive-Independent Director	4	3
Priyank Suresh Kumar Shah	Member	Executive Director	4	4
Mrs. Nitaben S Shah	Member	Non-Executive- Director	4	4

➤ **Nomination and Remuneration Committee:**

Constitution & Composition of Remuneration Committee:

Our Company has formed the Nomination and Remuneration Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 19 of SEBI Listing Regulations (applicable upon listing of Company's Equity Shares). The Nomination and Remuneration Committee comprises the following members:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Mr. Nilesh Babulal Salla	Chairman	Non-Executive-Independent Director	2	1
Priyank Suresh Kumar Shah	Member	Executive Director	2	2
Mrs. Nitaben S Shah	Member	Non-Executive Director	2	2

The Policy of nomination and Remuneration committee has been place on the website of the company at www.smgold.in and the salient features of the same has been disclosed under "Annexure – C"

➤ **Stakeholder's Relationship Committee:**

Constitution & Composition of Stakeholders Relationship Committee:

Our Company has formed the Stakeholders Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 20 of SEBI Listing Regulations (applicable upon listing of Company's equity shares).

The constituted Stakeholders Relationship Committee comprises the following members:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Mrs. Nitaben S Shah	Chairman	Non-Executive- Director	4	4
Mr. Nilesh Babulal Salla	Member	Non-Executive-Independent Director	4	4
Mr. Priyank Shah	Member	Executive- Director	4	4

➤ Sexual Harassment Committee

Constitution & Composition of Sexual Harassment Committee:

The Sexual Harassment Committee was constituted by the Board of Directors at the meeting held on February 05, 2018 in compliance with the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Mrs. Nitaben S Shah	Chairman	Non-Executive-Director	1	1
Mr. Nilesh Babulal Salla	Member	Non-Executive-Independent Director	1	1
Priyank Shah	Member	Executive- Director	1	1

22. **MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and analysis Report as Required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the companies' current working and future outlook of as per "Annexure – D"

23. **CORPORATE GOVERNANCE**

Since the Company's Securities are listed on SME plate form of BSE Limited during the year under review, Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable to Our Company, hence Company has not obtained a Certificate from a Practicing Company Secretaries certifying the same.

24. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

DATE: 29/08/2020
PLACE: Ahmedabad

For and on behalf of Board

SD/-	SD/-
Pulkit S Shah	Priyank S Shah
Managing Director	Director
(DIN: 07878190)	(DIN:07878194)

“Annexure - A”

Form No.MGT-9

Extract of annual returns of the financial year Ended On 31st March, 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	U74999GJ2017PLC098438
ii.	Registration Date	26/07/2017
iii.	Name of the Company	S. M. GOLD 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	Shop No-1,916 Building,Opp.Luhar Ni Pole M.G Haveli Road , Manekchowk Ahmedabad 380001 E-mail Id – compliancesmgold@gmail.com Tele No.- 079-22114411/9428980017
vi.	Whether listed company	Listed
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Kfin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda Hyderabad, Telangana, 500032 Tel. No. – 040-67162222 Website - www.karisma.karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Wholesale of Gold and Silver Ornaments	46498	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	N.A				

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

i. *Category-wise Share Holding*

Category Of Shareholder	No. Of Shares Held At The Beginning Of The Year 01/04/2019				No. Of Shares Held At The End Of The Year 31/03/2020				% Change During The Year
	Demat	Physical	Total	% Of Total Shares	Demat	Physical	Total	% Of Total Shares	
(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
Promoter And Promoter Group									
Indian									
Individual /HUF	4191573	0	4191573	62.64	4191573	0	4191573	62.64	0.00
Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A(1) :	4191573	0	4191573	62.64	4191573	0	4191573	62.64	0.00
FOREIGN									
Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
Institutions	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
Total A=A(1)+A(2)	4191573	0	4191573	62.64	4191573	0	4191573	62.64	0.00
PUBLIC SHAREHOLDING INSTITUTIONS									
Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00
Financial Institutions /Banks	0	0	0	0.00	0	0	0	0.00	0.00
Central Government	0	0	0	0.00	0	0	0	0.00	0.00

