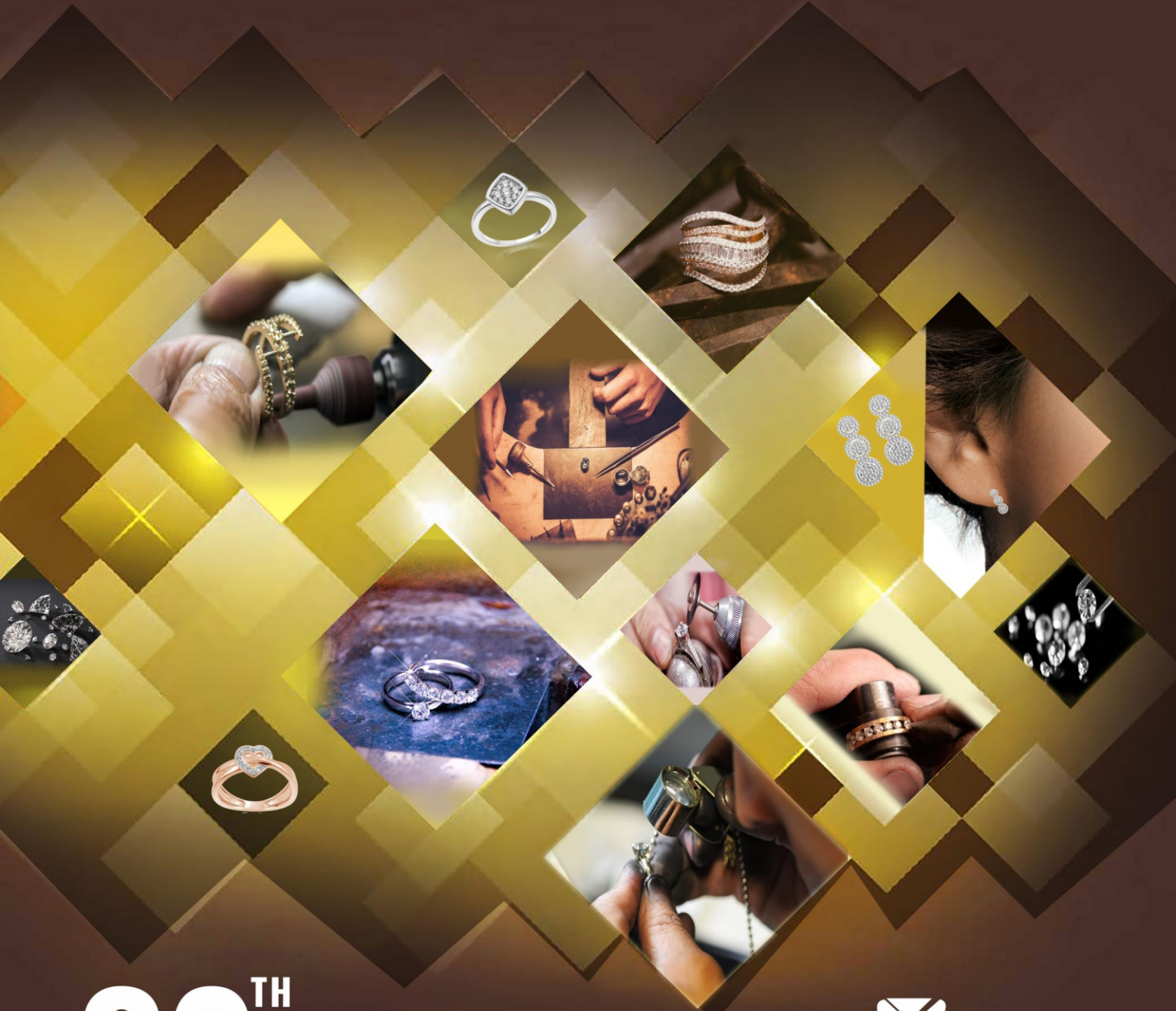


Crafted by Heart



30TH
ANNUAL
REPORT

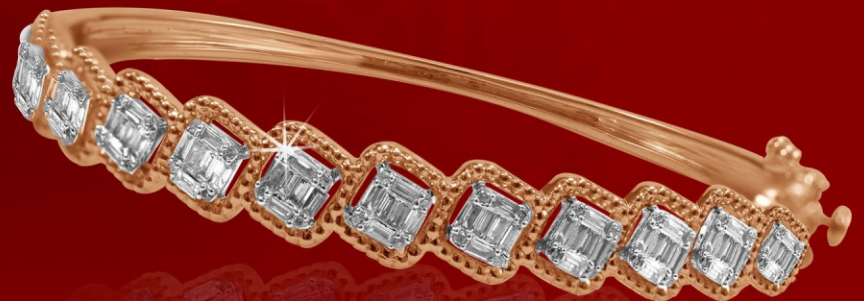
Year 2019 - 20



GOLKUNDA
Diamonds & Jewellery Ltd.

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Vision

To be a world class manufacturer of jewellery offering the latest designs and impeccable quality and services to our customer.

Mission

To accomplish our objectives in an environment of fairness, honesty, and respect towards our clients, employees, vendors, shareholders and all stakeholders at large.



Global Presence

Middle East

Far East

Europe

USA

UK



GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Registered Office: G-30, Gems & Jewellery Complex - III, SEEPZ, Andheri (East), Mumbai - 400 096

Email ID: admin@golkunda.com, Contact No.: 022-28290155 / 28290156

BOARD OF DIRECTORS

Mr. Kanti Kumar Dadha (DIN: 00283289)	Chairman & Managing Director
Mr. Karan Singh Baid (DIN: 00283224)	Whole Time Director
Mr. Arvind Dadha (DIN: 00317631)	Whole Time Director
Mr. B. K. Ashok (DIN: 00922780)	Independent Director
Mrs. Rajani Poddar (DIN: 07224114)	Independent Director
Mr. Vinod Kankariya (DIN: 06886764)	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Ashish Dadha Chief Financial Officer

COMPANY SECRETARY

Ms. Kopal Jain Company Secretary

BANKER

State Bank of India

AUDITORS

M/s. Motilal & Associates
Chartered Accountants, Mumbai

WORKS

G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai - 400096

REGISTRAR

Sharex Dynamic (India) Pvt. Ltd.
C 101, 247 Park, L B S Marg, Vikhroli west,
Mumbai-400083 Tel.: 2851 5644 / 2851 5606
Fax.: 228512885
Email :support@sharexindia.com

DEMATERIALIZATION OF SECURITIES

ISIN-INE798D01015

CORPORATE IDENTITY NUMBER:

CIN: L36912MH1990PLC058729

WEBSITE

www.golkunda.com



NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of Golkunda Diamonds & Jewellery Limited ('the Company'), will be held on Saturday, 12th September, 2020 at 3.00 P.M. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and Statement of Profit & Loss for the year ended on that date together with report of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares of the Company for the financial year ended 31st March, 2020.
3. To appoint a Director in place of Mr. Karansingh Baid (Holding DIN: 00283224) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Kantikumar Dadha as a Chairman and Managing Director and Fixation of Remuneration

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**

"RESOLVED THAT, in accordance with the provisions of Sections 196, 197, 198 and 203 any other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to other requisite approvals, if any, consent of the members be and is hereby accorded to re-appoint Mr. Kantikumar Dadha (DIN: 00283289), aged 72 years, as Managing Director of the Company (not liable to retire by rotation), for a further period of 3 (three) years from the expiry of his present term of office, that is, with effect from 1st October, 2020 on payment of remuneration not exceeding Rs. 7,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof."

"The following perquisites however shall not be included in the computation of the ceiling on remuneration:

- a. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- b. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, and
- c. Encashment of leave at the end of the tenure."

"RESOLVED FURTHER THAT, pursuant to the provisions of Section 203 read along with rules made thereunder, the consent of the members of the company be and is hereby accorded for appointment / continuation of appointment of Mr. Kantikumar Dadha, Managing Director as Chairman of the Company w.e.f. 1st October, 2020."

"RESOLVED FURTHER THAT, Mr. Kantikumar Dadha shall be entitled to the re-imbursment of all out of pocket expenses which may be incurred by him for and in the course of business of the Company."

"RESOLVED FURTHER THAT, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company."

5. Re-appointment of Mr. Arvind Dadha as a wholetime Director and Fixation of Remuneration

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject



to other requisite approvals, if any, consent of the members of the company be and is hereby accorded to the reappointment of Mr. Arvind Dadha (DIN: 00317631) as Whole Time Director of the Company for the further period of (Three) years from the expiry of his present term of office, that is, with effect from 1st October, 2020 on payment of remuneration not exceeding Rs. 5,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“The following perquisites however shall not be included in the computation of the ceiling on remuneration:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service, and
- (c) Encashment of leave at the end of the tenure.”

“**RESOLVED FURTHER THAT**, Mr. Arvind Dadha shall be entitled to the re-imbursment of all out of pocket expenses which may be incurred by him for and in the course of business of the Company.”

“**RESOLVED FURTHER THAT**, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company.”

6. Re-appointment of Mr. Karansingh Baid as a wholetime Director and Fixation of Remuneration

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and subject to other requisite approvals, if any required, the consent of the members of the Company be and is hereby accorded to the reappointment of Mr. Karan Singh Baid (DIN: 00283224) aged 72 years as Whole Time Director of the Company for the further period of Three years from the expiry of his present term of office, that is, with effect from 10th November, 2020 on payment of remuneration not exceeding Rs. 5,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.”

“The following perquisites however shall not be included in the computation of the ceiling on remuneration:

- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (b) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service, and
- (c) Encashment of leave at the end of the tenure.”

“**RESOLVED FURTHER THAT**, Mr. Karan Singh Baid shall be entitled to the re-imbursment of all out of pocket expenses which may be incurred by him for and in the course of business of the Company.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper, expedient or desirable to give effect to this Resolution and/or to make modification as may be deemed to be in the best interest of the Company.”

REGISTERED OFFICE:

G-30, Gems & Jewellery Complex-III,
SEEPZ, Andheri (East),
Mumbai - 400 096

By and on behalf of
THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS & JEWELLERY LTD.

KANTIKUMAR DADHA
(Chairman & Managing Director)

Date: 31.07.2020



NOTES:P

1. Pursuant to Circular Nos. 14/2020, 17/2020, 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular No. HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (hereinafter collectively referred to as 'Circulars'), the Annual General Meeting of the Company ("AGM") is convened through Video Conferencing / Other Audio Visual Means (VC/OAVM).
2. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, additional information on directors seeking appointment/ re-appointment is provided separately.
3. Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 is annexed to and forms part of this Notice.
4. **Since this AGM is being held pursuant to the circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the proxy form and attendance slip are not annexed to this notice.**
5. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC /OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to agarwalkala@gmail.com with a copy marked to evoting@nsdl.co.in and cs@golkunda.com .
6. Since the AGM being held through VC/OAVM, the Route Map is not attached to this Notice.

7. **VOTING THROUGH ELECTRONIC MEANS**

In terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), listed companies are required to provide members with the facility to exercise their votes at general meetings through electronic means. The Company has availed the services of National Securities Depository Limited (NSDL) for providing the necessary remote e-voting platform to the members of the Company.

8. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of NSDL
9. Detailed instructions on the e-voting procedure:
 - A. For shareholders receiving e-mail communication from NSDL.
 - i. Members may note that the Notice of the Thirtieth Annual General Meeting and the Annual Report 2020 will be available on the Company's website www.golkunda.com . The Notice of Annual General Meeting shall also be available on the website of NSDL viz. www.evoting.nsdl.com. The Company has published a Public Notice by way of advertisement in Marathi newspaper and in an English newspaper with the required details of 30th AGM, for information of the Members.
 - ii. The e-voting period shall commence on Tuesday, 8th September, 2020 at 9.00 AM and ends on Friday, 11th September, 2020 at 5.00 PM. The e-voting Module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a shareholder, it cannot be changed subsequently.
 - iii. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - iv. Facility of joining the AGM through VC / OAVM shall be available for 1,000 members on first-come-first-served basis. However, the participation of promoters, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come-first served basis.
 - v. The Board of Directors has appointed Ms. Kala Agarwal, Practising Company Secretary (Membership No. 34897, COP No. 5356) as the Scrutinizer for conducting the remote e-voting and poll process in accordance with law and in a fair and



transparent manner. The Scrutinizer shall within a period not exceeding 48 hours from the conclusion of the annual general meeting, prepare a Scrutinizer's Report of the votes cast in favour or against, if any, and submit it forthwith to the Chairman of the Company.

