

Date: 29/08/2019

To,  
The Manager,  
Listing Department,  
**BSE Limited,**  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai 400001

Dear Sir,

**Sub: Addendum to Annual Report for the Financial Year 2018-19**  
**Scrip Code: 540545**

With reference to the above subject and as per Regulation 34 of SEBI (LODR) Regulations, 2015, we wish to inform you that the Company has sent notice of AGM to shareholders and filed Annual Report for the year 31st March 2019. However, there was a minor change in the content of the 4<sup>th</sup> Resolution of the notice of AGM for the Annual Report 2018-19. Revised Resolution is attached herewith for your reference. The same has been forwarded to Shareholders

You are requested to take the same on your record.

Thanking You

**FOR, BHAKTI GEMS AND JEWELLERY LIMITED**

29/8/2019, 11/11/19  
**AKSHAY SEVANTILAL MEHTA**  
Managing Director  
(DIN: 02986761)



#### 4. 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 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 2009 (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. 1,30,77,900/- (Rupees One Crore Thirty lacs seventy seven Thousand nine hundred 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 15 (Fifteen) new Fully Paid up Equity Shares of Rs. 10/- (Rupees Ten Only) each for every 100 (Hundred) 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 date of closure of Transfer Books 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.

**RESOLVED FURTHER 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.

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

**ITEM NO - 4:**

The Board of Directors at their meeting held on 26th August, 2019, recommended issue of bonus shares in proportion of 15 (Fifteen) share for every 100 (hundred) 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. 1,30,77,900/- (Rupees One Crore Thirty lacs seventy seven Thousand Nine Hundred 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.

The above may be read in conjunction with the Annual Report.

To,  
The Manager,  
Listing Department,  
**BSE Limited,**  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Mumbai 400001

Dear Sir,

**Sub: Submission of Annual Report for the year 2018-19**  
**Scrip Code: 540545**

With reference to the above subject and as per Regulation 34 of SEBI (LODR) Regulations, 2015 please find attached herewith Annual Report of financial year 2018-19.

Please take the information on record.

Thanking You

**FOR, BHAKTI GEMS AND JEWELLERY LIMITED**

27/8/2019, 11:11 AM  
**AKSHAY SEVANTILAL MEHTA**  
**Managing Director**  
**(DIN: 02986761)**



**Date: 27.08.2019**  
**Place: Ahmedabad**



## NOTICE OF 09<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the **9<sup>TH</sup> ANNUAL GENERAL MEETING** of the members of **Bhakti Gems and Jewellery Limited** ("the Company") will be held on **Saturday, the 21<sup>st</sup> day of September, 2019 at 11:00 A.M** at the registered office of the Company at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Near Circle - P, C. G. Road, Ahmedabad-380009, Gujarat, India to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt Financial Statement including Audited Balance Sheet of the Company as at March 31<sup>st</sup>, 2019 and statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with Board of Directors' and Auditors' Report thereon.
2. To appoint a director in place of Mr. Akshay Sevantilal Mehta (DIN: 02986761) who retires by rotation, and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

#### 3. To increase in Authorised Share Capital of the company

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

**"RESOLVED THAT** pursuant to the provisions of section 61 and 13 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and in terms of applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force), and provisions of the Articles of Association, approval of the members, be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 10,01,00,000 (Rupees Ten Crores One Lakh only) divided into 1,00,10,000 (One Crore Ten Thousand) equity shares of Rs.10/- each to Rs. 10,04,00,000 (Rupees Ten Crores Four Lakh only) divided into 1,00,40,000 (One Crore Forty Thousand) equity shares of Rs.10/- each by creating additional 30,000 (Thirty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each and consequently Clause No. V of the Memorandum of Association of the Company be and is hereby substituted by the following:

**V. The authorized share capital of the Company is Rs. 10,04,00,000 (Rupees Ten Crores Four Lakh only) divided into 1,00,40,000 (One Crore Forty Thousand) Equity Shares of Rs. 10/- each.**

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all such acts, deeds, matters and things as may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any questions, difficulties or doubts that may arise in regard to the increase in Authorized Share Capital of the Company and consequent amendment in the Memorandum of Association of the Company as they may think fit."



#### 4. To Issue Bonus Shares.

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

**“RESOLVED THAT** pursuant to the provisions of Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including rules notified thereunder, as may be amended from time to time, (including any statutory modifications or re-enactment thereof for the time being in force), Articles of Association of the Company and subject to the approval of the Government, the consent of the board be and is hereby accorded to recommend to the Shareholders to issue fully paid up Bonus Shares at the ratio of 15:100 i.e. holder of 100 Equity Shares shall be issued 15 fully paid equity shares each, aggregating to further issue of 13,07,784 Equity shares of Rs. 10/- each amounting to Rs. 13,07,78,400 by capitalizing the General Reserves to the extent of Rs. 13,07,78,400 for distribution among the holders of existing fully paid equity shareholders of the Company, whose names will be appearing in the Register of Members/Beneficial Owners Position of the Company on the Record Date”.

**“RESOLVED FURTHER THAT** the new equity bonus shares of 10/- each to be allotted and issued as bonus shares shall be subject to the terms of Memorandum & Articles of Association of the Company and shall rank pari-pasu in all respects with and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend(s) to be declared after the bonus shares are allotted”.

**“RESOLVED FURTHER THAT** no letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus shares shall be issued and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the new equity bonus shares will be credited to the demat account of the allottees, who are holding the existing equity shares in demat form”.

**“RESOLVED FURTHER THAT** the allotment of the new equity bonus shares to the extent that they relate to non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 as may be deemed necessary”.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to fix the record date, make public announcement and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) which they think fit and proper.”





**5. To Appoint Mr. Meet Prafulchandra Mehta (DIN: 07542183) as a Non-Executive Director of the Company.**

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

‘Resolved That pursuant to the provisions of Sections 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modifications or re-enactment(s) thereof and any rules made thereunder, for the time being in force, Mr. Meet Prafulchandra Mehta (DIN: 07542183), who was appointed as an Additional Director of the Company with effect from 24th July, 2019 and whose term expires at this AGM, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Non-Executive Director be and is hereby appointed as a Non-Executive Director of the Company whose office is liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to sign the form DIR-12 and make arrangement to file the same with Registrar of Companies and intimate to Stock Exchange(s) and to take such other steps as may be necessary in this regard.”

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

Place: Ahmedabad  
Date: 26<sup>th</sup> August, 2019

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

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

**NOTES**

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.
2. Members/Proxies are advised to bring the enclosed Attendance Slip duly filled in for attending the meeting along with the Annual Report already circulated to them. Duplicate admission slips and or copies of the report and accounts will not be provided at the AGM venue.
3. Corporate Members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act 2013 to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. A person authorised by resolution under Section 113(1) of the Companies Act, 2013, shall be entitled to exercise the same rights and powers, including the right to vote by proxy, on behalf of the body corporate which he/she represents.
4. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday 14<sup>th</sup> September, 2019 to Saturday, 21<sup>st</sup> September, 2019 (Both days inclusive).
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. 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.
8. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, SKYLINE FINANCIAL SERVICES PVT. LTD for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
9. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication.