S. M. Gold Limited.

/ State Government(s)									
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total B(1) :	0	0	0	0.00	0	0	0	0.00	0.00
NON- INSTITUTIONS									
Bodies Corporate	190800 0	0	190800 0	28.51	134800 0	0	134800 0	20.14	-8.37
Individuals									
(i) Individuals holding nominal share capital upto Rs.1 lakh	60100	0	60100	0.90	48100	0	48100	0.72	-0.18
(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	468000	0	468000	6.99	110400 0	0	110400 0	16.50	9.50
Others									
CLEARING MEMBERS	64000	0	64000	0.96	0	0	0	0.00	-0.96
Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total B(2) :	250010 0	0	250010 0	37.36	250010 0	0	250010 0	37.36	0.00
Total B=B(1)+B(2) :	250010 0	0	250010 0	37.36	250010 0	0	250010 0	37.36	0.00
Total (A+B) :	669167 3	0	669167 3	100.00	669167 3	0	669167 3	100.00	0.00
Shares held by custodians, against which									
Depository Receipts have been issued									
Promoter and Promoter Group									
Public	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A+B+C) :	669167 3	0	669167 3	100.00	669167 3	0	669167 3	100.00	

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)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	
1.	Priyank S Shah	3921230	58.60	-	3921230	58.60	-	0
2.	Pulkitkumar S Shah	270218	4.04	-	270218	4.04	-	0
3.	Nitaben S Shah	25	0.00	-	25	0.00	-	0
4	Sureshkumar Shah	25	0.00	-	25	0.00	-	0
5	Krupaben Shah	25	0.00	-	25	0.00	-	0
6	Kruti P Shah	25	0.00	-	25	0.00	-	0
7	Brinda Shah	25	0.00	-	25	0.00	-	0
	Total	41,91,573	62.64	-	41,91,573	62.64	-	0

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

Sr. No	For each of the Promoters	Shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	PRIYANK S SHAH					
	At the beginning of the year		3921230	58.60	3921230	58.60
	Changes During the Year	-	-	-	-	-
	At the End of the year				3921230	58.60
2.	PULKITKUMAR S SHAH					
	At the beginning of the year		270218	4.04	270218	4.04
	Changes During the Year	-	-	-	-	-
	At the End of the year				270218	4.04
3.	NITABEN S SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the Year	-	-	-	-	-
	At the End of the year				25	0.00
4	SURESHKUMAR SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the year	-	-	-	-	-

Year						
	At the End of the year				25	0.00
5	KRUPABEN SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the Year	-	-	-	-	-
	At the End of the year				25	0.00
6	KRUTI P SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the Year	-	-	-	-	-
	At the End of the year				25	0.00
7	BRINDA P SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the Year	-	-	-	-	-
	At the End of the year				25	0.00

iii. Shareholding pattern of Top Ten Shareholders

Top ten shareholders are given on the basis of shareholding pattern as on 31.03.2020
(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No	For each of the Top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Vivid Offset Printerrs Pvt Limited	80000	1.20	344000	5.14
2	Veeram Vendors Private Limited	340000	5.08	340000	5.08
3	Linkup Financial Consultants Pvt. Ltd.	248000	3.71	248000	3.71
4	Lagan Barter Private Limited	156000	2.33	156000	2.33
5	Mithalal Kacharalal Prajapati	0	0	132000	1.97
6	U H Zaveri Limited	0	0	120000	1.79
7	Dibakar Laha	0	0	84000	1.25
8	Sumit Laha	0	0	72000	1.08
9	Chiragkumar Makwana	64000	0.96	64000	0.96
10	Ardi Anvestment And Trading Company Ltd	0	0	64000	0.96

iv. Shareholding of Directors and Key Managerial Personnel:

Sr. no	For each of the Promoters	Shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	PRIYANK S SHAH					
	At the beginning of the year		3921230	58.60	3921230	58.60
	Changes During the Year	-	-	-	-	-
	At the End of the year				3921230	58.60
2.	PULKIT S SHAH					
	At the beginning of the year		270218	4.04	270218	4.04
	Changes During the Year	-	-	-	-	-
	At the End of the year				270218	4.04
3.	NITABEN SURESHKUMAR SHAH					
	At the beginning of the year		25	0.001	25	0.001
	Changes During the Year	-	-	-	-	-
	At the End of the year				25	0.00

Shareholding of Directors and KMP are given on the basis of Directorship as on 31.03.2020