- vi. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of NSDL.
- vii. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- viii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- ix. The details of the process and manner for remote e-voting are explained herein below:

For shareholders receiving e-mail communication from NSDL

Step 1

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

6. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) Retrieval of 'initial password'
- i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment



i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. If your email ID is not registered, please follow steps mentioned below for those shareholders whose email IDs are not registered.
 7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at www.evoting.nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 9. Now, you will have to click on "Login" button.
 10. After you click on the "Login" button, Home page of e-Voting will open.

Step 2

1. After successful login as mentioned in Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of Golkunda Diamonds & Jewellery Limited.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- x. Instructions for Members for Voting during the AGM:
1. The procedure for remote e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC / OAVM.
 2. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
 3. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same.

8. PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS AND BANK DETAILS BY SHAREHOLDERS:-

i. For Temporary Registration for Demat shareholders:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case



of any query, a member may send an email to RTA at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

- ii. **For Permanent Registration for Demat shareholders:** It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
- iii. **Registration of email id for shareholders holding physical shares:** The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB) . In case of any query, a member may send an e-mail to RTA at rnt.helpdesk@linkintime.co.in

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

- iv. **Registration of Bank Details for physical shareholders:** The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd , by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number , PAN, e – mail id along with the he copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of any query, a member may send an email to RTA at rnt.helpdesk@linkintime.co.in on submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

General Guidelines:

- 1) Institutional Shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/ JPG format) of the Board Resolution/ Authority Letter together with an attested specimen signature of the duly authorised signatory (ies) who are authorized to vote, to the Scrutinizer through E-mail: agarwalkala@gmail.com with a copy marked to evoting@nsdl.co.in and cs@golkunda.com.
- 2) Members who have acquired the shares of the Company after the dispatch of the Notice of Annual General Meeting and whose name appear in the Register of Members of the Company or in the Register of Beneficial owners maintained by the depositories as on the cut-off date i.e. 05th September, 2020 will be eligible to cast their vote through remote e-voting.
- 3) Such members may obtain the Login ID and Password by sending a request to any of the following e-mail ids:
 - a) To NSDL at evoting@nsdl.co.in
 - b) To the Registrar and Share Transfer Agents at investor@sharexindia.com
 - c) To the Company at cs@golkunda.com
- 4) However, if a member is already registered with NSDL for remote e-voting, then he/ she can use his/her existing User ID and Password for casting your vote. If he/she do not remember his/her password, he/she can reset his/her password by using the 'Forgot User Details/Password' option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

Thereafter, members are requested to follow the steps mentioned above to cast their vote.

- 5) Shareholders can update their mobile numbers and e-mail IDs in the user profile details of the folio which may be used for



sending communication(s) regarding the NSDL e-voting system in the future.

- 6) In case of any queries, shareholders may refer to the Frequently Asked Questions (FAQs) and remote e-voting user manual for shareholders available in the 'Downloads' section of www.evoting.nsdl.com or call on the toll free no.: 1800-222-990. Shareholders may also contact the Company or its Registrar and Transfer Agents for any assistance in this regard.
- 7) All documents referred to in the accompanying Notice and Statement annexed thereto shall be open for inspection at the Registered Office of the Company during normal business hours on any working day till the date of the Annual General Meeting.

DIVIDEND

1. The Register of Members and the Share Transfer Books of the Company shall remain closed from 06th September, 2020 to 12th September, 2020.
2. The dividend if approved by the members at the Annual General Meeting will be deposited in a separate bank account within 5 days from the date of the Annual General Meeting and the same will be paid to the shareholders as per the provisions of the Companies Act 2013 and MCA General Circular No. 20/2020 dated 5th May, 2020.
3. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

INVESTOR SERVICING

1. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Sharex Dynamic India Private Limited for assistance in this regard.
2. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.
3. Members who have not registered their email ID are requested to register their email IDs. Further, the members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Golkunda Diamonds & Jewellery Limited in case the shares are held by them in physical form.
4. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Golkunda Diamonds & Jewellery Limited in case the shares are held in physical form.
5. All Investor Queries / Complaints / Grievances may be addressed to the Secretarial Department at the Registered and Corporate Office of the Company or by sending an e-mail to cs@golkunda.com Members can also write to M/s Sharex Dynamic India Private Limited, the Registrar and Share Transfer Agents of the Company, having their office at, Unit: C 101, 247 Park, LBS Marg, Vikhroli west, Mumbai 400083 247, LBS Marg, Vikhroli (West), Mumbai - 400083 or send an e-mail to investor@sharexindia.com

OTHERS

1. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered



with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.golkunda.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com

- Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by clicking the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or by sending an email to GolkundaTDS@linkintime.co.in on or before September 05, 2020. Further no tax shall be deducted on the dividend payable to a resident individual shareholders if the total amount of dividend to be received from the Company during the Financial Year 2020-21 does not exceed 5,000/-. Shareholders may note that, in case PAN is not updated with the Depository Participant/Register of the Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:

- Copy of PAN card, if any, allotted by Indian Income Tax Authorities duly self attested by the member.
- Copy of Tax Residency Certificate [TRC] for the FY 2020-21 obtained from the revenue authorities of country of tax residence duly attested by the member.
- Self Declaration in Form 10-F.
- No-PE [permanent establishment] certificate.
- Self Declaration of beneficial ownership by the non-resident shareholder.
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities.

The members/shareholders are required to provide above documents/declarations by clicking the link <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> or by sending an E-mail to GolkundaTDS@linkintime.co.in on or September 05, 2020. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the rates mentioned in the Income Tax Act, 1961.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable Surcharge and Cess.

- Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 directs listed companies to send soft copies of the annual report to those shareholders who have registered their e-mail addresses. Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 permit prescribed companies to send a notice and financial statements through electronic mode. In view of the same, shareholders are requested to update their e-mail IDs with their Depository Participants where shares are held in dematerialised mode and where the shares are held in physical form to update the same in the records of the Company in order to facilitate electronic servicing of annual reports and other documents.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@golkunda.com from 6th September, 2020 (9:00 a.m. IST) to 8th September, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
- Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the



Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

7. In case of any queries relating to E-voting you may refer to the FAQs for Shareholders and E-voting user manual for Shareholders available at the download section of [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in In case of any grievances connected with facility for E-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Email: evoting@nsdl.co.in/pallavid@nsdl.co.in Tel: 91 22 2499 4545/ 1800-222-990

EXPLANATORY STATEMENT ANNEXED TO NOTICE

[PURSUANT TO PROVISIONS OF SECTION 102(1) OF THE COMPANIES ACT, 2013]

ITEM No. 4

The term of appointment of 3 (three) years of Mr. KantiKumar Dadha (DIN:00283289) aged 72 years as Managing Director shall expire on 30th September, 2020. Having regards to the knowledge and experience in the Diamonds, Gems & Jewellery Business and likely growth of the business of the Company under his able guidance and supervision, it is proposed, subject to approval of members of the Company in the General Meeting and receipt of requisite approvals, if any to re-appoint Mr. KantiKumar Dadha as Chairman and Managing Director of the Company w.e.f. 1st October, 2020 for the period of further 3 (Three) years. The re-appointment and remuneration has been approved by the Board of Directors and Nomination & Remuneration Committee in their respective meeting held on 31st July, 2020.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act and the Rules framed thereunder read with Schedule V to the Act, the appointment and remuneration of Managing Director requires approval of the members of the Company.

Keeping in view of the above and as the existing approval of appointment and payment of remuneration of Mr. Kanti Kumar Dadha is valid up to 30th September, 2020; it is decided to seek approval of the members at the ensuing AGM of the Company.

Mr. Kanti Kumar Dadha satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment except that he has attained the age of 70 years. By virtue of his attaining the age of 70 years, his appointment is subject to the approval of members by way of a special resolution. He is also not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Kanti Kumar Dadha under Section 190 of the Act. The details of Mr. Kanti Kumar Dadha, Managing Director, as required under provisions of Section II of Part II of Schedule V to the Act, Regulation 36 of the SEBI Listing Regulations and Secretarial Standard – 2, as applicable, are provided in Annexure to the Notice.

The terms and conditions of the draft agreement are set out herein below:

Period of Appointment: 01.10.2020 to 30.09.2023

Terms of Appointment Remuneration not exceeding Rs. 7,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.

Notwithstanding the remuneration payable to Mr. Kanti Kumar Dadha as detailed above, wherein any financial year during tenure of office of Mr. Kanti Kumar Dadha, the Company has no profits or its profits are inadequate the Company shall pay remuneration to Mr. Kanti Kumar Dadha by way of Salary, perquisites and other allowance as the case be, such amount not exceeding the limits prescribed in Schedule V of the Companies Act, 2013 or within such ceiling limits as may be recodified.

The following perquisites however shall not be included in the computation of the ceiling on remuneration as stated above.



- (a) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- (c) Encashment of leave at the end of the tenure.

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II (B) (IV) TO THE COMPANIES ACT, 2013:

Details of Mr. Kantikumar Dadha, Chairman & Managing Director seeking re-appointment at the ensuing AGM in respect of item no. 4 to the Notice

I: General Information about the Company:

1. Nature of Industry: The object of the company for which it is formed is to manufacture and deal in polished gems, diamonds and other stones.
2. Date of Commencement of Commercial Production: The Company was incorporated on 30th October, 1990. Immediately after incorporation, the Company has commenced commercial operation and till date the Company is engaged in the business of manufacturer, dealer of polished gems, diamonds and other stones and jewellery.
3. Financial Performance Based on Given Indicators: The financial data as per last audited Balance Sheet as on 31st March, 2020 are as under:

Particulars	For the Year ended 31.03.2020 (Rs.)
Total Income	1,33,13,36,947
Net Profit Before Depreciation and Tax	3,47,67,948
Depreciation	41,21,202
Net Profit Before Tax	3,06,46,746
Provision for Taxation	88,14,448
Net Profit after Tax	2,18,32,298

4. Foreign Investments or Collaborators: The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

1. Brief Profile of Appointee: Mr. Kantikumar Dadha holds B.Com Degree. He has been involved in the activities of the Company since incorporation. He is pioneer in the set up, management and operation of the Company. He is responsible for overall strategy financial planning of the Company.
2. Past remuneration: In the past, Mr. Kantikumar Dadha has drawn Remuneration not exceeding Rs. 6, 00,000/- p.m. from the Company.
3. Recognition and Award received in past: Mr. Kantikumar Dadha is associated with the various Social Organizations. However there is no reportable Recognition and Award received.
4. Job Profile and Suitability: Mr. Kantikumar Dadha is responsible for administration, production and direction for the organization. He is responsible for overall strategy and planning of the Company.
5. Remuneration proposed: It is proposed to pay Managerial Remuneration to Mr. Kantikumar Dadha for an amount not exceeding Rs. 7,00,000/- per month.
6. Comparative Remuneration in the Industry: Considering the nature of industry and speciality of services rendered by Mr. Kantikumar Dadha and also considering the complex role performed by Mr. Kantikumar Dadha no comparative remuneration of industry is available for information.
7. Material Pecuniary Relationship: Mr. Arvind Dadha is a Whole Time Director, son of Mr. Kanti Kumar Dadha and draws remuneration from the Company. Mr. Ashish Dadha, son of Mr. Kanti Kumar Dadha, is a Chief Financial Officer draws remuneration from the Company.



III: Other information:

1. Reason for inadequate Profit and measures taken for improvement: The Company has to raise its bar on quality and processes to match international standards and in the process, spent substantially on inputs for the same. Also, competitive offer prices for penetration in new markets and offering of new products, resulted in substantial pressure on margin.
2. Steps taken and proposed to be taken for improvement: The Company is taking every possible steps to increase the business volume and thereby profitability. Measures have been taken to controls input costs and overheads. The Company has focused on exports. The bottom-line of the company has been increasing steadily over past 3 years.
3. Expected Increase in Profits in Measurable Terms: Considering the proposed businesses and the projects of the Company, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 15% to 20 % growth in income and profitability in next 3 years.

The appointment can be terminated by either party by giving 3 months notice.

Accordingly, as per the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No.4 of the accompanying Notice for the approval of the Members.