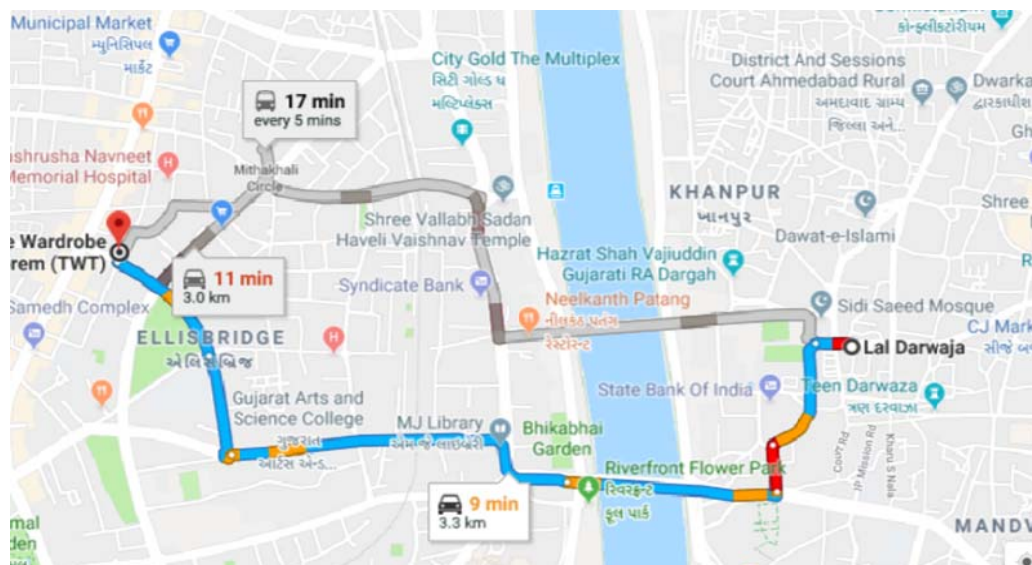
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 & the Register of Contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be made available for inspection by the members at the AGM venue during the continuance of the meeting.
11. All the Documents referred to in the notice are open for inspection at the registered office of the Company between 11 A.M. to 5.00 P.M on any working day prior to the day of meeting and will also be available at the meeting venue on the date of meeting.
12. 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.
13. Pursuant to Regulation 36 (3) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, the details of Directors seeking appointment / re-appointment in the Annual General Meeting to be held on Saturday, 21 September, 2019 are provided hereunder.

<b>Name of Director</b>	<b>Akshay Sevantilal Meht</b>	<b>Meet Prafulchandra Mehta</b>
Date of Birth	25.05.1972	18.09.1990
Date of appointment	30.03.2010	24.07.2019
Relationships between directors Inter-se	He is Husband of Varshaben Akshay Mehta	Nil
Qualification	He has completed matriculation.	Bachelor in Business Administration.
Directorship held in other companies	Nil	Nil
Expertise in specific functional areas	Specialist in field of Gems and Jewellery.	Specialist in field of Finance.
Number of shares held in the Company at 31.03.2019	50,16,385	Nil



14. The venue of AGM is as follows:

**Route map to the Venue of the 09<sup>th</sup> Annual General Meeting**



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

Place: Ahmedabad  
Date: 26<sup>th</sup> August, 2019

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

Registered Office:

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

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

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**ITEM NO - 3:**

As per item Nos. 4 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. 10,01,00,000 (Rupees Ten Crores One Lakh only) to Rs. 10,04,00,000 (Rupees Ten Crores Four Lakh only) as per the resolution.

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 are in any way concerned or interested in the resolution.

**ITEM NO - 4:**

The Board of Director at their meeting held on 26<sup>th</sup> August, 2019 subject to consent of members in a general meeting, recommended the issue of Bonus Shares worth Rs. 13,07,78,400/- in proportion of 15 equity shares of Rs. 10/- each for every 100 existing equity shares of Rs. 10/- each of the Company held by members.

The proposal for issuance of Bonus Shares is made to provide liquidity to the equity shares by increasing the available number of equity shares in the market and also to reward the members by allotting bonus shares.

The Bonus Shares so allotted shall rank pari passu in all respects including dividend with the existing equity shares of the Company.

Pursuant to section 63 of the Companies Act, 2013, the Company cannot issue Bonus Shares without the consent of the members of the Company. Therefore, it is proposed to obtain the consent of the members to issue Bonus Shares.

None of the Directors is concerned or interested in this resolution except their respective shareholding in the Company.

**ITEM NO - 5:**

The Board of Directors of the Company at its Meeting held on 24th July, 2019 has appointed Mr. Meet Prafulchandra Mehta as an Additional Director designated as Non- Executive Directors of the Company in terms of provisions of the Companies Act, 2013.

As per Section 161 of the Companies Act, 2013 Mr. Meet Prafulchandra Mehta can hold office upto the date of ensuing Annual General Meeting. Consent to act as a Director as well as disclosure for non-disqualification as required under the Companies Act, 2013 have already been received from Mr. Meet Prafulchandra Mehta.

Except Mr. Meet Prafulchandra Mehta none other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no. 3 of the Notice.

The Board recommends the ordinary resolution set out at Item no. 3 to the Notice for approval of Members.

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

Place: Ahmedabad  
Date: 26<sup>th</sup> August, 2019

Akshay S. Mehta  
Managing Director  
DIN: 02986761



## **DIRECTOR'S REPORT**

**Dear Members,**

Your Directors have pleasure in presenting their 9<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

### **1. FINANCIAL RESULTS**

The Financial performance of the company for the year ended 31<sup>st</sup> March, 2019 is summarized as follows:

<b>Particular</b>	<b>Year Ended On 31<sup>st</sup> March, 2019</b>	<b>Year Ended On 31<sup>st</sup> March, 2018</b>
Income	62,37,63,536	38,89,78,838
Less: Expenditure	(62,27,78,046)	(38,63,72,461)
Profit/(Loss) Before Depreciation and Taxes	9,85,490	26,06,377
Less: Depreciation	(99,440)	(79,892)
Net Profit/(Loss) Before Tax	8,86,050	25,26,486
Less: Provision For Tax	(2,00,000)	(6,50,000)
Deferred Tax	(24,368)	(24,729)
Profit/(Loss) After Tax	6,61,682	18,51,757

### **2. FINANCIAL HIGHLIGHTS**

Your Company posted a total revenue of Rs. 62,37,63,536 in the financial year ended on 31 March 2019. Profit after tax is Rs. 6,61,682 in the financial year ended on 31 March 2019.

### **3. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

No change of business occurs during the year under review.