V. 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				
i) Principal Amount				
ii) Interest due but not paid	1,47,28,017	2,98,100	-	1,50,26,117
iii) Interest accrued but not				
Total (i+ii+iii)	1,47,28,017	2,98,100	-	1,50,26,117
Change in Indebtedness during the financial year				
- Addition	2,73,34,860	12,21,053		
- Reduction	-33,06,158	-		2,52,49,750
Net Change	2,40,28,697	12,21,053	-	2,52,49,750
Indebtedness at the end of the Financial year				
i) Principal Amount	3,87,56,714	15,19,153	-	4,02,75,867
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3,87,56,714	15,19,153	-	4,02,75,867

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount
		Pulkit S Shah MD	Priyank S Shah WTD	
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	12,00,000	12,00,000	24,00,000
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total(A)	12,00,000	12,00,000	24,00,000
	Ceiling as per the Act	Within the Limit of Companies Act 2013		

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

B. Remuneration to other directors: N.A

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

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

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	-	-	-	
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
6.	Total				

vi. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

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

ANNEXURE – B 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 arrangement which was 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	
a)	Name (s) of the related party & nature of relationship	Pulkit S Shah He is a son of Nitaben S Shah, Brother of Priyank S Shah and Managing Director of the company	Priyank S Shah He is a son of Nitaben S Shah, and Brother of Pulkit S Shah and Whole time Director of the company
b)	Nature contracts/arrangements/transaction	Remuneration - 12,00,000 Loan - 5,54,038	Remuneration 12,00,000/- Loan - 9,65,115
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: 29/08/2020
PLACE: Ahmedabad

Sd/-	Sd/-
Pulkit S Shah	Priyank S Shah
Managing Director	Director

ANNEXURE – C **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.

Annexure - D

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

Our Company was originally incorporated as S. M. Gold Private Limited on July 26, 2017 under the Companies Act, 2013 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Thereafter, Our Company was converted in to a public limited company pursuant to a special resolution passed by our shareholders at the EGM held on August 12, 2017 and consequently name was changed to “S. M. Gold Limited” (SMGL) vide fresh certificate of incorporation dated August 24, 2017 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, our Company has acquired the business of Proprietorship Concern of one of our Promoter- Mr. Priyank S. Shah viz, M/s S.M. Gold through the Business Succession Agreement dated August 03, 2018. The CIN of the Company is L74999GJ2017PLC098438. Consequently, the business of the proprietorship firm was merged into S. M. Gold Limited.

We are principally into the business of manufacturing and wholesale trading of mangalsutra jewellery. Besides mangalsutra jewellery, a minor part of business also includes other jewellery's like Rings, Chain, Earrings, Ear Chain, Nose-rings/Nose pins, waist belts, Anklet, Zuda, Toe Ring, Pendant Set/Pendant, Bracelet and Bangles., wedding Jewellery, festive Jewellery.

Our jewellery is mostly traditional in style and is handmade by our workers. We have an in-house designing team which designs the mangalsutra and other jewellery's in traditional, modern and indo-western style. We also directly purchase designs from other jewellery designers. Apart from manufacturing jewellery ourselves, we also get our mangalsutra and other jewellery's manufactured through job workers. These job workers are located in Ahmedabad, Rajkot, Kolkata and Mumbai. The raw material and design is provided by us to these job workers. The job workers take approximately 10-12 number of days to complete the finished jewellery. However, no formal agreement has been executed with either of these job workers. Besides, manufacturing and job work, we also purchase readymade mangalsutra and other jewellery's from other independent jewellery wholesalers located in Mumbai.

The jewellery sold by us is sold under the brand name of “S. M. Gold – the House of Mangalsutra”. Our strength is in manufacturing Mangalsutra and Antique Jewellery. However, in order to cater to our customers taste, preference, choice and the ever changing trends in the jewellery, we offers our customers a wide variety of traditional, Indo-western, & modern jewellery also. We also customize the jewellery according to the individual needs, to keep pace with the latest trends in the market. As well as to satisfy our consumer requirements, we strive to continuously develop new jewellery designs and themes.

The major raw material used for making our mangalsutra and other jewellery's is gold, black pearls, stones, kundan etc. We source our gold bar from bullion market & local markets in Ahmedabad. Black pearls and other raw material is sourced from local market of Ahmedabad and from Jaipur. Our promoters, Mr. Priyank S. Shah and Mr. Pulkitkumar S. Shah have 10 years and 8 years of experience in gems and jewellery industry, respectively.