None of the Directors except Mr. Kantikumar Dadha and Mr. Arvind Dadha & Mr. Ashish Dadha (Chief Financial Officer) (who may be deemed to be interested in the resolution, to the extent of their shareholdings in the Company) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution proposed in Item Nos. 4.

ITEM No. 5:

Tenure of appointment of Mr. Arvind Dadha as Whole Time Director expires on 30th September, 2020. Having regards to the knowledge and experience in the Diamond & Jewellery Marketing and procurement of Raw Material and likely growth of the business of the company under his able guidance and supervision, it is proposed, subject to approval of members of the Company in the General Meeting and receipt of requisite approvals, if any to re-appoint Mr. Arvind Dadha as Whole Time Director of the Company w.e.f. 1st October, 2020 for the further period of 3(Three) years. The re-appointment and remuneration has been approved by the Board and Nomination & Remuneration Committee in their respective meeting held on 31st July, 2020.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act and the Rules framed thereunder read with Schedule V to the Act, the appointment and remuneration of wholetime Director requires approval of the members of the Company.

Keeping in view of the above and as the existing approval of appointment and payment of remuneration of Mr. Arvind Dadha is valid up to 30th September, 2020; it is decided to seek approval of the members at the ensuing AGM of the Company.

Mr. Arvind Dadha satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is also not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Arvind Dadha under Section 190 of the Act. The details of Mr. Arvind Dadha, wholetime Director, as required under provisions of Section II of Part II of Schedule V to the Act, Regulation 36 of the SEBI Listing Regulations and Secretarial Standard – 2, as applicable, are provided in Annexure to the Notice.

The terms and conditions of the draft agreement are set out herein below:

Period of Appointment: 01.10.2020 to 30.09.2023

Terms of Appointment

Remuneration not exceeding Rs. 5,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.



Notwithstanding the remuneration payable to Mr. Arvind Dadha as detailed above, wherein any financial year during tenure of office of Mr. Arvind Dadha, the Company has no profits or its profits are inadequate the Company shall pay remuneration to Mr. Arvind Dadha by way of Salary, perquisites and other allowance as the case be, such amount not exceeding the limits prescribed in Schedule V of the Companies Act, 2013 or within such ceiling limits as may be recodified.

The following perquisites however shall not be included in the computation of the ceiling on remuneration as stated above.

(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;

(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

(c) Encashment of leave at the end of the tenure.

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II (B) (IV) TO THE COMPANIES ACT, 2013:

Details of Mr. Arvind Dadha, whole time Director seeking re-appointment at the ensuing AGM in respect of item no. 5 to the Notice

I: General Information about the Company:

1. **Nature of Industry:** The object of the company for which it is formed is to manufacture and deal in polished gems, diamonds and other stones.
2. **Date of Commencement of Commercial Production:** The Company was incorporated on 30th October, 1990. Immediately after incorporation, the Company has commenced commercial operation and till date the Company is engaged in the business of manufacturer, dealer of polished gems, diamonds and other stones and jewellery.
3. **Financial Performance Based on Given Indicators:** The financial data as per last audited Balance Sheet as on 31st March, 2020 are as under:

Particulars	For the Year ended 31.03.2020 (Rs.)
Total Income	1,33,13,36,947
Net Profit Before Depreciation and Tax	3,47,67,948
Depreciation	41,21,202
Net Profit Before Tax	3,06,46,746
Provision for Taxation	88,14,448
Net Profit after Tax	2,18,32,298

4. **Foreign Investments or Collaborators:** The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

1. **Brief Profile of Appointee:** Mr. Arvind Dadha holds B.com Degree from Mumbai University having an experience of 17 years in the Industry.
2. **Past remuneration:** In the past, Mr. Arvind Dadha has drawn Remuneration not exceeding Rs. 2,50,000/- p.m. from the Company.
3. **Recognition and Award received in past:** Mr. Arvind Dadha is associated with the various Social Organizations. However there is no reportable Recognition and Award received.
4. **Job Profile and Suitability:** Mr. Arvind Dadha is responsible for product development and marketing functions of the Company. He widely travels throughout the world for new business and sales purpose.



5. **Remuneration proposed:** It is proposed to pay Managerial Remuneration to Mr. Arvind Dadha for an amount not exceeding Rs. 5,00,000/- per month.
6. **Comparative Remuneration in the Industry:** Considering the nature of industry and speciality of services rendered by Mr. Arvind Dadha and also considering the complex role performed by Mr. Arvind Dadha no comparative remuneration of industry is available for information.
7. **Material Pecuniary Relationship:** Mr. Kanti Kumar Dadha, Father of Mr. Arvind Dadha is a Managing Director of the Company and draws remuneration from the Company and Mr. Ashish Dadha, brother of Arvind Dadha is a Chief Financial Officer, draws remuneration from the Company.

III: Other information:

1. **Reason for inadequate Profit and measures taken for improvement:** The Company has to raise its bar on quality and processes to match international standards and in the process, spent substantially on inputs for the same. Also, competitive offer prices for penetration in new markets and offering of new products, resulted in substantial pressure on margin.
2. **Steps taken and proposed to be taken for improvement:** The Company is taking every possible steps to increase the business volume and thereby profitability. Measures have been taken to controls input costs and overheads. The Company has focused on exports. The bottom-line of the company has been increasing steadily over past 3 years.
3. **Expected Increase in Profits in Measurable Terms:** Considering the proposed businesses and the projects of the Company, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 15% to 20 % growth in income and profitability in next 3 years.

The appointment can be terminated by either party by giving 3 months notice.

Accordingly, as per the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

None of the Directors except Mr. Arvind Dadha and Mr. Kantikumar Dadha & Mr. Ashish Dadha (Chief Financial Officer) (who may be deemed to be interested in the resolution, to the extent of their shareholdings in the Company) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution proposed in Item Nos. 5.

ITEM No. 6:

Tenure of appointment of Mr. Karan Singh Baid (DIN: 00283224) aged 72 years as Whole Time Director expires on 9th November, 2020. Having regards to the knowledge and experience in the Diamond & Jewellery manufacturing and likely growth of the business of the company under his able guidance and supervision, it is proposed, subject to approval of members of the Company in the General Meeting and receipt of requisite approvals, if any to re-appoint Mr. Karan Singh Baid as Whole Time Director of the Company w.e.f. 10th November, 2020 for the further period of 3(Three) years. The re-appointment and remuneration has been approved by the Board and Nomination & Remuneration Committee in their respective meeting held on 31st July, 2020.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act and the Rules framed thereunder read with Schedule V to the Act, the appointment and remuneration of wholetime Director requires approval of the members of the Company.

Keeping in view of the above and as the existing approval of appointment and payment of remuneration of Mr. Karan Singh Baid is valid up to 9th November, 2020; it is decided to seek approval of the members at the ensuing AGM of the Company.

Mr. Karan Singh Baid satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment except that he has attained the age of 70 years. By virtue of his attaining the age of 70 years, his appointment is subject to the approval of members by way of a special resolution. He is also not disqualified from being re-appointed as Director in terms of Section 164 of the Act.



The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Karan Singh Baid under Section 190 of the Act. The details of Mr. Karan Singh Baid, wholetime Director, as required under provisions of Section II of Part II of Schedule V to the Act, Regulation 36 of the SEBI Listing Regulations and Secretarial Standard – 2, as applicable, are provided in Annexure to the Notice.

The terms and conditions of the draft agreement are set out herein below:

Period of Appointment: 10.11.2020 to 09.11.2023

Terms of Appointment Remuneration not exceeding Rs. 5,00,000/- per month including Basic Salary, House Rent Allowance and other Perquisites, Bonus, Performance Incentives, Commission and other additional perquisites as approved by Board from time to time as per the rules of the Company, in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

For the purpose of computing ceiling on perquisites, the same will be valued as per Income Tax Rules, 1962 wherever applicable.

Notwithstanding the remuneration payable to Mr. Karan Singh Baid as detailed above, wherein any financial year during tenure of office of Mr. Karan Singh Baid, the Company has no profits or its profits are inadequate the Company shall pay remuneration to Mr. Karan Singh Baid by way of Salary, perquisites and other allowance as the case be, such amount not exceeding the limits prescribed in Schedule V of the Companies Act, 2013 or within such ceiling limits as may be recodified.

The following perquisites however shall not be included in the computation of the ceiling on remuneration as stated above.

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave at the end of the tenure.

STATEMENT OF INFORMATION AS REQUIRED UNDER SCHEDULE V, PART II, SECTION II (B) (IV) TO THE COMPANIES ACT, 2013:

Details of Mr. Karan Singh Baid, wholetime Director seeking re-appointment at the ensuing AGM in respect of item no. 6 to the Notice

I: General Information about the Company:

- Nature of Industry:** The object of the company for which it is formed is to manufacture and deal in polished gems, diamonds and other stones.
- Date of Commencement of Commercial Production:** The Company was incorporated on 30th October, 1990. Immediately after incorporation, the Company has commenced commercial operation and till date the Company is engaged in the business of manufacturer, dealer of polished gems, diamonds and other stones and jewellery.
- Financial Performance Based on Given Indicators:**

The financial data as per last audited Balance Sheet as on 31st March, 2020 are as under:

Particulars	For the Year ended 31.03.2020 (Rs.)
Total Income	1,33,13,36,947
Net Profit Before Depreciation and Tax	3,47,67,948
Depreciation	41,21,202
Net Profit Before Tax	3,06,46,746
Provision for Taxation	88,14,448
Net Profit after Tax	2,18,32,298



4. Foreign Investments or Collaborators: The Company has not made any investment in foreign body corporate or foreign entities. The Company do not have any foreign collaboration and has not received or invested any money towards foreign collaboration and hence no information to be provided in this respect.

II: Information about the Appointee:

1. Brief Profile of Appointee: Mr. Karan Singh Baid holds D.E.E Degree. Mr. Karan Singh Baid has been involved in the activities of the Company since incorporation. He is responsible for administration, production and direction for the other organization of the Company.
2. Past remuneration: In the past, Mr. Karan Singh Baid has drawn Remuneration not exceeding Rs. 2,50,000/- p.m. from the Company.
3. Recognition and Award received in past: Mr. Karan Singh Baid is associated with the various Social Organizations. However there is no reportable Recognition and Award received.
4. Job Profile and Suitability: Mr. Karan Singh Baid is responsible for administration, production and direction for the organization.
5. Remuneration proposed: It is proposed to pay Managerial Remuneration to Mr. Karan Singh Baid for an amount not exceeding Rs. 5,00,000/- per month.
6. Comparative Remuneration in the Industry: Considering the nature of industry and speciality of services rendered by Mr. Karan Singh Baid and also considering the complex role performed by Mr. Karan Singh Baid no comparative remuneration of industry is available for information.
7. Material Pecuniary Relationship: The Company does not have any material pecuniary relationship with Mr. Karan Singh Baid.

III: Other information:

1. Reason for inadequate Profit and measures taken for improvement: The Company has to raise its bar on quality and processes to match international standards and in the process, spent substantially on inputs for the same. Also, competitive offer prices for penetration in new markets and offering of new products, resulted in substantial pressure on margin.
2. Steps taken and proposed to be taken for improvement: The Company is taking every possible steps to increase the business volume and thereby profitability. Measures have been taken to controls input costs and overheads. The Company has focused on exports. The bottom-line of the company has been increasing steadily over past 3 years.
3. Expected Increase in Profits in Measurable Terms: Considering the proposed businesses and the projects of the Company, it is not possible to ascertain and quantify the expected increase in profits in measurable terms at this stage. However company expects 15% to 20 % growth in income and profitability in next 3 years.

The appointment can be terminated by either party by giving 3 months notice.

Accordingly, as per the provisions of Sections 161, 196, 197 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

None of the Directors except Mr. Karan Singh Baid (who may be deemed to be interested in the resolution, to the extent of his shareholdings in the Company) none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution proposed in Item Nos. 6.