### **4. DIVIDEND**

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

### **5. RESERVES**

The amounts, as on ended of financial year, Reserves are Rs. 5,86,66,283/-

### **6. SHARE CAPITAL**

During the year under review the company has allotted 19,04,760 Equity shares to the Promoters and non promoters on preferential basis as on 17<sup>th</sup> December, 2018. The paid-up equity share capital as on 31 March 2019 stood Rs. 8,71,85,600.



## 7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

## 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of five members as on 31 March 2019, two of whom are Promoters and Non-Independent Directors and the remaining three are Independent Directors.

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

Name	Designation	Date of Appointment
Akshay Sevantilal Mehta	Managing Director	30/12/2016
Varshaben Akshay Mehta	Whole Time Director	17/03/2017
Pratikumar Rameshbhai Valani	Chief Financial Officer	07/03/2017
Shalu Agrawal Singhania	Company Secretary	29/06/2019

During the year under review Mr. Nirav Arvindkumar Shah has resigned as Company Secretary and Compliance Officer of the Company.

The Board of Director has appointed Mrs. Shalu Agrawal Singhania as a Company Secretary and Compliance Officer of the company w.e.f. 29<sup>th</sup> June, 2019. Except above there is no other changed in Board and key Managerial Personnel of the company.

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

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

### • RETIREMENT BY ROTATION

In accordance with the provisions of the Companies Act, 2013 Mr. Akshay Sevantilal Mehta, Managing Director of the company who is liable to retire by rotation, being eligible for reappointment, offers himself for reappointment. Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM.

## 9. MEETINGS

### Board Meeting

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





During the Financial Year under review, the Board of Directors of the Company met Eight times i.e 11 April 2018, 30 May 2018, 16 August 2018, 31 October 2018 and 14 November 2018, 03 December, 2018, 17 December, 2018 and 11 March, 2019.

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

Sr. No.	Name of the Director	Category & Position	No. of Board meetings held during the year	No. of Board meetings attended
1	Akshay Sevantilal Mehta	Managing Director	8	8
2	Varshaben Akshaykumar Mehta	Wholetime Director	8	8
3	Vijaykumar Bhikhabhai Patel	Non-Executive and Independent Director	8	8
4	Milan Chandrakant Dave	Non-Executive and Independent Director	8	8
5	Hardikkumar Hemendrakumar Shah	Non-Executive and Independent Director	8	8

## 10. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Various Committees.

## 11. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with explanation relating to material departures;
- 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;
- 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;
- The directors have prepared the annual accounts on a going concern basis; and
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.



- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

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

## 13. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS

### A. AUDIT COMMITTEE:

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

#### ➤ Composition:

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

#### ➤ Terms of reference:

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

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



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

## B. NOMINATION AND REMMUNERATION COMMITTEE:

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

### ➤ Composition:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIP	REMARKS	NUMBER OF MEETINGS	
			Held	Attended
Manoharbai B Chunara	Non-Executive & Independent Director	Chairman	1	1
Milan C Dave	Non-Executive & Independent Director	Member	1	1
Vijaykumar B Patel	Non-Executive & Independent Director	Member	1	1

### ➤ Terms of reference:

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

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

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



### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

#### ➤ Composition:

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

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

The Company has not received any complaints during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2019 are NIL.

### 14. AUDITORS

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

The Board has duly reviewed the Statutory Auditors' Report of M/s. Parth Shah and Associates for the financial year ended on 31 March 2019 and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/ clarification by the Board of Directors as provided under Section 134 of the Companies Act, 2013.

### 15. AUDITORS' REPORT

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

### 16. SECRETARIAL AUDITOR

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

**17. DISCLOSURE ABOUT COST AUDIT**

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

**18. INTERNAL AUDIT & CONTROLS**

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

**19. VIGIL MECHANISM**

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

**20. RISK MANAGEMENT POLICY**

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

**21. EXTRACT OF ANNUAL RETURN**

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

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

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

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

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

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

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

**25. DEPOSITS**

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

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

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

**27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 and Listing Obligation Disclosure Regulation (LODR), 2015 during the financial year ended March 31, 2019 are disclosed. Suitable disclosures as required under AS 18 have been made in the Financial Statement. It means there is no related party transaction.

**28. PARTICULARS OF EMPLOYEES**

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

**29. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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



**30. LISTING**

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

**31. PARTICULARS REGARDING EMPLOYEES:**

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

**32. HUMAN RESOURCES**

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

**33. CORPORATE GOVERNANCE**

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

**34. INSIDER TRADING REGULATIONS**

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

**35. ACKNOWLEDGEMENTS**

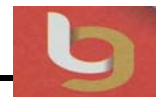
Your Directors place on record their gratitude for the continuing support of Shareholders, Bankers, various government authorities, members and business associates for their continued support and valuable co-operation.

**For and on behalf of Board of Directors**

DATE: 26/08/2019  
PLACE: Ahmedabad

**SD/-**  
**Akshay S Mehta**  
Managing Director

**SD/-**  
**Varshaben A Mehta**  
Whole time Director

**“Annexure – A”****Secretarial Audit Report for the financial year ended on 31<sup>st</sup> March, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Bhakti Gems And Jewellery Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhakti Gems And Jewellery Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **Bhakti Gems And Jewellery Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 According to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- c) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements ) Regulations 2018;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018.

**And in general, the Company has systems, process and procedure for the compliance of Other Laws Applicable to the Company.**

**I have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited.

**During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject to the following observation:**

- a) *Filing of certain forms with the Ministry of Corporate Affairs required under the Companies Act, 2013 was not done in time. However for late filing of forms the Company has paid additional fees.*

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.



I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- I. Redemption/buy-back of securities.
- II. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- III. Merger/ amalgamation/ reconstruction etc.
- IV. Foreign technical collaborations.

Date: 26/08/2019  
Place: Ahmedabad

For, Manohar Chunara  
Company Secretary

Sd/-  
Mem. No. 26983  
COP No. 10093

Note: This report is to be read with our letter of even date which is annexed as Annexure – I and forms an integral part of this report.

**Annexure – I**

To,  
The Members,  
**Bhakti Gems And Jewellery Limited**

Our report of even date is to be read along with this letter.