OUR COMPETITIVE STRENGTHS:

- Established brand name
- Quality Products
- Well established relationship with our Supplier

OUR BUSINESS STRATEGIES

- Innovation In Designing
- Enhancing Operating Effectiveness and Efficiency
- Continue to maintain strong relation with existing Customers
- Marketing

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company recognizes that its employees are integral part of its success. Sound human resource practices have been followed which is aligned with Company's philosophy. It believes that they are the vital asset responsible for continued success of the Company. Our Company wishes to put on record its deep appreciation for the co-operation and efforts of its employees for the betterment of the organization. The total number of employees as on 31st March, 2020 is 9.

INTERNAL CONTROL:

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest.

Independent Auditor's Report

To the Members of S M Gold Limited.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **S M Gold 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 give 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 has 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 BHAGAT & CO.
Chartered Accountant SD/-

S/d
CA Sandeep Mulchandani
(Partner)
Membership No. 144241
Firm Reg. No.127250W

Place:- Ahmedabad
Date: 31/07/2020

“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 adopted a programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. 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.

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

(iii) 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’).

(iv) 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.

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

(vi) 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.

(vii)

(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.

(ix) The Company has not any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(x) 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.

(xi) 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.

(xii) 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.

S. M. Gold Limited.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with 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.

(xiv) 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 preferential allotment of shares during the year.

(xv) 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.

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

**For BHAGAT & CO.
Chartered Accountant SD/-**

**S/d
CA Sandeep Mulchandani
(Partner)
Membership. No. 144241
Firm Reg. No.127250W**

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

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 **SM Gold 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 BHAGAT & CO.

Chartered Accountant SD/-

S/d

CA Sandeep Mulchandani

(Partner)

Membership. No. 144241

Firm Reg. No.127250W

Place:- Ahmedabad

Date: 31/07/2020

S. M. Gold Limited.

S. M. GOLD LIMITED			
BALANCE SHEET AS AT 31st MARCH, 2020			
Particulars	Note No.	2020	2019
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	6,69,16,730	66916730
(b) Reserves and Surplus	2	6,15,94,361	60187433
(c) Money received against share warrants			
<u>(2) Share Application money pending allotment</u>			
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings			
(b) Deferred Tax Liabilities (Net)		4,820	4,820
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	3	4,02,75,867	1,50,26,117
(b) Trade Payables	4	1,88,600	0
(c) Other Current Liabilities	5	14,15,960	1,83,676
(d) Short-Term Provisions	6	9,85,944	3,46,398
Total Equity & Liabilities		17,13,82,282	14,26,65,174
II.ASSETS			
<u>(1) Non-Current Assets</u>			
<i>(a) Fixed Assets</i>			
(i) Property, Plant and Equipment	7	89,55,373	538963
(ii) Intangible Assets			
(iii) Capital work in progress			
(b) Non-current investments		3,40,93,369	-
(c) Deferred tax assets (net)			
(d) Long term loans and advances			
(e) Other non-current assets	8	7,34,438	918048
<u>(2) Current Assets</u>			
(a) Current investments			
(b) Inventories		10,37,53,429	104805523
(c) Trade receivables	9	2,02,06,255	20359999
(d) Cash and cash equivalents	10	1,63,556	10665240
(e) Short-term loans and advances	11	15,00,000	2770000
(f) Other current assets	12	19,75,861	2607401
Total Assets		17,13,82,282	14,26,65,174
NOTES TO ACCOUNTS	21		
Notes referred to above and notes attached there to form an integral part of Balance Sheet			
This is the Balance Sheet referred to in our Report of even date.			
FOR , BHAGAT & CO.	For, S. M. GOLD LIMITED		
CHARTERED ACCOUNTANTS	Sd/-	Sd/-	
Sd/-			
(CA Sandeep H Mulchandani)	Pulkit S. Shah	Pulkit S Shah	
(PARTNER)	(Managing Director)	(Director)	
M No. : 144241			
FRN No. 127250W			
Place : Ahmedabad			
Date : 31.07.2020			