BOARD REPORT

To,
The Members,
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED
Mumbai

Your Directors have pleasure in submitting their 30th Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020

FINANCIAL RESULTS / STATE OF COMPANY'S AFFAIRS:

The summarized standalone results of your Company are given in the table below:

(Amt. in Rs)

Particulars	Financial year Ended	
	31/03/2020	*31/03/2019
Net Sales / Income from Business Operations	1,32,74,49,964	1,08,91,06,718
Other Income	38,86,983	29,16,147
Total Income	1,33,13,36,947	1,09,20,22,865
Provision for Depreciation / Amortization	41,21,202	35,61,822
Profit/(loss) after Depreciation & before Provision for Tax	3,06,46,746	1,95,65,631
Less: Provision for Income Tax (Current Tax)	85,00,000	70,00,000
Less: Deferred Tax	3,14,448	(9,14,803)
Net Profit/(Loss) After Tax	2,18,32,298	1,34,80,434
Amount of Dividend / Provision for Dividend	55,71,281	-
Earnings per share (Basic & Diluted)	3.13	1.94

*Previous year's Figures have been regrouped / rearranged wherever necessary

TRANSFER TO RESERVES:

During the year under review, no amount has been transferred to General Reserves.

DIVIDEND:

Your Directors are pleased to recommend a final Dividend of Re.1/- i.e.@10% per Equity share for the financial year ended 31.03.2020. The Dividend, if approved and declared in forthcoming Annual General Meeting would result a Dividend outflow of Rs.69,64,080.

TRANSFER OF UNCLAIMED SHARES/ UNPAID AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company does not have any funds as contemplated under Section 125 of the Companies Act, 2013 lying unpaid or unclaimed which were required to be transferred to Investor Education and Protection Fund (IEPF).

COVID-19

The Company's business has been adversely impacted due to COVID-19 pandemic and subsequent steps taken by the Government to curtail the spread of the same. The Company had to shut down its manufacturing operations and it has caused tremendous production shortages and supply chain issues leading to revenue losses to the business.

Once lockdown was eased in India, exports remained very low initially due to subdued orders and labour shortages. Hence Company's sales and financials were adversely affected for the first quarter of 2020-21. Sales has now revived with some encouraging orders received from overseas customers in countries where lockdowns has been considerably eased. We expect the demand for all the products manufactured by the Company is expected to revive once the shut down restrictions are lifted and resumption of supply chain.



The Company believes the pandemic has not altered the fundamentals of the business significantly nor its viability. At the close of the accounting year on March 31, 2020 the Company had a strong balance sheet and a cash position. Efforts are being made continuously to conserve cash and improve collections and reschedule supplies and payments.

However the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from the estimated as at the date of approval of these financial results/statements. The Company will continue to monitor any material changes to future economic conditions.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of this Report.

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

The particulars of loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review are disclosed under the respective Schedules/Notes in the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with related parties which may have potential- conflict with interest of the Company at large. The particulars of such 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 are attached here within **Annexure I** in Form No.AOC-2.

All Related Party transactions were placed before the Audit Committee and the Board for approval.

The Policy of Related party transactions/Disclosures are approved by the Board is posted on the Company's website viz. www.golkunda.com.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, your Company does not have any subsidiaries or joint ventures or associate companies as defined under the Act.

However, the Company has framed a policy for determining material subsidiaries..

HOLDING COMPANY:

Neverloose Properties & Investment Private Limited continues to be Holding Company with 53.59% stake in the Company.

CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business during the year under review.

DEPOSITS:

Your Company has neither accepted / renewed any deposits during the year nor has any outstanding deposits in terms of Section 73 to 76 of the Companies Act, 2013.

SHARE CAPITAL:

As on 31st March, 2020, the Issued, Subscribed and Paid up Share Capital of your Company stood at Rs. 6,96,40,800/- (Rupees Six Crores Ninety Six Lacs Forty Thousand Eight Hundred Only), comprising 69,64,080 (Sixty Nine Lacs Sixty Four Thousand Eighty) Equity Shares of Rs. 10/- each.

The Company has neither issued shares with differential voting rights nor granted any stock options or issue any sweat equity



or issued any bonus shares. Further, the Company has not bought back any of its securities during the year under review and hence no details / information invited in this respect.

INTERNAL FINANCIAL CONTROLS:

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company maintains adequate internal control system and procedure commensurate with its size and nature of operations. The internal control system are designated to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorization of transaction , safeguarding the assets of the Company and prevent misuse/losses and legal compliance.

The internal control system includes a well defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well structured budgeting process and Internal Audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

During the Financial Year under review, the Company had 4(Four) Board meetings on 25.05.2019, 27.07.2019, 23.10.2019 and 23.01.2020. The details of attendance of Directors at the Board Meeting are disclosed under Corporate Governance section of Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of Article of Association of the Company, Mr. Karansingh Baid retires at the forthcoming Annual General Meeting and being eligible offers himself for reappointment. The details of Director being recommended for reappointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the company.

The tenure of appointment of Mr. Kantikumar Dadha (DIN: 00283289) as Managing Director of the Company will expire on 30.09.2020. The Board has approved the re-appointment as per the recommendation of Nomination & Remuneration Committee subject to approval of members at ensuing Annual General Meeting. Your Directors recommends the re-appointment of Mr. Kantikumar Dadha as Managing Director of the Company for a period of three (3) years with effect from 01.10.2020 at the ensuing Annual General Meeting.

The tenure of appointment of Mr. Karan Singh Baid (DIN: 00283224) and Mr. Arvind Dadha (DIN: 00317631), Whole Time Directors of the company will expire on 09.11.2020 and 30.09.2020 respectively. The Board has approved the re-appointment as per the recommendation of Nomination & Remuneration Committee subject to approval of members at ensuing Annual General Meeting. Your Directors recommends the re-appointment of Mr. Karansingh Baid and Mr. Arvind Dadha as Wholetime Directors of the company w.e.f. 10.11.2020 and 01.10.2020 respectively for a period of three (3) years at the ensuing Annual General Meeting.

Mr. Ashish Dadha is acting as Chief Financial Officer of the Company and Ms. Kopal Jain is acting as Company Secretary of the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

- (a) in the preparation of the Annual Accounts for 2019-20, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had 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 2019-20 and of the profit and loss of the company for that period;

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the Annual Accounts on a going concern basis;
- (e) that 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 during the year.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS:

The Company has received necessary Declaration from each Independent Director as required under section 149(7) of the Companies Act, 2013, that he / she meets the criteria for independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION:

Pursuant to provisions of Companies Act, 2013 and Schedule IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), 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 Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also the evaluation of Individual Directors.

While the individual Directors' performance was reviewed by the Chairman and the rest of the Board excluding the Director being evaluated, the Chairman's and Non-independent Directors performance was appraised through feedback from Independent Directors.

AUDIT COMMITTEE:

The Audit Committee consists of the following members as on 31st March, 2020.

Sr. No.	Name	Category
1.	Mr. Vinod Kankariya (Chairman)	Independent Non- Executive Director
2.	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3.	Mr. Askokkumar Bekal (Member)	Independent Non- Executive Director

During the year under review, the Board has accepted all the recommendation of the Audit Committee.

The details terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

In compliance with the provisions of section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Company has established a vigil mechanism for the Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct.

The Vigil Mechanism / Whistle Blower Policy may be accessed on the Company's website at www.golkunda.com

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/reports and internal policies to enable them to familiarize with the Company's procedures and



practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; www.golkunda.com.

RISK MANAGEMENT:

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the risks faced by the Company are raw material price risk, financial risk, foreign currency risk etc. At present, there are no risks which in the opinion of the Board threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY:

Considering the financials of last 3 years, Company is not falling within the preview of Section 135 thresholds, so the Management perceives that there is not utility of CSR Committee in the Company. Hence the Committee is dissolved w.e.f. 31st July, 2020.

NOMINATION & REMUNERATION COMMITTEE

In compliance with the provisions of Companies Act, 2013, your Company has 'Nomination & Remuneration Committee' with scope and functions as stipulated under the Companies Act, 2013 and SEBI (LODR) Regulations.

The Nomination and remuneration Committee consists of the following members as on 31st March, 2020.

Sr. No.	Name	Category
1	Mr. Vinod Kankariya (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Askokkumar Bekal (Member)	Independent Non- Executive Director

The terms of reference, meetings of Committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

NOMINATION AND REMUNERATION POLICY

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Board has, on recommendation of Nomination & Remuneration Committee, formulated a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

Nomination and Remuneration Policy has been annexed to the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company has 'Stakeholders Relationship Committee' with enhanced scope and functioning. The Stakeholders Relationship Committee consists of the following members as on 31st March, 2020.

Sr. No.	Name	Category
1	Mr. Vinod Kankariya (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Askokkumar Bekal (Member)	Independent Non- Executive Director

The terms of reference, meetings of committee, attendance of members at Committee meetings are available in the Corporate Governance Report and forms part of this Annual Report.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act, read with rules thereunder, the Board at its meeting held on 31st July, 2020 has appointed Kala Agarwal, a firm of Practicing Company Secretaries to conduct Secretarial Audit of the Company for the year ended 31st March, 2020. The Secretarial Audit Report issued by them in Form No. MR-3 is provided as an "Annexure-II" to this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.



Further, in terms of the provisions of the Circular No. CIR/ CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India (SEBI), Kala Agarwal, Practising Company Secretaries have issued the Annual Secretarial Compliance Report for the financial year ended 31st March, 2020, thereby confirming compliance of the applicable SEBI Regulations and circulars / guidelines issued thereunder by the Company..

STATUTORY AUDITORS REPORT:

M/s. Motilal & Associates .is the Statutory Auditors of the Company and their Audit Report forms part of Annual Report. The members in the Annual General Meeting held on September 28, 2019 have appointed M/s. Motilal & Associates, Chartered Accountants (FRN 106584W) as Statutory Auditors of the Company to hold office from the conclusion of 29th Annual General Meeting of the Company until the conclusion of the Annual General Meeting of the Company to be held in year 2024. The requirement of ratification of appointment of Statutory Auditors every year by the members of Company have been withdrawn w.e.f. May 7, 2018 vide Companies (Amendment) Act, 2017, hence this business has not been included in the AGM Notice. During the year under review, the Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer and no frauds were reported by the Auditors of the Company under Section 143 (12) of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS:

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report. The comments by the auditors in their Report read along within formation and explanation given in Notes to Accounts are self explanatory and do not call for further explanation.

DETAILS OF FRAUD:

There were no frauds which are reported to have been committed by Employees or Officers of the Company.

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

There were no material orders passed by the judicial or Quasi Judicial Authority which affects the Going Concern Status of the Company during the year under review.

MANAGEMENT AND DISCUSSION ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulation, Management Discussion and Analysis Report containing information *inter-alia* on industry trends, your Company's performance, future outlook, opportunities and threats for the year ended 31stMarch, 2020, is provided in a separate section forming integral part of this Annual report.

EXTRACTS OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished 'Annexure-III' and is attached to this Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down the guidelines and procedure to be followed and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor, and ensure reporting of dealings by employees. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosures of unpublished price sensitive information and code of conduct for prevention of insider trading is available on the website of the Company.

LISTING FEES:

The Equity Shares of the Company is listed on BSE Limited and the Company has paid the applicable listing fees to the Stock Exchange till date.

INFORMATION UNDER REGULATION 34 (3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company does not have shares lying with the Company in Unclaimed Suspense Account as on March 31, 2020.



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

(A) CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

(B) Conservation of energy:

The Company is engaged in manufacturing of gems and jewellery and as such its operations do not account for substantial energy consumption. Air Curtains have been installed in production areas where doors are required to keep open for operational purposes. These Air Curtains reduce penetration of insects and unconditioned air into a conditioned space resulting in preservation of air conditioning effect and low consumption of power. However, the Company is taking all possible measures to conserve energy. Several environment friendly measures were adopted by the Company such as Installation of capacitors to save power, Installed Thin Film Transistor (TFT) monitors that save power, LED Lights, Creating environmental awareness by way of distributing the information in electronic form, Minimizing air-conditioning usage, Shutting off all the lights when not in use.

Technology absorption:

The Company continuously monitors and keeps track of technological up-gradation in the field of Jewellery manufacturing and the same are reviewed and considered for implementation. Your Company continued its focus on quality up-gradation and product enhancements.