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

Date: 26/08/2019  
Place: Ahmedabad

For, Manohar Chunara  
Company Secretary

Sd/-  
Mem. No. 26983  
COP No. 10093



# Annexure B

## Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR END ON 31/03/2019

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

### I. REGISTRATION AND OTHER DETAILS:

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

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

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

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

i. **Category-wise Share Holding**

[illegible]

a) Bodies Corp. (i) Indian (ii) Overseas	-	-	-	-	1886190	-	1886190-	21.63%	21.63%
b) Individuals	114200	-	114200	1.68%	102200	-	102200	1.17%	(0.51%)
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	620000	-	620000	9.10%	530000	-	530000	6.08%	(3.02%)
	-		-						
Others(Resident Indian Huf)	1428000	-	1428000	20.96 %	120000	-	120000	1.38%	(19.58%)
Sub-total(B)(2)	2162200		2162200	31.73 %	2638390	-	2638390	30.26%	(1.47)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2162200		2162200	31.73 %	2638390	-	2638390	30.26%	(1.47)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	6813800	-	6813800	100.00 %	8718560		8718560	100%	21.85%

ii. **Shareholding of Promoters**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 01 <sup>st</sup> April, 2018)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2019)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	AKSHAY S MEHTA	4302100	63.14	-	5016385	57.54	-	(05.60)
2.	VARSHBEN A MEHTA	349500	5.13	-	1063785	12.20	-	7.07
	<b>Total</b>	<b>43,51,60</b>	<b>68.27</b>	<b>-</b>	<b>4651600</b>	<b>69.74</b>	<b>-</b>	

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

SN	PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE	REASON	Increase/ Decrease in share holding	CUMULATIVE SHAREHOLDING DURING THE YEAR	
		NO. OF SHARES	% OF TOTAL SHARES			NO OF SHARES	NO OF SHARES	% OF TOTAL SHARES
1	AKSHAY MEHTA S	4302100	63.14	17/12/2018	Allotment	7,14,285	50,16,385	57.54
2	VARSHBEN MEHTA A	349500	5.13	17/12/2018	Allotment	7,14,285	10,63,785	12.20

iv. **Shareholding pattern of Top Ten Shareholders**

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

Sr. no		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	DARSHAN ORNA LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>462000</b>	<b>6.78%</b>
	Changes during the Year Acquisition	216000	1.00%		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>678000</b>	<b>7.78%</b>
2	VIVID OFFSET PRINTERS PRIVATE				

	LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>576000</b>	<b>6.61%</b>
	Changes during the Year Acquisition	30,000	0.34%		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>606000</b>	<b>6.95%</b>
3	PINAL RAKSHITBHAI SHAH				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>500000</b>	<b>5.73%</b>
	Changes during the Year Sell	12000	(0.13%)		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>488000</b>	<b>5.60%</b>
4	ARDI ANVESTMENT AND TRADING COMPANY LTD				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>Nil</b>	<b>Nil</b>
	Changes during the Year Allotment of shares	357140	4.1%		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>357140</b>	<b>4.1</b>
5	BEELINE BROKING LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>210000</b>	<b>2.41</b>
	Changes during the Year Acquisition	204000	2.34%		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>6000</b>	<b>0.07</b>
6	RAKSHIT MAHENDRABHAI SHAH				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>120000</b>	<b>1.76</b>
	Changes during the Year	0	0		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>120000</b>	<b>1.76</b>
7	VEERAM VENDORS PRIVATE LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>Nil</b>	<b>Nil</b>
	Changes during the Year Allotment of Shares	119050	1.37		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>119050</b>	<b>1.37</b>
8	VEERAM ORNAMENTS LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>12000</b>	<b>0.14</b>
	Changes during the Year Acquisition	78,000	0.89		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			<b>90000</b>	<b>1.03</b>
9	MAHENDRABHAI RAMNIKLAL SHAH				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			<b>90000</b>	<b>1.32</b>
	Changes during the Year Acquisition				
	At the End of the year			<b>42000</b>	<b>0.48</b>

	(As on 31 <sup>st</sup> March, 2019)				
10	ALACRITY SECURITIES LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			42000	0.48
	Changes during the Year Acquisition	NIL	NIL		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			42000	0.48
11	GUINNESS SECURITIES LIMITED				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			6000	0.07
	Changes during the Year Acquisition	30000	0.34		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			36000	0.41
12	MITHALAL KACHARALAL PRAJAPATI				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			30000	0.34
	Changes during the Year Acquisition	Nil	Nil		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			30000	0.34
13	PARTH MANGALDAS SHAH				
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)			12000	0.14
	Changes during the Year Acquisition	Nil	Nil		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)			12000	0.14

**v. Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Name of Directors and Key Managerial Personnel	Shareholding during the year	
		No. of shares	% of total shares of the company
1	<b>AKSHAY S MEHTA</b>		
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)	43,02,100	63.14%
	Increase due to allotment of shares	7,14,285	
	At the End of the year (As on 31 <sup>st</sup> March, 2019)	50,16,385	57.54%
2.	<b>VARSHBEN A MEHTA</b>		
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)	3,49,500	5.13%
	Increase due to allotment of shares	7,14,285	
	At the End of the year (As on 31 <sup>st</sup> March, 2019)	10,63,785	12.20%



<b>3.</b>	<b>PRATIKKUMAR R. VALANI</b>		
	At the beginning of the year (As on 01 <sup>st</sup> April, 2018)	NIL	NA
	Increase due to acquisition of shares		
	At the End of the year (As on 31 <sup>st</sup> March, 2019)	NIL	NA

### **INDEBTEDNESS:**

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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtedness at the beginning of the financial year	2,74,54,656	3,70,000	-	2,78,24,656
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not				
<b>Total (i+ii+iii)</b>	2,74,54,656	3,70,000	-	2,78,24,656
Change in Indebtedness during the financial year				
- Addition	28,21,884	-		28,21,884
- Reduction	-	(3,70,000)		(3,70,000)
<b>Net Change</b>	28,21,884	(3,70,000)	-	24,51,884
Indebtedness at the end of the financial year	3,02,76,540	-	-	3,02,76,540
i) Principal Amount	-			
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>3,02,76,540</b>	<b>-</b>	<b>-</b>	<b>3,02,76,540</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD				Name of WTD	Total Amount
	NAME	AKSHAY SEVANTILAL MEHTA (MD)				VARSHABEN AKSHAY MEHTA	
1.	Gross salary	7,00,000				6,20,000	13,20,000
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	-				-	
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	-				-	
	(c)Profits in lieu of salary under section 17(3) Income- tax Act,1961	-				-	
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit - Others, specify...	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-
6.	Total(A)	-	-	-	-	-	13,20,000

**B. Remuneration to other directors: N.A**

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

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961  (b)Value of perquisites u/s 17(2)Income-tax Act,1961  (c)Profits in lieu of salary under section 17(3) Income-tax Act,1961	Nil	Nil	Nil	Nil
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as% of profit -others, specify...				
5.	Others, please specify				
6.	Total	Nil	Nil	Nil	Nil

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

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

**(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.

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

SL. No.	Particulars	Details	Details
a)	Name (s) of the related party & nature of relationship	<b>Akshay Mehta</b> He is Husband of Varsha Mehta	<b>Varsha Mehta</b> She is wife of Akshay Mehta
b)	Nature of contracts/arrangements/transaction	Remuneration of Rs. 7,00,000/-	Remuneration of Rs. 6,20,000/-
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	11/03/2019	11/03/2019
f)	Amount paid as advances, if any	NA	NA