S. M. Gold Limited.

S. M. GOLD LIMITED				
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2020				
Sr. No	Particulars	Note No.	2020	2019
I	Revenue from operations	13	28,57,64,475	26,31,81,112
II	Other Income	14	60,66,182	8,41,267
III	III. Total Revenue (I +II)		29,18,30,657	26,40,22,379
IV	<u>Expenses:</u>			
	Cost of materials consumed	15	27,85,37,151	35,09,76,052
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	10,52,094	(9,19,92,429)
	Employee Benefit Expense	17	46,47,063	10,70,710
	Financial Costs	18	29,24,852	5,49,693
	Depreciation and Amortization Expense	19	2,89,614	2,75,500
	Other Administrative Expenses	20	24,72,955	28,61,249
	Total Expenses (IV)		28,99,23,729	26,37,40,775
V	Profit before exceptional and extraordinary items and tax	(III - IV)	19,06,928	2,81,604
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		19,06,928	2,81,604
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		19,06,928	2,81,604
X	<u>Tax expense:</u>			
	(1) Current tax		5,00,000	73,000
	(2) Defferd tax		-	-
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	14,06,928	2,08,604
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)		14,06,928	2,08,604
	Add:- Transfer from reserve		-	-
	Less: Proposed Dividend		-	-
	Less: Tax on Dividend		-	-
	Balance Carried Forward to Balance Sheet		14,06,928	2,08,604
XVI	Earning per equity share:			
	(1) Basic		0.21	0.03
	(2) Diluted		0.21	0.03
NOTES TO ACCOUNTS		21		
<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 , BHAGAT & CO.			For, S. M. GOLD LIMITED	
CHARTERED ACCOUNTANTS			Sd/-	Sd/-
Sd/-			Pulkit S Shah	Priyank S Shah
(CA Sandeep H Mulchandani)			Managing Director	Director
(PARTNER)				
M No. : 144241				
FRN No. 127250W				
Date: 31/07/2020				
Place: Ahmedabad				

S. M. Gold Limited.

S. M. GOLD LIMITED			
STATEMENT OF CASH FLOW			
PARTICULARS		31st March, 2020	31st March, 2019
A	<u>Cash Flow from Operating Activities :</u>		
	Net Profit/(Loss) before tax	19,06,928	2,81,604
	Adjustments for:		
	Finance Cost	2924852.27	549693
	Depreciation	289614	275500
	Interest		
	Operating Profit before working capital changes	51,21,394	11,06,797
	Increase / (Decrease) in short term borrowings	25249750.47	13756988
	Increase / (Decrease) in Trade Payables	1,88,600	(25,90,000)
	Increase / (Decrease) in Other Current Liabilities	12,32,284	(32,19,268)
	Increase / (Decrease) in Short term provision	6,39,546	(3,23,800)
	(Increase) / Decrease in Inventories	10,52,094	(9,19,92,429)
	(Increase) / Decrease in Trade Receivable	153744	22458532
	(Increase) / Decrease in Other current assets	(8,68,460)	(24,10,707)
	(Increase) / Decrease in Short Term Loans & Advances	12,70,000	(27,70,000)
	Operating Profit after working capital changes	3,40,38,952	(6,59,83,887)
	Less: Income Tax Paid	73000	73000
	Net Cash from/ (used in) Operating Activities	(A) 3,39,65,952	(6,60,56,887)
B	<u>Cash Flow from Investing Activities :</u>		
	(Purchase)/ Sale of Fixed Assets	8,62,589	91,06,026
	(Purchase)/ Sale of Current Investments		
	Net Cash from/ (used in) Investing Activities	(B) -	-
C	<u>Cash Flow from Financing Activities :</u>		
	Increase / (Decrease) in Long Term Borrowings	-	-
	Proceeds from application money pending allotment	-	-
	Proceeds from Issue of shares	0	25000000
	Proceeds from Securities Premium	0	50000000
	Share Issue Expense	1,83,610	(3,62,500)
	Finance Cost paid	(29,24,852)	(5,49,693)
	Adjustments in retained earnings	(37)	(37)
	Net Cash from/ (used in) Financing Activities	(C) -2741278.77	74087770.5
	Net Increase/ (Decrease) in Cash & Cash Equivalents	(A+B+ C) 3,12,24,674	80,30,884
	Cash & Cash Equivalents as at the beginning of the year	1,06,65,240	(60,71,669)
	Cash & Cash Equivalents as at the end of the year	1,63,556	1,06,65,240
	FOR , BHAGAT & CO	For, S. M. GOLD LIMITED	
	CHARCTERED ACCOUNTANTS		
	Sd/-	Sd/-	Sd/-
	(CA Sandeep H Mulchandani)	Pulkit S Shah	Priyank S Shah
	(PARTNER)	Managing Director	Director
	M No. : 144241		
	FRN No. 127250W		
	Date: 31/07/2020		
	Place: Ahmedabad		