The benefits derived like product improvement, cost reduction, product development or import substitution

- Enhanced productivity & reduction in production time
- Total traceability of each piece during entire manufacturing process through customized software
- Reduction in re-work & rejection in manufacturing.
- Enhancement of product spectrum
- Improvement in quality of existing products.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earning:		
Export at FOB basis:	1,37,44,10,450	1,37,44,10,450
Foreign Exchange Outgo:		
Value of Import on CIF basis		
Raw Material	24,88,36,296	
Studded Jewellery	9,04,12,897	
Capital Goods	10,36,450	
Travelling Expenses	4,83,604	34,07,69,247

EMPLOYEES:

Information on particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is reported to be nil as there are no employees who are in receipt of remuneration above the prescribed limit.

The details in terms of Sub - Section 12 of Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as 'Annexure IV'.

PREVENTION OF SEXUAL HARASSMENT COMMITTEE

As per the requirement of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, (POSH) your Company has a robust mechanism in place to redress the complaints reported under this Act. The Company has complied with provisions relating to the constitution of Internal Complaints Committee (ICC) under POSH. The Internal Complaints Committee (ICC) composed of internal members and an external member who has extensive experience in the relevant field. The said Committee meets regularly and takes up programs to spread awareness and educate employees about prevention of Sexual Harassment at Workplace.



Following is the status of sexual harassment complaints during the financial year under review:

Sr. No	Particulars	No of Complaints
1	Number of complaints filed during the financial year	Nil
2	Number of complaints disposed of during the financial year	NA
3	Number of complaints pending as on end of the financial year.	NA

CORPORATE GOVERNANCE:

A separate section covering the Management Discussion and Analysis and Corporate Governance as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) is attached herewith and forms a part of this report.

The requisite certificate from the Statutory Auditors of the Company i.e. Ms. Motilal & Associates, Chartered Accountants, Mumbai confirming compliance with the conditions of Corporate Governance as stipulated under regulation 34 (3) and schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

The declaration signed by the Managing Director of the Company regarding compliance of Code of Conduct for Board members and Senior Management personnel forms part of this Report.

SECRETARIAL STANDARDS

The Company complies with the Secretarial Standards, issued by the Institute of Company Secretaries of India, which are mandatorily applicable to the Company. The same has also been confirmed by Secretarial Auditors of the Company in the Secretarial audit Report

CEO / CFO CERTIFICATION:

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to Corporate Governance norms, Mr. Kanti Kumar Dadha, Managing Director and Mr. Ashish Dadha, Chief Financial Officer, has certified, inter-alia, on review of financial statements and establishing and maintaining internal controls for the financial year ended 31.03.2020.

ACKNOWLEDGEMENTS AND APPRECIATIONS:

Your Directors take this opportunity to thank the Company's customers, members, vendors and Banker for their continued support during the year. Your Directors also wish to thank the Government of India and its various agencies, the Santacruz Electronics Export Processing Zone, the Customs and Excise/ GST department, the Reserve Bank of India, the State Governments of Maharashtra, and other local Government Bodies for their support, and look forward to their continued support in the future. Your Directors also place on record their appreciation for the excellent contribution made by all Employees of the Company through their commitment, competence, co-operation and diligence to duty in achieving consistent growth for the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED**

**Date: 31.07.2020
Place: Mumbai**

**KANTIKUMAR DADHA
Chairman & Managing Director**



Annexure I
Form AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in during the year ended March 31, 2020, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No	Name(s) of the related party and nature of relationship	Mrs. Kusum Dadha, Wife of Mr. Kantikumar Dadha	Mr. Ashish Dadha, CFO & Son of Mr. Kantikumar Dadha
A	Nature of contracts / arrangements / transactions	Rent	Salary
B	Duration of the contracts/ arrangements/transactions	On going	On going
C	Salient terms of the contracts or arrangements or transactions including the value, if any	Payment of rent in respect of property used by the Company's Officers, Rs. 10,32,000/-	Payment of remuneration for acting as a Chief Financial Officer of the Company, Rs.18,48,740/-
D	Date(s) of approval by the Board	25.05.2019	25.05.2019
E	Amount paid as advances, if any:	NIL	NIL

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED**

Date: 31.07.2020
Place: Mumbai

KANTIKUMAR DADHA
Chairman & Managing Director



Annexure II

Form No. - MR- 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To,
The Members,
Golkunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai – 400096.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Golkunda Diamonds & Jewellery Limited (hereinafter called the “Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2020**, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- A. The Companies Act, 2013 (the Act) and the rules made there under;
- B. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- D. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- E. other applicable acts,
 - (a) Factories Act, 1948



- (b) Payment Of Wages Act, 1936, and rules made thereunder,
- (c) The Minimum Wages Act, 1948, and rules made thereunder,
- (d) Employees' State Insurance Act, 1948, and rules made thereunder,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,
- (f) The Payment of Bonus Act, 1965, and rules made thereunder,
- (g) Payment of Gratuity Act, 1972, and rules made thereunder,
- (h) Standards of Weights and Measurement Act, 1976
- (i) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,
- (j) Air (Prevention & Control of Pollution) Act, 1981,
- (k) Hazardous Wastes (Management, Handling & Transboundary Movement) Rules, 2008
- (l) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

We 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 Bombay Stock Exchange Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above. We 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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Majority of the decisions being carried through were captured and recorded as part of the minutes.

We 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.

Kala Agarwal
Practising Company Secretary
COP No.: 5356

UDIN: F005976B000539817
Place: Mumbai
Date: 31.07.2020

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



‘ANNEXURE B’

To,
The Members,
Golkunda Diamonds & Jewellery Limited
G-30, Gems & Jewellery Complex - III,
SEEPZ, Andheri (East), Mumbai – 400096.

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and 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 management. Our examination was limited to the verification of procedures 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.

Kala Agarwal
Practising Company Secretary
COP No.: 5356

UDIN: F005976B000539817
Place: Mumbai
Date: 31.07.2020



Annexure- III

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS	Annexure – A
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY All Business activities of the Company contributing 10% or more of the total Turnover of the Company.	Annexure – B
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	Annexure –C
IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY) i) Category wise Shareholding ii) Share Holding of Promoters iii) Change in Promoters Shareholding iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) v) Shareholding of Directors and Key Managerial Personnel	Annexure-D Annexure-E Annexure-F Annexure – G Annexure –H
V. INDEBTEDNESS	Annexure – I
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL i) Remuneration to Managing Director, Whole-time Directors, Executive Director and/or Manager ii) Remuneration to other Directors iii) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD	Annexure –J Annexure K Annexure L
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES	Not Applicable



ANNEXURE – A

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L36912MH1990PLC058729
2.	Registration Date	30.10.1990
3.	Name of the Company	Golkunda Diamonds and Jewellery Limited
4.	Category / Sub-Category of the Company	Public Company/Limited by shares
5.	Address of the Registered office and contact details	G-30,Gems & Jewellery, Complex - III, Seepz, Andheri (East), Mumbai – 400096 Phone:022-28290155/28290156 Email ID:admin@golkunda.com
6.	Whether listed company	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd. C 101, 247 Park, L B S Marg, Vikhroli west, Mumbai-400083 Tel.: 2851 5644 / 2851 5606 Fax.: 228512885 Email :support@sharexindia.com

ANNEXURE – B

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 Jewellery studded with Diamonds and other stones	3211	100%

ANNEXURE – C

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled]: 1

Sr. No.	Name and Address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Neverloose Properties & Investment Private Limited 133, Canning Street, 1st Floor, Room No. 8, Kolkata, WB - 700001	U70109WB1993PTC058194	Holding	53.59%	2(46)



ANNEXURE – D

I. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during theyear
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoter's									
(1)	Indian									
a)	Individual/ HUF	13,05,164	0	13,05,164	18.741%	13,76,864		13,76,864	19.771%	1.03%
b)	Central Govt.	0	0	0	0%	0	0	0	0%	0%
c)	State Govt.(s)	0	0	0	0%	0	0	0	0%	0%
d)	Bodies Corp.	37,47,543		37,47,543	53.812%	37,31,843	0	37,31,843	53.587%	-0.225%
e)	Banks / FI	0	0	0	0%	0	0	0	0%	0%
f)	Any other	0	0	0	0%	0	0	0	0%	0%
	Sub-total (A) (1):	50,52,707		50,52,707	72.553%	51,08,707	0	51,08,707	73.358%	0.805%
(2)	Foreign									
a)	NRI's- Individuals	0	0	0	0%	0	0	0	0%	0%
b)	Other-Individuals	0	0	0	0%	0	0	0	0%	0%
c)	Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
d)	Banks / FI	0	0	0	0%	0	0	0	0%	0%
e)	Any Other	0	0	0	0%	0	0	0	0%	0%
	Sub-total (A) (2):	0	0	0	0%	0	0	0	0%	0%
	Total Shareholding Promoter (A) = (A)(1) + (A)(2)	50,52,707	0	50,52,707	72.553%	51,08,707	0	51,08,707	73.358%	0.805%
B.	Public Shareholding									
1.	Institutions									
a)	Mutual Funds	0	0	0	0%	0	0	0	0%	0%
b)	Banks / FI	100	0	100	0.001%	100	0	100	0.001%	0%
c)	Central Govt. (s)	4,23,701	0	4,23,701	6.084%	4,21,401	0	4,21,401	6.051%	-0.033%
d)	State Govt	0	0	0	0%	0	0	0	0%	0%
e)	Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
f)	Insurance Companies	0	0	0	0%	0	0	0	0%	0%
g)	FIs	0	0	0	0%	0	0	0	0%	0%
h)	Foreign Venture Capital Funds	0	0	0	0%	0	0	0	0%	0%
i)	Others (specify)	0	0	0	0%	0	0	0	0%	0%
	Sub-total (B)(1):	4,23,801	0	4,23,801	6.085%	4,21,501	0	4,21,501	6.052%	-0.033%
2.	Non-Institutions									
a)	Bodies Corp.									
i)	Indian	94,392	900	95,292	1.368%	36,799	900	37,699	0.541%	-0.0827%
ii)	Overseas	0	0	0	0%	0	0	0	0%	0%
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	6,67,092	5,61,885	12,28,977	17.647%	6,65,688	5,45,885	12,11,573	17.397%	-0.250%
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,60,479	0	1,60,479	2.304%	1,81,991	0	1,81,991	2.613%	0.309%
c)	Others (specify)									
i)	Non Resident Indian	1456	0	1456	0.021%	1,505	0	1,505	0.022%	0.001%
ii)	Clearing Members	1,368	0	1,368	0.020%	1,104	0	1,104	0.016%	-0.004%
	Sub-total (B)(2):	9,24,787	5,62,785	14,87,572	21.360%	8,87,087	5,46,785	14,33,872	20.589%	-0.771%



	Total Public Shareholding (B) = (B) (1)+ (B)(2)	13,48,588	5,62,785	19,11,373	27.445%	13,08,588	5,46,785	18,55,373	26.641%	-0.804%
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0%	0	0	0	0%	0%
	Grand Total (A+B+C)	64,01,295	5,62,785	69,64,080	100	64,17,295	5,46,785	69,64,080	100	0%

ANNEXURE – E

i) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	KantikumarDadha	3,95,158	5.674%	0	4,00,158	5.746%	0	0.072%
2	Karan Singh Baid	5,256	0.075%	0	5,256	0.075%	0	0%
3	Arvind Dadha	4,11,135	5.904%	0	4,26,635	6.126%	0	0.222%
4	SushilaBaid	3,000	0.043%	0	3,000	0.043%	0	0%
5	MayankBaid	3,100	0.045%	0	3,100	0.045%	0	0%
6	KusumDadha	1,03,320	1.484%	0	1,03,320	1.484%	0	0%
7	Ashish Dadha	1,85,695	2.666%	0	2,36,895	3.402%	0	0.736%
8	Neverloose Properties & Investment Pvt. Ltd	37,47,543	53.812%	0	37,31,843	53.587%	0	-0.225%
9.	KantikumarDadha HUF	49,000	0.704%	0	49,000	0.704%	0	0%
10	HemsinghDadha HUF	40,000	0.574%	0	40,000	0.574%	0	0%
11.	Ashish KantikumarDadha HUF	40,000	0.574%	0	40,000	0.574%	0	0%
12.	Arvind KantikumarDadha HUF	39,500	0.567%	0	39,500	0.567%	0	0%
13.	Pooja Ashish Dadha	15,000	0.215%	0	15,000	0.215%	0	0%
14.	DitiDadha	15,000	0.215%	0	15,000	0.215%	0	0%
	Total	50,52,707	72.553%	0	51,08,707	73.358%	0	0.805%