**DATE:** 26/08/2019  
**PLACE:** AHMEDABAD

SD/- Managing Director      SD/- Whole Time Director

**“Annexure – D”****Policy of Nomination and Remuneration Committee of the Company****Policy for Identification Of Persons For Appointment And Removal As Director And Senior Managerial Personnel**

The Committee shall:

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

**TERM OF APPOINTMENT:**

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

**RETIREMENT:**

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

**POLICY FOR EVALUATION OF PERFORMANCE OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS****1. Evaluation of performance of Board and Individual Directors:**

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



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

**2. Evaluation of performance of Committee:**

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

**3. Review of the Implementation of this policy:**

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

**POLICY FOR REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

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

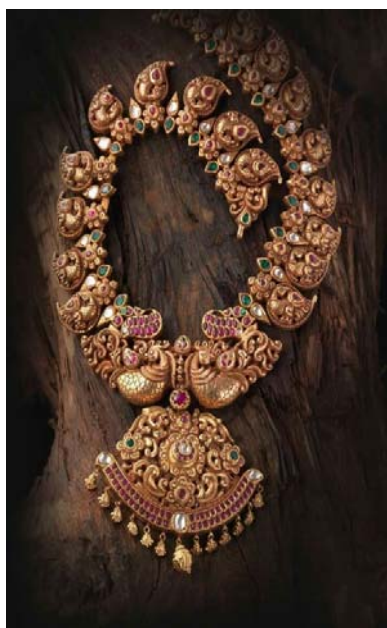


**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6-7 per cent of the country's GDP. One of the fastest growing sectors, it is extremely export oriented and labour intensive. Based on its potential for growth and value addition, the Government of India has declared the Gems and Jewellery sector as a focus area for export promotion. The Government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote 'Brand India' in the international market.



India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. Moreover, India exports 95 per cent of the world's diamonds, as per statistics from the Gems and Jewellery Export promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). The Government of India has viewed the sector as a thrust area for export promotion. The Indian government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route.

**ABOUT THE BHAKTI GEMS AND JEWELLERY LIMITED****Business Overview:**

Our Company is the manufacturer, wholesaler and supplier of gold jewellery and is headquartered at Ahmedabad, Gujarat. Our Company is mainly focused on traditional Indian jewellery. Our products include handmade gold jewellery studded with precious and semi precious stones such as diamond, ruby, cubic zirconia (cz) etc. The jewellery is made as per the specific requirements by the customer and the same are manufactured on job work basis at Ahmedabad, Rajkot and Mumbai. We are a customer-centric Company; our prime focus is to attain the utmost client satisfaction by offering them quality assured products. We also deliver our products in a quality packaging material to ensure safe transport.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has in place adequate system of internal control. It has documented procedures covering all financial and operating functions.

These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.



## HUMAN RESOURCES & INDUSTRIAL RELATIONS:

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



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

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

## RISKS AND CONCERNS:

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

**BHAKTI GEMS AND JEWELLERY LIMITED****(CIN: L36910GJ2010PLC060064)****Registered Office : 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G.Road, Ahmedabad- 380009, Phone No. -079-26421701****[Email-compliancebhakti@gmail.com](mailto:Email-compliancebhakti@gmail.com)****[Website: www.bhaktijewellery.com](http://www.bhaktijewellery.com)**

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**Annual General Meeting – Saturday, 21<sup>st</sup> September, 2019****ATTENDANCE SLIP**

<b>Folio No. /Client Id:</b>	
<b>Name of Shareholder:</b>	
<b>Address of Shareholder:</b>	

I, hereby record my presence at the Annual General Meeting of the Company to be held on Saturday, 21st September, 2019 at 11.00 AM at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G. Road, Ahmedabad- 380009, Gujarat, India.

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**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.

**BHAKTI GEMS AND JEWELLERY LIMITED****(CIN: L36910GJ2010PLC060064)****Registered Office : 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G.Road, Ahmedabad- 380009, Phone No. -079-26421701****[Email-compliancebhakti@gmail.com](mailto:Email-compliancebhakti@gmail.com)****[Website: www.bhaktijewellery.com](http://www.bhaktijewellery.com)****Form MGT-11****Proxy Form**

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

**Annual General Meeting – Saturday, 21<sup>st</sup> September, 2019**

Name of the shareholder(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No ./Client Id: \_\_\_\_\_ DP ID: \_\_\_\_\_

I/We, being member(S) of Bhakti Gems and Jewellery 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: \_\_\_\_\_



As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the Annual General Meeting of the Company to be held on – Saturday, 21<sup>st</sup> September, 2019 at 11.00 AM at 209, Shree Balaji Paragon, B/S Rock Regency Hotel, Opp. Axis Bank, Nr. Circle - P, C.G.Road, Ahmedabad-380009, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	VOTING	
ORDINARY BUSINESS		FOR	AGAINST
1	Adoption of the Audited Balance Sheet as at March 31, 2019, the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.		
2	Re-appointment of Director in place of Mr. Akshay Sevantilal Mehta (DIN: 02986761), who retires by rotation and being eligible, offers himself for reappointment.		
SPECIAL BUSINESS			
3	Increase in Authorised Share Capital of the company		
4	To Issue Bonus Shares		
5	To Appoint Mr. Meet Prafulchandra Mehta (DIN: 07542183) a Non-Executive Director of the Company		

*Bhakti Gems and Jewellery  
Limited*

*Statutory Audit Report  
F.Y. 2018-19*

--: Auditors :--

PARTH SHAH AND ASSOCIATES.

(Chartered Accountants)

GF – 9, Ankur Complex, B/h. Town Hall,  
Ellisbridge, Ahmedabad – 380006

Email – [psa010217@gmail.com](mailto:psa010217@gmail.com)

M. 9687364546



**PARTH SHAH AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**Independent Auditor's Report**

**To the Members of Bhakti Gems and Jewellery Limited.**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Bhakti Gems and Jewellery Limited.** ('the Company'), which comprise the balance sheet as at **31 March 2019**, 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 2019 and its profit and its cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) In our opinion with respect to internal financial control, the said Para is applicable to Company and & hereby attached as **Annexure – B**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigation which would impact its financial position.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which are required to be transferred to the investor education and protection fund by the company.

**For, Parth Shah and Associates**  
**Chartered Accountants**

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

**Date: 30/05/2019**  
**Place: Ahmedabad**

## **“Annexure - A “to” the Auditors’ Report**

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are not held in the name of the Company. As the company has, taken immovable property on rent from the directors.
- (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.
  - (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 2019 for a period of more than six months from the date they became payable.
- (viii) The Company has taken loan from yes bank for business purpose. The company has not make any default in repayment of loan.
- (ix) The Company has raised Rs.19047600 money by way of further public offer. The company has issued and allotted 19,04,760 shares being ` 10 as face value and ` 11 as

Securities Premium.