Note : 1 Share Capital

Sr. No	Particulars	2020	2019
1	<u>AUTHORIZED CAPITAL</u>		
	72,00,000 Equity Shares of Rs. 10/- each.	7,20,00,000	7,20,00,000
		7,20,00,000	7,20,00,000
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
	<i>To the Subscribers of the Memorandum</i>		
	41,91,673 Equity Shares of Rs. 10/- each.		
	66,91,673 Equity Shares of Rs. 10/- each.	6,69,16,730	6,69,16,730
	Total in `	6,69,16,730	6,69,16,730

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

Sr. No	SHARE HOLDER'S NAME	2020	2019
1	Priyank S Shah	39,21,230	39,21,230
		58.60%	58.60%
2	Veeram vendors private limited	3,40,000	3,40,000
		5.08%	5.08%
3	Vivid Offset Printers Private Limited	344000	
		5.14%	

Note : 2 Reserve & Surplus

Sr. No	Particulars	2020	2019
1	Capital Reserve		
2	Capital Redemption Reserve		
3	Securities Premium reserve	5,81,83,340	5,81,83,340
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Shares Option Outstanding Account	-	-
7	Other Reserve (Special Reserve)	-	-
8	Surplus (Profit & Loss Account)	34,11,021	20,04,093
9	Balance brought forward from previous year	20,04,093	17,95,489
10	Less: Tax on Regular Assessment Paid		
11	Add: Transfer to Profit and Loss A/c		
2	Add: Profit for the period	14,06,928	2,08,604
	Total in `	6,15,94,361	6,01,87,433

Note : 3 Short Term Borrowings

Sr. No	Particulars	2020	2019
1	Loans from Directors		
	Priyank S Shah	9,65,115	-
	Pulkit Shah	5,54,038	2,98,100
2	Bank OD-Yes Bank	1,14,21,854	1,47,28,017
3	Axis Bank	2,73,34,860	-
	Total in `	4,02,75,867	1,50,26,117

Note : 4 Trades Payable

Sr. No	Particulars	2020	2019
a)	Sundry Creditors for Materiel/Supplies:		
1	Chokshi Brothers	1,88,600	-
	Total in `	1,88,600	-

Note : 5 Other Current Liabilities

Sr. No	Particulars	2020	2019
	Others		
1	Creditors for Expenses	14,15,960	183676
	Total in `	14,15,960	1,83,676

Note : 6 Short Term Provisions

Sr. No	Particulars	2020	2019
1	Provision For Tax	6,99,258	2,86,398
2	Audit Fees Payable	42,000	60,000
3	Accounting Fees Payable	60,000	
4	Unpaid Legal Fees	30,000	
5	TDS Payable	1,54,686	
	Total in `	9,85,944	3,46,398

S. M. Gold Limited.

S. M. GOLD LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2020

<i>Note : 7 Fixed Asset</i>											
I. Fixed Assets											
Sr No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction 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
I	Tangible Assets										
1	Activa	30,085		-	30,085	8,722	5531	-	14,253	15,832	21,363
2	Air Condition	50,358	89,064	-	1,39,422	10,322	23368	-	33,690	1,05,732	40,036
3	Computer	2,770	4,915	-	7,685	1,854	1583	-	3,437	4,248	916
4	Mobile	8,325	43,749	-	52,074	1,706	8119	-	9,825	42,249	6,619
5	Plant and Machinery	47,364		-	47,364	7,031	4554	-	11,585	35,779	40,333
6	Printer	9,215		-	9,215	1,889	1326	-	3,215	6,000	7,326
7	Refrigerator	32,038	48,729	-	80,767	6,567	13140	-	19,707	61,060	25,471
8	Safe	21,867		-	21,867	6,340	4020	-	10,360	11,507	15,527
9	Skoda Rapid Car	6,35,567	11,43,128	4,00,000	13,78,695	2,74,286	219709	-	4,93,995	8,84,700	3,61,281
10	Weighing Scale	25,000		-	25,000	4,911	3636	-	8,547	16,453	20,089
11	Office C.G. Raod	-	77,50,000		77,50,000	-	0		-	77,50,000	-
12	Furniture & Fixture	-	6,102		6,102	-	1068		1,068	5,034	-
13	Water Purifier	-	20,339		20,339		3560		3,560	16,779	-
	Total	8,62,589	91,06,026	4,00,000	95,68,615	3,23,628	2,89,614	-	6,13,242	89,55,373	5,38,963