ANNEXURE – F

ii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Date	Increase			Decrease		Cumulative Shareholding during the year		At the of the end year	
	No. of shares	% of total shares of the co.		Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of total shares of the co.	No. of shares	% of total shares of the co.
1. Neverloose Properties & Investment Pvt. Ltd	37,47,543	53.812%	15-11-2019	-	-	-	500	-	37,47,043	53.805%	37,47,043	53.805%
			22-11-2019	-	-	-	1300	-	37,45,743	53.787%	37,45,743	53.787%
			29-11-2019	-	-	-	1000	-	37,44,743	53.772%	37,44,743	53.772%
			06-12-2019	-	-	-	1400	-	37,43,343	53.752%	37,43,343	53.752%
			13-12-2019	-	-	-	1300	-	37,42,043	53.733%	37,42,043	53.733%
			20-12-2019	-	-	-	1100	-	37,40,943	53.718%	37,40,943	53.718%
			27-12-2019	-	-	-	2500	-	37,38,443	53.682%	37,38,443	53.682%
			31-01-2020	-	-	-	800	-	37,37,643	53.670%	37,37,643	53.670%
			07-02-2020	-	-	-	1600	-	37,36,043	53.647%	37,36,043	53.647%
			14-02-2020	-	-	-	2300	-	37,33,743	53.614%	37,33,743	53.614%
		21-02-2020	-	-	-	1900	-	37,31,843	53.587%	37,31,843	53.587%	
2. Arvind Dadha	4,11,135	5.904%	28-03-2019	-	15,500	-	-	-	4,26,635	6.126%	4,26,635	6.126%
3. Kantikumar Dadha	3,95,158	5.674%	02-04-2019	-	5,000	-	-	-	4,00,158	5.746%	4,00,158	5.746%
4. Ashish Dadha	1,85,695	2.666%	12-04-2019	-	35,500	-	-	-	2,21,195	3.176%	2,21,195	3.176%
			22-11-2019	-	500	-	-	-	2,21,695	3.183%	2,21,695	3.183%
			29-11-2019	-	1,700	-	-	-	2,23,395	3.208%	2,23,395	3.208%
			06-12-2019	-	1,400	-	-	-	2,24,795	3.228%	2,24,795	3.228%
			13-12-2019	-	600	-	-	-	2,25,395	3.237%	2,25,395	3.237%



			20-12-2019	-	1,800	-	-	-	2,27,195	3.262%	2,27,195	3.262%
			27-12-2019	-	1,600	-	-	-	2,28,795	3.285%	2,28,795	3.285%
			31-12-2019	-	676	-	-	-	2,29,471	3.295%	2,29,471	3.295%
			03-01-2020	-	824	-	-	-	2,30,295	3.307%	2,30,295	3.307%
			31-01-2020	-	300	-	-	-	2,30,595	3.311%	2,30,595	3.311%
			07-02-2020	-	500	-	-	-	2,31,095	3.318%	2,31,095	3.318%
			14-02-2020	-	3,900	-	-	-	2,34,995	3.374%	2,34,995	3.374%
			21-02-2020	-	1,900	-	-	-	2,36,895	3.402%	2,36,895	3.402%

ANNEXURE – G

i) Shareholding Pattern of top ten Shareholders:

(other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Shareholding at the beginning of the year		Date	Increase			Decrease		Cumulative Shareholding during the year		At the of the end year	
	No. of shares	% of total shares of the co.		Allotment (specify type)	transfer	Others specify	transfer	Others specify	No. of shares	% of total shares of the co.	No. of shares	% of total shares of the co.
1. Investor Education & Protection Fund	4,23,701	6.084%	23-08-2019	-	-	-	2,300	-	4,21,401	6.045%	4,21,401	6.045%
2. Meena Devi	64,000	0.919%	-	-	-	-	-	-	64,000	0.919%	64,000	0.919%
3 Nanda Nahar	29,935	0.430%	-	-	-	-	-	-	29,935	0.430%	29,935	0.430%
4Religare Finvest Ltd	23,000	0.330	-	-	-	-	-	-	23000	0.330%	23,000	0.330%
5 Mahesh Kumar Dadha	18,933	0.272%	-	-	-	-	-	-	18,933	0.272%	18,933	0.272%
6 Shiv Kumar Baid	17,400	0.25%	-	-	-	-	-	-	17,400	0.250%	17,400	0.250%
7 Dinesh Kumar Bajaj	15,174	0.218%	-	-	-	-	-	-	15,174	0.218%	15,174	0.218%
8 Vandana Bajaj	15,037	0.216%	-	-	-	-	-	-	15,037	0.216%	15,037	0.216%
9.Jawaharlal Ishwarlal Agrawal	8,002	0.115%	23-08-2019	-	1,040	-	-	-	9,042	0.133%	9,042	0.133%
			08-11-2019	-	200	-	-	-	9,242	0.133%	9,242	0.133%
			29-11-2019	-	1	-	-	-	9,243	0.133%	9,243	0.133%
			06-12-2019	-	1,000	-	-	-	10,243	0.147%	10,243	0.147%
			20-03-2019	-	800	-	-	-	11043	0.159%	11,043	0.159%
10. RajkumarOjha	9,949	0.143%	20-09-2019	-	200	-	-	-	10,149	0.146%	10,149	0.146%
			08-11-2019	-	180	-	-	-	10,329	0.148%	10,329	0.148%
			15-11-2019	-	40	-	-	-	10369	0.149%	10,369	0.149%
			21-02-2019	-	100	-	-	-	10,469	0.150%	10,469	0.150%
11.Arihant Capital Marketing Limited	56,000	0.804%	05-04-2019	-	-	-	-5,000	-	51,000	0.732%	51,000	0.732%
			15-11-2019	-	-	-	-50,500	-	500	0.007%	500	0.007%
			22-11-2019	800	-	-	-	-	1,300	0.019%	1,300	0.019%
			29-11-2019	-	-	-	-700	-	600	0.009%	600	0.009%
			13-12-2019	700	-	-	-	-	1,300	0.019%	1,300	0.019%
			20-12-2019	-	-	-	-700	-	600	0.009%	600	0.009%
			27-12-2019	900	-	-	-	-	1,500	0.022%	1,500	0.022%
			31-12-2019	-	-	-	-676	-	824	0.012%	824	0.012%
			24-01-2020	-	-	-	-724	-	100	0.001%	100	0.001%
			31-01-2020	500	-	-	-	-	600	0.009%	600	0.009%
			07-02-2020	1,000	-	-	-	-	1,600	0.023%	1,600	0.023%
			20-03-2020	-	-	-	-1,599	-	1	0	1	0
			27-03-2020	-	-	-	-1	-	0	0	0	0

ANNEXURE – H

i) Shareholding of Directors and Key Managerial Personnel:

Form each of Directors and KMP	Shareholding at the beginning of the year	Date Debit/ Credit	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	At the end of the year
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	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Kanti Kumar Dadha	3,95,158	5.674%	02-04-2019	5,000	Transfer	4,00,158	5.746%	4,00,158	5.746%
Mr. Karan Singh Baid	5,256	0.075%	-	-	-	-	-	5,256	0.075%
Mr. Arvind Kumar Dadha	4,11,135	5.904%	28-03-2019	15,500	Transfer	4,26,635	6.126%	4,26,635	6.126%
Mr. Vinod Kankariya	NIL	NIL	-	-	-	-	-	NIL	NIL
Mr. Ashok Kumar K. Bekal	NIL	NIL	-	-	-	-	-	,NIL	NIL
Mr. Ashish Dadha	1,85,695	2.666%	12-04-2019	35,500	Transfer	2,21,195	3.176%	2,21,195	3.176%
			22-11-2019	500	Transfer	2,21,695	3.183%	2,21,695	3.183%
			29-11-2019	1,700	Transfer	2,23,395	3.208%	2,23,395	3.208%
			06-12-2019	1,400	Transfer	2,24,795	3.228%	2,24,795	3.228%
			13-12-2019	600	Transfer	2,25,395	3.237%	2,25,395	3.237%
			20-12-2019	1,800	Transfer	2,27,195	3.262%	2,27,195	3.262%
			27-12-2019	1,600	Transfer	2,28,795	3.285%	2,28,795	3.285%
			31-12-2019	676	Transfer	2,29,471	3.295%	2,29,471	3.295%
			03-01-2020	824	Transfer	2,30,295	3.307%	2,30,295	3.307%
			31-01-2020	300	Transfer	2,30,595	3.311%	2,30,595	3.311%
			07-02-2020	500	Transfer	2,31,095	3.318%	2,31,095	3.318%
			14-02-2020	3,900	Transfer	2,34,995	3.374%	2,34,995	3.374%
			21-02-2020	1,900	Transfer	2,36,895	3.402%	2,36,895	3.402%
Mrs. RajaniPoddar	NIL	NIL	-	-	-	-	-	NIL	NIL
Ms. Kopal Jain	NIL	NIL	-	-	-	-	-	NIL	NIL



ANNEXURE – I

V) INDEBTEDNESS

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

Sr. No.	Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i)	Principal Amount	30,45,72,737	-	-	30,45,72,737
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	30,45,72,737	-	-	30,45,72,737
	Change in Indebtedness during the financial year				
i)	Addition	-	51,52,926	-	51,52,926
ii)	Reduction	(1,16,08,440)	(51,52,926)	-	(1,67,61,366)
	Net Change	(1,16,08,440)	-	-	(1,16,08,440)
	Indebtedness at the end of the financial year				
i)	Principal Amount	29,29,64,297	-	-	29,29,64,297
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	29,29,64,297	-	-	29,29,64,297

ANNEXURE – J

VI. Remuneration of Directors and Key Managerial Personnel-

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

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Kanti Kumar Dadha (Managing Director)	Mr. Karan Singh Baid (Whole Time Director)	Mr. Arvind Dadha (Whole Time Director)	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,84,000	20,48,000	20,48,000	62,80,000
(b)	Value of perquisites u/s 17(2) Income- tax Act, 1961	4,03,770	30,140	1,43,881	5,77,791
(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	—	—	—	—
	Total (A)	25,87,770	20,78,140	21,91,881	68,57,791



ANNEXURE – K

B. Remuneration to other Directors

Sr No	Particulars of Remuneration	Total Amount			
		Mr. Vinod Kankariya	Mr. Ashok Kumar K.Bekal	Mrs. Rajani Poddar	Total
1	Independent Directors				
(a)	Fee for attending board /committee meetings	32,000	—	32,000	64,000
(b)	Commission	-	—	—	—
(c)	Others, please specify	-	—	—	—
	Total (1)	32,000	—	32,000	64,000
2	Other Non-Executive Directors				
(a)	Fee for attending board committee meetings	-	—	—	—
(b)	Commission	-	—	—	—
(c)	Others, please specify	-	—	—	—
	Total (2)	-	—	—	—
	Total (B)=(1+2)	32,000	—	32,000	64,000
	Total Managerial Remuneration	32,000	—	32,000	64,000
	Overall Ceiling as per the Act (per Board Meeting)	1,00,000	—	1,00,000	—

ANNEXURE – L

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

Sr. No.	Particulars of Remuneration Key Managerial Personnel	Key Managerial Personnel		
		CFO Mr.Ashish Dadha	CS Ms. Kopal Jain	Total
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,96,000	5,89,000	23,85,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	52,740	—	52,740
(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	—	—	—
	Total	18,48,740	5,89,000	24,37,740



Annexure- IV

The details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Name of Director/KMP and Designation	Remuneration of Director/KMP for the F.Y. 2019-20	% increase in Remuneration in the F.Y. 2019-20	Ratio of remuneration of each Director/ KMP to median remuneration of employees
Mr.Kantikumar Dadha (Managing Director &KMP)	Rs. 25,87,770/-	11.55%	8.65:1
Mr. Karan Singh Baid (Whole Time Director)	Rs. 20,78,140/-	4.84%	6.95:1
Mr. Arvind Dadha (Whole Time Director)	Rs. 21,91,881/-	7.56%	7.33:1
Mr. Ashish Dadha (Chief Financial Officer- KMP)	Rs. 18,48,740/-	7.55%	6.18:1
Ms. Kopal Jain (Company Secretary–KMP)	Rs. 5,89,000/-	36.11%	1.97:1

2. The median remuneration of employees of the Company during the financial year was Rs.2,99,095/- in the Financial Year 2019-20, there was an increase of 27.83% in the median remuneration of employees;
3. There were 24 number of employees on the rolls of the Company as on 31st March,2020;
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20, and comparison with the increase in the managerial remuneration for the same financial year.