- (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.
- (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 any preferential allotment or private placement of shares or fully or partly convertible debentures 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, Parth Shah and Associates**  
**Chartered Accountants**

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

**Date: 30/05/2019**  
**Place: Ahmedabad**

## **ANNEXURE B TO THE AUDITOR'S REPORT**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Bhakti Gems and Jewellery limited** ('the Company') as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Parth Shah and Associates**  
**Chartered Accountants**

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

**Date: 30/05/2019**  
**Place: Ahmedabad**

# Bhakti Gems and Jewellers Limited

## BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019

Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	8,71,85,600	6,81,38,000
(b) Reserves and Surplus	2	5,86,66,283	3,71,62,418
(c) Money received against share warrants		-	-
<b><u>(2) Share Application money pending allotment</u></b>		-	-
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings	3	-	3,70,000
(b) Deferred Tax Liabilities (Net)		52293	27,927
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings	4	3,02,76,540	2,74,54,656
(b) Trade Payables	5	31,79,708	1,06,76,919
(c) Other Current Liabilities	6	2,26,190	1,05,450
(d) Short-Term Provisions	7	2,45,810	9,97,870
<b>Total Equity &amp; Liabilities</b>		<b>17,98,32,423</b>	<b>14,49,33,240</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
<b><u>(a) Fixed Assets</u></b>			
(i) Property, Plant and Equipment	8	16,08,480	17,07,922
(ii) Immovable Property		-	-
(iii) Capital Work in Progress		-	-
(b) Non-current investments	9	-	1,65,19,823
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	15,75,470	68,08,516
(e) Other non-current assets	11	45,10,968	40,12,149
<b><u>(2) Current Assets</u></b>			
(a) Current investments			
(b) Inventories		9,64,98,927	5,63,20,735
(c) Trade receivables	12	7,12,06,650	5,30,46,403
(d) Cash and cash equivalents	13	1,70,995	30,51,052
(e) Short-term loans and advances	14	-	7,000
(f) Other current assets	15	42,60,930	34,59,636
<b>Total Assets</b>		<b>17,98,32,423</b>	<b>14,49,33,240</b>
<b>NOTES TO ACCOUNTS</b>			
23			
<i>NOTes referred to above and notes attached there to form an integral part of Balance Sheet</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
<b>For, PARTH SHAH AND ASSOCIATES</b>		<b>FOR BHAKTI GEMS AND JEWELLERY LTD</b>	
<b>CHARTERED ACCOUNTANTS</b>			
<b>Firm Regi.No.:144251W</b>			
<b>PARTH N. SHAH</b>		<b>SD/-</b>	<b>SD/-</b>
<b>(Proprietor)</b>		<b>(Director)</b>	<b>(Director)</b>
<b>Membership No.:173468</b>		<b>Date: 30/05/2019</b>	
		<b>Place: Ahmedabad</b>	



# Bhakti Gems and Jewellers Limited

## PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2019

Sr. No	Particulars	Note No.	Year ended 31 March 2019	Year ended 31 March 2018
I	Revenue from operations	16	62,28,46,564	38,84,92,866
II	Other Income	17	9,16,972	4,85,972
III	<b>III. Total Revenue (I + II)</b>		<b>62,37,63,536</b>	<b>38,89,78,838</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	18	65,24,06,846	39,91,41,279
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	(4,01,78,192)	(2,16,31,000)
	Employee Benefit Expense	20	33,13,530	46,63,420
	Financial Costs	21	12,48,791	8,14,219
	Depreciation and Amortization Expense		99,440	79,892
	Other Administrative Expenses	22	59,87,071	33,84,542
	<b>Total Expenses (IV)</b>		<b>62,28,77,486</b>	<b>38,64,52,352</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>8,86,050</b>	<b>25,26,486</b>
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		<b>8,86,050</b>	<b>25,26,486</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>8,86,050</b>	<b>25,26,486</b>
X	<b>Tax expense:</b>			
	(1) Current tax		2,00,000	6,50,000
	(2) Deferred tax		24,368	24,729
XI	Profit(Loss) from the period from continuing operations	(IX-X)	<b>6,61,682</b>	<b>18,51,758</b>
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)		<b>6,61,682</b>	<b>18,51,758</b>
	Add:- Transfer from reserve		-	-
	Less: Proposed Dividend		-	-
	Less: Tax on Dividend		-	-
	<b>Balance Carried Forward to Balance Sheet</b>		<b>6,61,682</b>	<b>18,51,758</b>
XVI	Earning per equity share:			
	(1) Basic		0.08	0.27
	(2) Diluted		0.08	0.27

### NOTES TO ACCOUNTS

22

Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

For, PARTH SHAH AND ASSOCIATES

FOR BHAKTI GEMS AND JEWELLERY LTD

CHARTERED ACCOUNTANTS

Firm Regi.No.:144251W

SD/-  
(Director)

SD/-  
(Director)

PARTH N. SHAH  
(Proprietor)

Membership No.:173468

Date: 30/05/2019

Place: Ahmedabad

# Bhakti Gems and Jewellers Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2019

PARTICULARS	Year ended 31 March 2019	Year ended 31 March 2018
		Rs.
<b>A. Cash Flow from Operating Activity</b>		
Profit before Taxation and Extra Ordinary Items	8,86,050	25,26,486
Add : Non Cash & Non Operating Expenses		
Depreciation	99,440	79,892
Interest Expenses	12,48,791	8,14,219
Interest Income	(3,69,935)	-
Loss on Gold Rate exchanges	-	-
Preliminary Expenses Write Off	-	-
Operating Profit before Working Capital Changes	18,64,346	34,20,597
Adjustment for;		
(Increase) / Decrease in Inventory	(4,01,78,192)	(2,16,31,000)
(Increase) / Decrease in Debtors	(1,81,60,247)	(3,49,30,418)
Increase/(Decrease) in Trade Payables	(74,97,211)	36,84,084
(Increase)/ Decrease in Loans & Advances	52,33,046	90,39,445
(Increase) / Decrease in Current Assets	(9,11,471)	(32,79,427)
Increase / (Decrease) in Current Liabilities & Provisions	(6,31,320)	(63,301)
Cash Generated from Operation	(6,02,81,049)	(4,37,60,020)
Taxes Paid	2,00,000	7,72,554
Net Cash Flow from Operating Activities	(6,04,81,049)	(4,45,32,574)
<b>B. Cash Flow from Investing Activity</b>		
(Increase) / Decrease in Fixed Assets (net)	-	(10,38,162)
(Increase) / Decrease in Investments & Accured Interest	1,65,19,823	(1,65,19,823)
(Increase) / Decrease in other Non current Investments	(4,98,819)	(30,76,708)
Net Cash Flow from Investing Activities	1,60,21,004	(2,06,34,693)
<b>C. Cash Flow from Financing Activity</b>		
Proceeds from Issue of Shares	1,90,47,600	1,96,20,000
Proceeds from Securities Premium	2,09,52,360	1,97,42,554
Increase / (Decrease) in Short term Borrowings	28,28,884	-
Increase / (Decrease) in Long term Borrowings	(3,70,000)	2,78,24,656
Interest Expenses	(12,48,791)	(8,14,219)
Interest Income	3,69,935	-
Net Cash Flow from Financing Activities	4,15,79,988	6,63,72,991
Net Increase / (Decrease) in Cash & Cash Equivalents	(28,80,057)	12,05,724
Opening Balance of Cash & Cash Equivalents	30,51,052	18,45,328
Closing Balance of Cash & Cash Equivalents	1,70,995	30,51,052
Net Increase / (Decrease) in Cash & Cash Equivalents	(28,80,057)	12,05,724

### NOTES :

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 . "Cash Flow Statement" issued by ICAI.