Note : 8 Other Non Current Assets

Sr. No	Particulars	2020	2019
	<u>Unamortised Expenditure</u>		
	Miscellaneous Expenditure	7,34,438	9,18,048
	Total in `	7,34,438	9,18,048

Note :9 Trade Receivables

Sr. No	Particulars	2020	2019
(A)	<u>Outstanding for Less than six months</u>		
1	C.H. Jewellers Pvt. Ltd	20,79,840	-
2	Kalyan Jewellers India Ltd (Labour Work)	32,880	-
3	Ratnamani Jewellers -Mumbai	19,13,772	-
4	R.O. Jewels Ltd	1,13,29,772	-
5	Rumil Ornaments	16,42,931	-
6	Soni Bhaktilal Nanalal & Sons	5,00,560	-
7	Suvidhi Gold Pvt. Ltd	11,45,000	-
8	Nakoda Agro Product	15,61,500	-
9	Veeram Securities Limited	-	1,25,57,199
10	Ujala Finsec	-	44,00,000
11	U H Zaveri Limited	-	2,40,000
12	Jay Ashirwad	-	15,00,000
13	Hreenkarshree	-	16,62,800
	Total in `	2,02,06,255	2,03,59,999

Note : 10 Cash & Cash Equivalent

Sr. No	Particulars	2020	2019
1	<u>Cash-in-Hand</u>		
	Cash Balance	1,41,454	4,60,114
	Sub Total (A)	1,41,454	4,60,114
2	<u>Bank Balance</u>		
	Tamilnad Marcentile Bank Ltd	22,102	1,02,05,126
	Sub Total (B)	22,102	1,02,05,126
	Total [A + B]	1,63,556	1,06,65,240

Note : 11 Short-term loans and advances

Sr. No	Particulars	2020	2019
1	Hemant Patel	15,00,000	15,00,000
2	Nakoda agro product	0	6,00,000
3	Priyankbhai s shah HUF	0	6,70,000
	Total in `	15,00,000	27,70,000

Note : 12 Other Current Assets

Sr. No	Particulars	2020	2019
1	Duties and Taxe-GST receivable	6,22,330	16,17,114
2	Advance Income Tax	2,95,000	-
3	TDS Receivable	1,15,893	-
4	Prepaid Insurance Exp	87,277	-
5	Other current Assets	8,55,361	9,90,287
	Total in `	34,75,861	26,07,401

Note : 13 Revenue from Operations

Sr. No	Particulars	2020	2019
1	Sales	28,57,64,475	26,31,81,112
2	Job work Income		
	Total in `	28,57,64,475	26,31,81,112

Note : 14 Other Income

Sr. No	Particulars	2020	2019
1	Other Charges	-	7,44,246
2	Dividend Income	18,800	-
3	Profit on sales Of Assets	1,07,960	
4	Interest Income	1,44,870	97,021
5	Labour Income	57,94,552	
	Total in `	60,66,182	8,41,267

Note : 15 Cost of Material Consumed

Sr. No	Particulars	2020	2019
a)	<u>PURCHASES OF RAW MATERIALS AND STORES</u>		
1	Purchases	27,79,30,151	35,09,76,052
2	Logistics Services	6,07,000	-
	Total in `	27,85,37,151	35,09,76,052

Note : 16 Change in Inventories

Sr. No	Particulars	2020	2019
1	Opening Stock	10,48,05,483	1,28,13,054
2	Closing Stock	10,37,53,389	10,48,05,483
	Total in `	10,52,094	9,19,92,429

Note : 17 Employment Benefit Expenses.