Remuneration paid to employees excluding managerial personnel for the FY 2018-19	Remuneration paid to employees excluding managerial personnel for the FY 2019-20	% change in remuneration paid to employees excluding managerial personnel	Remuneration paid to managerial personnel for the FY2018-19	Remuneration paid to managerial personnel for the FY 2019-20	(%) change in remuneration paid to managerial personnel
1,20,83,883	1,06,45,192	-	84,91,633	92,95,531	9.47%

There were no exceptional circumstances for increase in Managerial Remuneration.

5. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.

**For on and on behalf of Board of Directors
For Golkunda Diamonds and Jewellery Limited**

**KantiKumar Dadha
Chairman and Managing Director**

**Date: 31.07.2020
Place: Mumbai**



CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) and Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Corporate Governance Report, as applicable for the year ended March 31, 2020 is set out below for the information of shareholders, investors and other stakeholders of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** (“Company”).

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that good Corporate Governance is the foundation for a truly sustainable Company. Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all Employees of the Company for enhancement of shareholder value while keeping in view interest of other stakeholders. Set procedures, guidelines and practices have been evolved to ensure timely disclosures of information regarding our financials, performance, significant events and governance etc. of the Company. The Company has adopted a code of conduct for its Board, KMPs and Senior Management personnel which has been communicated to them and they have affirmed the same through their annual disclosures to the Company. Your Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of Listing Regulations of SEBI.

2. BOARD OF DIRECTORS

a) Composition:

The Board of Directors of a Company has an optimum combination of Executive and Non-Executive Directors.

1) The Board of Directors of your Company comprises of an Executive Chairman and Managing Director, 2 Whole Time Executive Directors and 3 Non-Executive Independent Directors (including a One Woman Independent Director).

2) All Directors other than Mr.KantiKumar Dadha, Mr.Karan Singh Baid and Mr.Arvind Kumar Dadha are Non-Executive Independent Directors.

b) Attendance of Each Director at the Board Meeting and Last Annual General Meeting.

Name	Category	Attendance Particulars		
		Number of Board Meetings		Last AGM held On 28th Sept. 2019
		Held during tenure	Attended	
Mr. Kanti Kumar Dadha	Chairman & Managing Director (Promoter)	4	4	Yes
Mr. Karan Singh Baid	Whole Time Executive Director (Promoter)	4	3	Yes
Mr. Arvind Kumar Dadha	Whole Time Executive Director (Promoter)	4	4	Yes
Mr. Ashok Kumar K. Bekal	Independent Non-Executive Director	4	4	No
Mrs. Rajani Poddar	Independent Non-Executive Director	4	4	Yes
Mr. Vinod Kankariya	Independent Non-Executive Director	4	4	Yes

Number of other Boards or Board Committees in which he/she is a Member or Chairperson.

Name	Category	No. of Directorships and Committee Chairmanship / Membership (including this Company)
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		Directorship	Directorship in Listed Companies	Committee Chairmanship	Committee Membership
Mr. Kanti Kumar Dadha	Chairman & Managing Director (Promoter)	1	1	0	0
Mr. Karan Singh Baid	Whole Time Executive Director (Promoter)	1	1	0	0
Mr. Arvind Kumar Dadha	Whole Time Executive Director (Promoter)	1	1	0	0
Mr. Ashok Kumar K. Bekal	Independent Non-Executive Director	1	1	0	2
Mrs. Rajani Poddar	Independent Non-Executive Director	1	1	0	2
Mr. Vinod Kankariya	Independent Non-Executive Director	1	1	2	2

c) **Number of Board Meetings Held and Dates on which held:**

Dates on which Board Meetings were Held	Total Strength of the Board	No. of Directors Present
25 th May, 2019	6	6
27 th July, 2019	6	6
23 rd October, 2019	6	6
23 rd January, 2020	6	5

Notes:

1. As detailed above, none of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors, nor as Chairman of more than five such committees.
2. Only Directorship in public limited Companies (listed or unlisted) has been considered.
3. Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered.

d) **Disclosure of Relationships between Directors Inter-se:**

Name	Relation with Gokuldas	Inter-se Relation
Mr. Kanti Kumar Dadha	Chairman and Managing Director	Father of Mr. Arvind Dadha
Mr. Arvind Kumar Dadha	Whole Time Director	Son of Mr. Kanti Kumar Dadha

There is no inter-se relationship between other Directors.

e) **Disclosure of Shareholding by Non-Executive Directors:**

Sr. No.	Name of Director	No. of Shares Held
1	Mr. Ashok Kumar K. Bekal	NIL
2	Mr. Vinod Kankariya	NIL
3.	Mrs. Rajani Poddar	NIL

f) **Board Meetings Procedure:**

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual Directors and considering their convenience. The agenda



papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors review report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

g) Code of conduct:

- * The Board of Directors adopted the Code of Conduct for Board Members and senior management personnel. The said code was communicated to the Directors and members of the senior management and they affirmed their compliance with the said Code. The Code adopted is posted on the Company's website www.golkunda.com
- * Pursuant to the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted Code of practices and procedures for fair disclosure of unpublished price sensitive information and Code of Conduct in order to monitor and report Insider Trading.
- * All Directors and the designated employees have confirmed compliance with the Code.
- * A certificate from Mr. Kantikumar Dadha, Managing Director & Mr. Ashish Dadha, CFO in terms of Regulation 17 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with/Stock Exchanges for the financial year ended March 31, 2020 was placed before the Board of Directors of the Company in their meeting held on July 31, 2020 and is annexed to this Report.

h) INDEPENDENT DIRECTORS:

Mr. Ashok Kumar K. Bekal, Mr. Vinod Kankariya and Mrs. Rajani Poddar were the Independent Directors on the Board of Directors of your Company as on March 31, 2020. The Independent Directors continue to serve on the Board and will hold Office pursuant to the provisions of section 149(10) of the Companies Act, 2013.

The Company has issued a formal letter of appointment containing their duties, terms and conditions of appointment. The Terms & Conditions of the Independent Directors is also disclosed on the website of the Company i.e. www.golkunda.com. The Independent Directors have confirmed about their independence and eligibility as required under Section 149(7) of the Companies Act, 2013.

> **Role of Independent Directors:**

The Independent Directors play an important role in deliberations at the Board and Committee Meetings and bring to the Company their expertise in the field of finance, management and public policy. The Independent Directors satisfy the criteria of independence as defined in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which is applicable w.e.f. December 01, 2015 and the Companies Act, 2013. They perform the duties as stipulated in the Companies Act, 2013.

> **Familiarization Programme for Independent Directors:**

The Company has a familiarization programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents/ reports and internal policies to enable them to familiarize with the Company's procedures and practices and keep themselves abreast of the latest corporate, regulatory and industry developments.

The Familiarization Programme and details thereof imparted during FY 2019-20 are uploaded on the website viz; www.golkunda.com.

> **Separate meetings of the independent Directors:**

In compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of Independent Directors of the Company was held on 23rd January, 2020, inter alia, to discuss the following:



- * To review the performance of Non-Independent Directors and the Board as a whole;
- * To review the performance of the Chairman of the Company;
- * To assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary

For the Board to effectively and reasonably perform their duties.

The Independent Directors have expressed their satisfaction over the performance of the other Directors and the Board as whole.

> **Matrix of skills/competence/ expertise of Director**

The Following matrix summarizes list of core skills/ expertise/ competencies/ identified by the Board as required in the context of its business and the sectors in which the Company operates.

Board Competency Matrix

Industrial Knowledge/ Experience	Technical Skills/Expertise/Competencies	
Industrial Experience	Finance & Accounting	Leadership
Knowledge of sector (jewellery)	Legal & Governance	Business Administration
Knowledge of board public policy direction	Sales & Marketing	Corporate Restructuring
Understanding of government legislation/legislative process	Information Technology	Human Resource Management & Labour Laws
Global Business	Public Relation	Strategy and business development
Supply Chain Management	Risk Management	Corporate Social Responsibility

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, technical skills, expertise and competencies or effective contribution to the board and its committees.

Certificate on Non-disqualification of Directors

Ms. Kala Agarwal, Practising Company Secretary have certified that for the financial year ended on 31st March, 2020, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such authority. A certificate issued by Kala Agarwal, to that effect is attached as an annexure to this Report.

3. AUDIT COMMITTEE

a) Composition:

Your Company had constituted an Audit Committee. The composition of Audit Committee as on 31st March, 2020 is as under:

Sr. No.	Name of the Member	Category
1	Mr. Vinod Kankariya(Chairman)	Independent Non- Executive Director
2	Mr. Askokkumar Bekal(Member)	Independent Non- Executive Director
3	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director

The Committee's Composition met with requirement of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise /exposure.

The Company Secretary acts as the Secretary to the Committee.



b) Meetings of Audit Committee and Attendance during the Year:

The Committee met 4 (Four) times during the year on the following dates viz. 25.05.2019, 27.07.2019, 23.10.2019 and 23.01.2020.

Mr. Karan Singh Baid, Whole Time Director is a Permanent Invitee to the Audit Committee meetings. The Chief Financial Officer, the Internal Auditors, the Statutory Auditors are also invited to the Committee Meetings as and when necessary. The attendance of each Audit Committee member in the above Meetings is given hereunder:-

Sr. No.	Name of Member	Audit Committee meetings (Financial Year 2019-2020)	
		Held during tenure	Attended
1.	Mr. Vinod Kankariya*	4	4
2.	Mrs. Rajani Poddar	4	4
3.	Mr. Ashok Kumar K. Bekal	4	4

*Mr. Vinod Kankariya was appointed as Chairman and Mr. Ashok Kumar K Bekal was appointed as Member w.e.f. 25th May, 2019.

Sr. No.	Dates on which Audit Committee Meetings were Held	Total Strength of the Committee	No of Members Present
1	25 th May, 2019	3	3
2	27 th July, 2019	3	3
3	23 rd October, 2019	3	3
4	23 rd January, 2020	3	3

c) Brief Description of Terms of Reference:

The Company has an Audit Committee with scope of activities as set out in Part C of Schedule II with reference to the Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. The Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors of the Company. The broad terms of reference of the Audit Committee are asunder

i. Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and disclosure of its financial information
- Reviewing with the Management the quarterly unaudited financial results and Auditors Review Report thereon and make necessary recommendation to the Board.
- Reviewing with the Management audited annual financial statements and Auditors' Report thereon and make necessary recommendation to the Board. This would, inter-alia, include reviewing changes in the accounting policies, if any, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements arising out of audit findings, disclosure of related party transactions, compliance with legal and other regulatory requirements with respect to the financial statements.
- Reviewing the Management Discussion & Analysis of financial and operational performance and Board's Report.
- Scrutiny of inter-corporate loans and investments.
- Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments existing as on 1st April 2019. (w.e.f 1st April, 2019).

ii. Internal Controls and Governance Processes



- Review the adequacy and effectiveness of the Company's internal control system. Evaluation of Internal Financial Controls and Risk Management Systems, review and discuss with management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon.
- To oversee and review the functioning of a Vigil Mechanism / Whistle Blower Policy.
- Approval of Related Party Transactions (RPT) or any subsequent modifications of RPT and review of RPT on quarterly basis.
- Approval of appointment of Chief Financial Officer.

iii. Audit & Auditors

- Review and monitor Auditor's Independence and performance and effectiveness of Audit process.
- Reviewing with the management, performance of internal and statutory auditors, adequacy of internal control systems.
- Review the scope of the Statutory Auditor, the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board, appointment, remuneration and terms of appointment of the Auditors including Internal Auditors.
- Approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

d) Review of information by Audit Committee:

The following information is reviewed by the Audit Committee on mandatory basis:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Company has through its Board of Directors, constituted a Nomination and Remuneration Committee comprising of three directors. All the members of Nomination and Remuneration Committee are Non-Executive and Independent Directors.

Composition:

The Nomination & Remuneration Committee consists of the members as detailed below as on 31st March, 2020.