2. The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.

FOR BHAKTI GEMS AND JEWELLERY LTD

For, PARTH SHAH AND ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Regi.No.:144251W

PARTH N. SHAH

(Proprietor)

Membership No.:173468

SD/-

(Director)

Date: 30/05/2019

Place: Ahmedabad

SD/-

(Director)

# Bhakti Gems and Jewellers Limited

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2019

## Note : 1 Share Capital

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<b>AUTHORIZED CAPITAL</b> 70,00,000 Equity Shares of ` 10/- each. 10010000 Equity Shares of Rs 10/-each	1,00,10,00,000 1,00,10,00,000	7,00,00,000 7,00,00,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> <i>To the Subscribers of the Memorandum</i> 68,13,800 Equity Shares of ` 10/- each, Fully paid up  1904760 Equity Shares of ` 10/- each, Fully paid up	6,81,38,000  1,90,47,600	6,81,38,000  -
	<b>Total in `</b>	<b>8,71,85,600</b>	<b>6,81,38,000</b>

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

Sr. No	SHARE HOLDER'S NAME	As at 31st March 2019	As at 31st March 2018
1	Akshay Sevantilal Mehta	50,16,385 57.54%	46,51,600 68.27%
2	Pinal R Shah	4,88,000 5.60%	- -
3	Varshaben Akshay Mehta	10,63,785 12.20%	3,49,500 5.13%
4	Darshan orna limited	6,78,000 7.78%	- -
5	Vivid offset printers limited	6,06,000 6.95%	- -

## Note : 2 Reserve & Surplus

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	5,45,47,041	3,35,94,681
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	-	-
6	Shares Option Outstanding Account	-	-
7	General Reserve	-	-
8	Surplus (Profit & Loss Account)	41,19,242	35,67,737
	Balance brought forward from previous year	35,67,736	17,15,979
	Less: Tax of Ealier years	-	-
	Less: Adjustments to Profit and Loss A/c	1,10,176	-
	Add: Profit for the period	6,61,682	18,51,758
	<b>Total in `</b>	<b>5,86,66,283</b>	<b>3,71,62,418</b>

# Bhakti Gems and Jewellers Limited

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2019

## Note : 3 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Term Loans</u>		
2	<u>From Others</u> Unsecured Loan from Directors	-	3,70,000
	<b>Total in `</b>	<b>-</b>	<b>3,70,000</b>

## Note : 4 Short Term Borrowings

Sr. No	Particulars	661682	1851757.56
1	<u>Term Loans</u>	-	-
2	<u>From Bank</u> Secured-Yes Bank Gold Loan cash credit-Yes bank	2,64,41,017 38,35,523	2,74,54,656
	<b>Total in `</b>	<b>3,02,76,540</b>	<b>2,74,54,656</b>

## Note : 5 Trades Payable

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
	<u>Trade Payables ( List attached)</u>		
	ADV from customers	31,79,708	81,46,991
	<b>Total in `</b>	<b>31,79,708</b>	<b>1,06,76,919</b>

## Note : 6 Other Current Liabilities

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Statutory Remittances</u>	-	-
	EXCISE	-	-
	VAT	-	-
	TDS	2,26,190	1,05,450
	<b>Total in `</b>	<b>2,26,190</b>	<b>1,05,450</b>

## Note : 7 Short Term Provisions

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Short Term Provisions</u>		
	Income tax Provisions	2,00,000	6,50,000
	Unpaid Remuneration /Salary	45,810	3,47,870
	<b>Total in `</b>	<b>2,45,810</b>	<b>9,97,870</b>

**Bhakti Gems and Jewellers Limited**  
**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2019**

**Note : 8 Fixed Asset**

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	Deduction during the year	Value at the end	WDV as on 31.03.2019	WDV as on 31.03.2018
(i)	<b>Property, Plant and Equipment</b>										
	software	1,15,121	-	-	1,15,121	29,496	13,880	-	43,376	71,745	85,625
	computer	1,37,400	-	-	1,37,400	72,616	10,502	-	83,117	54,283	64,784
	air conditioner	3,52,532	-	-	3,52,532	66,314	13,595	-	79,909	2,72,623	2,86,218
	furniture	1,14,500	-	-	1,14,500	12,264	4,856	-	17,121	97,379	1,02,236
	bar code system	1,42,288	-	-	1,42,288	23,127	5,660	-	28,788	1,13,500	1,19,161
	office equipment	60,146	-	-	60,146	13,481	2,217	-	15,698	44,448	46,665
	mobile	29,552	-	-	29,552	7,388	1,053	-	8,441	21,111	22,164
	camera	45,800	-	-	45,800	5,141	1,931	-	7,073	38,727	40,659
	cctv camera	81,857	-	-	81,857	7,592	3,528	-	11,120	70,737	74,265
	weighing scale	45,750	-	-	45,750	1,814	2,087	-	3,901	41,849	43,936
	printer	13,400	-	-	13,400	3,992	1,525	-	5,517	7,883	9,408
	Vehicle	8,33,777	-	-	8,33,777	20,975	38,608	-	59,583	7,74,194	8,12,802
	<b>TOTAL</b>	<b>19,72,123</b>	<b>-</b>	<b>-</b>	<b>19,72,123</b>	<b>2,64,201</b>	<b>99,441</b>	<b>-</b>	<b>3,63,643</b>	<b>16,08,480</b>	<b>17,07,922</b>

# Bhakti Gems and Jewellers Limited

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2019

## Note : 9 Non current Investment

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
a)	<u>Investment in Mutual Fund</u>	-	1,65,19,823
		-	1,65,19,823

## Note : 10 Long Term Loans and Advances

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
a)	<u>From Banks</u> FD With YES Bank	-	3,516
b)	<u>From Others</u> Bhakti ornaments loan A/c varshaben mehta R M Shah	14,50,000 1,25,470 -	14,50,000 50,00,000 3,55,000
	<b>Total in `</b>	<b>15,75,470</b>	<b>68,08,516</b>

## Note : 11 Other Non Current Assets

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Misc Exp</u> ( To the extent not written off )	45,10,968	40,12,149
	<b>Total in `</b>	<b>45,10,968</b>	<b>40,12,149</b>