Sr. No	Particulars	2020	2019
1	Directors Remuneration	24,00,000	3,60,000
2	Salary Expense	22,47,063	7,10,710
	Total in `	46,47,063	10,70,710

Note : 18 Finance Cost

Sr. No	Particulars	2020	2019
1	Bank charges	2,79,452	1,281
2	loan processing Charges	1,82,062	1,69,000
3	Interest on bank loan	24,63,339	3,79,412
	Total in `	29,24,852	5,49,693

Note : 19 Depreciation & Amortized Cost

Sr. No	Particulars	2020	2019
1	Depreciation	2,89,614	2,75,501
2	Amortisation Expense	-	-
	Total in `	2,89,614	2,75,501

Note : 20 Other Administrative Expenses

Sr. No	Particulars	2020	2019
1	Electric Expenses	48,040	24,620
2	Office Expenses	2,11,180	3,11,587
3	Rent	-	-
4	Legal and professional fees	30,000	30,000
5	Audit Fees	30,000	30,000
6	Accounting Fees	60,000	56,000
7	Exhibition Expenses	14,58,910	5,78,950
8	Miscellaneous Expenses	4,21,065	17,51,967
9	NSDL & ROC Expenses	2,13,760	78,125
	Total in `	24,72,955	28,61,249

Significant Accounting Policies and Notes forming part of Accounts

Note : 21

NOTES ON ACCOUNTS

1. Previous year's figures are not stated as it is a newly incorporated company.
2. 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.
3. 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.
4. In the opinion of the Board, the current assets are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
5. 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	30000/-	30,000/-

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

**FOR, BHAGAT & CO.
CHARTERED ACCOUNTANTS**

FOR AND ON BEHALF OF THE BOARD

Sd/-
CA Sandeep Mulchandani
PARTNER
MEM. NO.: 144241
FRN NO:-127250W

Sd/-
Pulkit S Shah
(Managing Director)

Sd/-
Priyank S Shah
(Director)

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 if any 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

This is the First year of the company so prior period are not applicable.

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 defined in AS-18:

Sr. No	Name	2019-20	Relationship	Nature of transaction
1.	Priyank S Shah	12,00,000	Director	Remuneration
2.	Pulkit S Shah	12,00,000	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

**Registered Office: Shop No-1,916 Building, Opp. Luhar Ni Pole M.G Haveli Road ,
Manekchowk Ahmedabad 380001 Gujarat, India**

Email- compliancesmgold@gmail.com Tele No- 079-22114411 Website: www.smgold.in

3rd Annual General Meeting – Wednesday, 23rd September, 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, 23rd September, 2020 at 2.30 PM at **Shop No-1,916 Building, Opp. Luhar Ni Pole M.G Haveli Road , Manekchowk Ahmedabad 380001 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 Extraordinary General Meeting for reference at the meeting.

Registered Office: Shop No-1,916 Building, Opp. Luhar Ni Pole M.G Haveli Road , Manekchowk Ahmedabad 380001 Gujarat, India

Email- compliancesmgold@gmail.com Tele No- 079-22114411 Website: www.smgold.in

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]

3rd Annual General Meeting – Wednesday, 23rd September, 2020

Name of the shareholder(s): _____

Registered Address: _____ E-mail ID: _____

Folio No ./Client Id : _____ DP ID : _____

I/We, being member(S) of S.M.Gold 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 **3rd Annual General Meeting** of the Company to be held on – Wednesday, 23rd September, 2020 at 2.30 PM at Shop No-1,916 Building, Opp. Luhar Ni Pole M.G Haveli Road , Manekchowk Ahmedabad 380001 Gujarat. And/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	VOTING	
		FOR	AGAINST
ORDINARY BUSINESS			
1.	To receive, consider and adopt Audited Financial Statement of the Company for the financial year ended on March 31 st , 2020 together with Report of Board of Directors and Auditors' Report thereon.		
2.	To appoint a Director in place of Mr. Priyank Sureshkumar Shah (DIN: 007878194) , who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.		
SPECIAL BUSINESS			
3	To Increase in Authorized Share Capital		
4	To Alteration in Memorandum of Association of the Company		
5	To Issue Bonus Shares		

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.

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

Shop No-1, 916 Building, Opp. Luhar Ni Pole M.G Haveli Road , Manekchowk, Ahmedabad
380001 Gujarat, India