## Note : 12 Trade Recievables

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Outstanding for Less than six months</u> a) Unsecured, Considered Good :	7,09,22,159	5,05,69,382
2	<u>adv to suppliers</u> a) Unsecured, Considered Good :	2,84,491	24,77,021
	<b>Total in `</b>	<b>7,12,06,650</b>	<b>5,30,46,403</b>

# Bhakti Gems and Jewellers Limited

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2019*

**Note : 13 Cash & Cash Equivalent**

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	<u>Cash-in-Hand</u> Cash Balance	27,657	27,058
	<b>Sub Total (A)</b>	<b>27,657</b>	<b>27,058</b>
2	<u>Bank Balance</u> YES Bank	1,43,338	30,23,994
	<b>Sub Total (B)</b>	<b>1,43,338</b>	<b>30,23,994</b>
	<b>Total [ A + B ]</b>	<b>1,70,995</b>	<b>30,51,052</b>

**Note :14 Short Terms Loans and Advances**

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	Loans & Advances to Directors	-	7,000
	<b>Total in `</b>	<b>-</b>	<b>7,000</b>

**Note : 15 Other Current Assets**

Sr. No	Particulars	As at 31st March 2019	As at 31st March 2018
1	TDS Receivable	2,31,784	49,752
2	Prepaid Expenses	-	-
3	Accrued Interest	-	-
4	Advance Tax	16,51,000	5,00,000
5	GST Receivable	17,08,111	4,25,309
6	Claim Outstanding	6,70,035	24,84,575
	<b>Total in `</b>	<b>42,60,930</b>	<b>34,59,636</b>

# Bhakti Gems and Jewellers Limited

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2019

## Note : 16 Revenue from Operations

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	Sales	62,28,46,564	38,84,92,866
	<b>Total in `</b>	<b>62,28,46,564</b>	<b>38,84,92,866</b>

## Note : 17 Other Income

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	Interest Income on Mutual Fund	3,69,935	4,10,106
2	Interest on FD	-	71,075
3	Labour Income	2,39,392	-
4	Stone Charge Income	3,07,645	-
5	Other Income	-	4,791
	<b>Total in `</b>	<b>9,16,972</b>	<b>4,85,972</b>

## Note : 18 Cost of Material Consumed

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
a)	<b>PURCHASES OF RAW MATERIALS AND STORES</b>		
1	Purchases	65,24,06,846	39,91,41,279
	<b>Sub-total (a)</b>	<b>65,24,06,846</b>	<b>39,91,41,279</b>

## Note : 19 Change in Inventories

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	Opening Stock	5,63,20,735	3,46,89,735
2	Closing Stock	9,64,98,927	5,63,20,735
	<b>Total in `</b>	<b>(4,01,78,192)</b>	<b>(2,16,31,000)</b>

## Note : 20 Employment Benefit Expenses

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	Salaries, Bonus, PF & ESIC	19,93,530	23,23,420
2	Directors Remuneration	13,20,000	23,40,000
	<b>Total in `</b>	<b>33,13,530</b>	<b>46,63,420</b>

## Notes :21 Financial Cost

Sr. No	Particulars	Year ended 31 March 2019	Year ended 31 March 2018
1	Bank Charges & Interest	12,48,791	8,14,219
	<b>Total in `</b>	<b>12,48,791</b>	<b>8,14,219</b>



# Bhakti Gems and Jewellers Limited

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2019

<b>Note : 22 Other Administrative Expenses</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>Year ended 31 March 2019</b>	<b>Year ended 31 March 2018</b>
1	Audit Fees	35,000	35,000
2	Conveyance Expenses	2,24,318	68,229
3	Electricity Expenses	1,03,910	90,790
4	Insurance Expenses	2,37,854	1,32,793
5	Income tax	-	1,04,289
6	Rent Expenses	8,40,000	-
7	Membership Expenses	-	6,000
8	Municipal Taxes	37,241	31,879
9	Exhibition Exp	5,54,609	8,11,399
10	Office Exp	74,182	58,808
11	Telephone Exp	18,811	30,365
12	Other Expenses	1,86,686	2,04,847
14	Travelling Exp	2,46,460	64,993
15	Transportation Exp	6,04,050	70,557
16	Interest on Statutory Dues	-	2,836
17	Donation exp	-	1,000
18	Loss/ Profit on Gold Rate Exchanges	20,00,372	12,97,106
19	Repairing exp	2,59,210	1,08,691
21	Marketing expenses	69,822	2,64,960
22	Accounting Expenses	30,000	-
23	legal fees	4,64,546	-
		<b>59,87,071</b>	<b>33,84,542</b>

# **Bhakti Gems and Jewellery Limited.**

## **Significant Accounting Policies and Notes forming parts of Accounts**

### **Note : 23**

#### **NOTES ON ACCOUNTS**

1. Previous year's figures are regrouped/rearranged wherever necessary.
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. The balances of Loans and Advances are subject to their confirmation and reconciliation if any.
4. All the Opening Balances are taken as per previous year audit report.
5. 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.
6. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
7. 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	35000/-	35000/-

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

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

**FOR AND ON BEHALF OF THE BOARD**

**PARTH N SHAH  
PROPRIETOR  
MEM. NO.: 173468  
Place: Ahmedabad  
Date: 30/05/2019**

**(Director) (Director)**

**Place: Ahmedabad  
Date: 30/05/2019**

## **Significant Accounting Policies**

### **A. Basis of preparation of Financial Statements**

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

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

### **B. Revenue Recognition**

Sales are recorded exclusive of Taxes.

### **C. Fixed Assets**

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

### **D. Depreciation**

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

### **E. Impairment of Assets**

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

### **F. Inventories**

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

### **G. Investments**

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

### **H. Retirement Benefits**

- i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.
- ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

## **I. Prior Period Items**

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

## **J. Borrowing Cost**

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

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

## **K. Taxes on Income**

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

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

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

## **L. Provision, Contingent liabilities and contingent assets**

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

## **M. Applicability of AS-18**

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

<b>Sr. No</b>	<b>Name</b>	<b>2018-19</b>	<b>Relationship</b>	<b>Nature of transaction</b>
1.	Akshay S Mehta	700000	Director	Remuneration
2.	Varsha A Mehta	620000	Director	Remuneration

**N. Foreign Currency Transaction**

There are no such foreign currency transactions during the year.

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

**P. Expenditure in Foreign Currency: NIL**

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

(a) Profit after tax	Rs 661682/-
(b) Equity Share (In Number)	No. 8718560
(c) Nominal value of share	Rs. 10 per share
(d) EPS	Rs. 0.08/-

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

**FOR AND ON BEHALF OF THE BOARD**

**PARTH N SHAH  
PROPRIETOR  
MEM. NO.: 173468  
Place: Ahmedabad  
Date: 30.05.2019**

**(Director) (Director)**

**Place: Ahmedabad  
Date: 30.05.2019**