Sr. No.	Name of the Member	Category
1	Mr. Vinod Kankariya (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Askokkumar Bekal (Member)	Independent Non- Executive Director

a) Meetings of Nomination and Remuneration Committee:



During the financial year 2019-20, the Nomination and Remuneration Committee (formerly known as Remuneration Committee) met one time on 27th July, 2019. The attendance of each Committee member in the meeting during the financial year ended March 31, 2020 is given below:

Sr. No.	Name of member	Nomination and Remuneration Committee meetings (Financial Year 2019-2020)	
		Held during tenure	Attended
1	Mr. Vinod Kankariya*	1	1
2	Mrs. Rajani Poddar	1	1
3	Mr. Askokkumar Bekal	1	1

*Mr. Vinod Kankariya was appointed as Chairman and Mr. Ashok Kumar Bekal was appointed as member w.e.f. 25th May, 2019.

Sr. No.	Dates on which Nomination and Remuneration Committee Meetings were Held	Total Strength of the Committee	No. of Members Present
1	27 th July, 2019	3	3

c. Brief Description of Terms of Reference:

The terms of reference of the 'Nomination and Remuneration Committee' inter-alia includes the following:

- * To review, assess and recommend the appointment and remuneration of executive Directors.
- * To review the remuneration packages payable to executive Directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors of the Company.
- * To recommend the commission payable to the non-executive Director(s) in accordance with and upto the limits laid down under the Companies Act, 2013.
- * To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down.
- * To recommend to the Board the appointment and removal of the Director and shall carry out evaluation of every Director performance.
- * To formulate criteria for determining qualifications, positive attributes and independence of the Director.
- * To recommend to the Board of a 'policy' relating to the remuneration of Directors, Key Managerial Personnel and other employees.
- * To devise a policy on Board diversity
- * To carry out such other functions as delegated by the Board from time to time.

- d)** Company's policy on appointment and remuneration of Directors and Key Managerial Personnel Pursuant to Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee(NRC) has formulated "Nomination and Remuneration Policy" which deals inter-alia with the appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees. The said policy is uploaded on the website of the Company and web-link thereto is <https://www.golkunda.com>

I. Appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management:

1. Appointment Criteria and Qualifications:

- a) A person being appointed as Director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment.
- b) Independent Director:



i) **Qualifications of Independent Director:**

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

ii) **Positive attributes of Independent Directors:**

An independent Director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

2 Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3 Retirement:

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

II. Remuneration:

1. Directors:

a) Executive Directors (Managing Director, Manager or Whole Time Director):

i) At the time of appointment or re-appointment, the Executive Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration (N&R) Committee and the Board of Directors) within the overall limits prescribed under the Companies Act, 2013.

ii) The remuneration shall be subject to the approval of the Members of the Company in General Meeting as per the requirement of the Companies Act, 2013.

iii) The remuneration of the Manager /CEO /Managing Director /Whole Time Director is broadly divided into fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company. In determining the remuneration (including the fixed increment and performance bonus), the Committee shall consider the following:

- * the relationship of remuneration and performance benchmark;
- * balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
- * responsibility required to be shouldered, the industry benchmarks and the current trends;
- * The Company's performance vis-a-vis the annual budget achievement and individual performance.

b) Non-Executive Director:

* The Non-Executive Independent Director may receive fees for attending meeting of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

* A Non-Executive Director may be paid commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the Committee.

* The Committee may recommend to the Board, the payment of commission, to reinforce the principles of



collective responsibility of the Board.

- * In determining the quantum of commission payable to the Directors, the Committee shall make its recommendation after taking into consideration the overall performance of the Company and the onerous responsibilities required to be shouldered by the Director.
- * The total commission payable to the Directors shall not exceed prescribed limits as specified under Companies Act, 2013.
- * The commission shall be payable on pro-rata basis to those Directors who occupy office for part of the year.

2 KMP & Senior Managerial Personnel:

The remuneration to the KMP and Senior Management Personnel will be based on following guidelines:

- * maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
- * compensation should be reasonable and sufficient to attract retain and motivate KMP and senior management;
- * Remuneration payable should comprise of a fixed component and a performance linked variable based on the extent of achievement of individual performance versus overall performance of the Company;
- * Remuneration shall be also considered in form of long term incentive plans for key employees, based on their contribution, position and length of service, in the nature of ESOPS/ESPS.

III. Evaluation:

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly). The Committee shall also formulate and provide criteria for evaluation of Independent Directors and the Board as a whole, if applicable.

a) Board Evaluation:

Pursuant to provisions of the Companies Act, 2013, Schedule IV and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), 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 Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also evaluation of Individual Directors. The self-assessment format considered performance effectiveness with regard to the Board composition, expertise, dynamics, strategic oversight, risk management and internal control, succession planning and leadership.

While the individual Directors' performance was reviewed by the Chairman and thereto the Board, the Chairman's and Non-Independent Directors performance were appraised through feedback from Independent Directors.

5. REMUNERATION OF DIRECTORS:

a) Details of Remuneration/Compensation Paid to the Non-Executive/Independent Director during the Year Ended 31.03.2020:

Name of Director	No. of Board Meetings Attended	Sitting Fees Paid (in Rs.)
Mr. Ashok Kumar K. Bekal *	4	NIL
Mrs. Rajani Poddar	4	32,000/-
Mr. Vinod Kankariya	4	32,000/-

*Mr. Ashok Kumar K. Bekal has waived his sitting fees for attending the meeting of Board of Directors. None of the Non-executive Directors are holding any shares in the Company.

There are no pecuniary relationships or transaction of the Non-Executive Directors with the Company.



b) Criteria for Making Payments to Non-Executive Directors:

The Company pays sitting fees to Non Executive Directors of the Company for attending the Meeting of the Board of Directors @ Rs. 8,000/- (Rupees Eight Thousand Only) per Board Meeting. The Criteria for making payment to Non-executive Directors is disclosed on the website of the Company i.e. www.golkunda.com.

c) Details of remuneration paid to the Executive Directors during the year ended 31.03.2020 are as follows:

Name	Relation with Golkunda	Salary	Stock Option	Commission	Contribution to Provident Fund and other funds	Perquisites	Total
Mr. Kanti Kumar Dadha	Chairman and Managing Director	21,84,000	—	—	21,600	4,03,770	26,09,370
Mr. Karan Singh Baid	Whole Time Director	20,48,000	—	—	21,600	30,140	20,99,740
Mr. Arvind Kumar Dadha	Whole Time Director	20,48,000	—	—	21,600	1,43,881	22,13,481

Notes:

- * Mr. Kanti Kumar Dadha (DIN: 00283289) was re-appointed as Chairman and Managing Director for the further period of three years at Annual General Meeting held on 28.09.2017 with effect from 1st October,2017.
- * Mr. Arvind Dadha (DIN: 00317631) was re-appointed as Whole Time Director of the Company for the period of Three years at Annual General meeting held on 28.09.2017 with effect from 1st October,2017.
- * Mr. Karan Singh Baid (DIN:00283224) was re-appointed as Whole Time Director of the Company for the period of Three years at Annual General Meeting held on 28.09.2017 with effect from 10th November,2017.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition, role and powers of the Stakeholders Relationship Committee (formerly known as Shareholders and Investors Grievance Committee) meet the requirements of Part D of Schedule II with reference to Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178(5) of the Companies Act, 2013.

a) Composition of Committee:

Composition of Stakeholders' Relationship Committee is as follows.

The Stakeholders Relationship Committee consists of the members as detailed below as on 31st March, 2020.

Sr. No.	Name	Category
1	Mr. Vinod Kankariya (Chairman)	Independent Non- Executive Director
2	Mrs. Rajani Poddar (Member)	Independent Non- Executive Director
3	Mr. Askok kumar Bekal (Member)	Independent Non- Executive Director

b) Terms of Reference of Committee:

The Stakeholders Relationship Committee approves and monitors transfers and transmission of shares and replacement, split and consolidation of share certificates. The Committee also monitors redressal of complaints received from the shareholders relating to transfers/transmission of shares, non- receipt of annual reports and



transfer of credit of shares to demat accounts, dividend and other investor-related matters.

c) Meetings of Stakeholders Relationship Committee and Attendance during the Year:

The Committee met 4 (Four) times during the year on the following dates viz. 25.05.2019, 27.07.2019, 23.10.2019 and 23.01.2020.

Sr. No.	Name	Stakeholders Relationship Committee meetings	
		Held during Tenure	Attended
1	Mr. Vinod Kankariya*	4	4
2	Mrs. Rajani Poddar	4	4
3	Mr. Ashok Kumar K. Bekal	4	4

*Mr. Vinod Kankariya was appointed as Chairman and Mr. Ashok Kumar K Bekal was appointed as member w.e.f. 25th May, 2019.

Sr. No.	Dates on which Stakeholders Relationship Committee Meetings were held	Total Strength of the Committee	Number of Members Present
1	25 th May, 2019	3	3
2	27 th July, 2019	3	3
3	23 rd October, 2019	3	3
4	23 rd January, 2020	3	3

d) Name and Designation of Compliance Officer:

Ms. Kopal Jain is acting as Company Secretary and Compliance Officer of the Company.

e) Detail of Shareholders Complaints Received, Solved, Not Solved and Pending Share Transfers During the Year:

Number of Shareholders Complaints received	0
Number resolved to the satisfaction of shareholders	0
Number of pending Complaints	0

7. GENERAL BODY MEETINGS:

a) Location and Time Where Last Three Annual General Meetings (AGM) were Held:

Year	Date	Time	Venue
2019	28 th September, 2019	3.00 P.M.	“Suncity Residency Hotel, Eden – Hall-1, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093”
2018	25 th September, 2018	3.00 P.M.	“Suncity Residency Hotel, Eden – Hall-1, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093”
2017	28 th September, 2017	3.00 P.M.	“Suncity Residency Hotel, Eden – Hall, 16th Road, Maheshwari Nagar, MIDC, Marol, Andheri (E), Mumbai – 400 093”

b) Details of Special Resolutions Passed during the Last 3 A.G.M./E.G.M. or any Special Resolution Passed through Postal Ballot:

> The Company has passed two Special Resolutions at the Annual General Meeting held on 28.09.2019 in respect of:

* Reappointment of Mr. B.K. Ashok as an Independent Director of the company

* Revision / partial modification in the remuneration of Mr. Kantikumar Da dha, Managing Director of the Company

> No special resolutions were passed at the Annual General Meeting held on 25.09.2018.



> The Company has passed three Special Resolutions at the Annual General Meeting held on 28.09.2017 in respect of:

- * Re-appointment of Mr. Kantikumar Dadha as Managing Director for the period of three years w.e.f.01.10.2017
- * Re-appointment of Mr. Arvind Dadha as a Whole Time Director for the period of three years w.e.f.01.10.2017.
- * Re-appointment of Mr. KaranSingh Baid as a Whole Time Director for the period of three years w.e.f.10.11.2017.

> The Company has not passed any resolution through postal Ballot in the previous financial year.

c) As on the date, the Company do not proposes to pass any special resolution through Postal Ballot. The Company may have to conduct the process of postal ballot in view of the requirements of the new Companies Act, 2013.

Compliance with Mandatory & Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Corporate Governance specified in Listing Regulations. The Company has adopted discretionary requirements specified in Part E of Schedule II of Listing Regulations as given below:

The Board: The Company is headed by an Executive Chairman.

Shareholder's Rights: Quarterly, half-yearly, annual financial results of the Company are published in English and Marathi newspapers and are also forwarded to BSE Limited. The said results are also uploaded on the website of the Company www.golkunda.com. Hence, the same are not sent to the Shareholders of the Company by email or physically.

Separate Post of Chairperson and Chief Executive Officer: The post of Chairperson and Managing Director in the Company is held by a single person i.e. Mr. Kantikumar Dadha.

Modified Opinion in Audit Report: There was no qualification or modified opinion in the Independent Auditors' Report on Audited Financial Statements for the year ended 31st March, 2020.

Compliance with the requirements of Corporate Governance

All the requirements of Corporate Governance specified in Regulation 17 to 27 of Listing Regulations and of sub-regulation (2) of Regulation 46 of Listing Regulations have been complied with. Provisions of Registration 21 and 24 of Listing Regulations are not applicable to the company.

8. MEANS OF COMMUNICATION:

- a) The Unaudited quarterly/half yearly results are announced within forty-five days from the close of the quarter. The audited annual results are announced within sixty days from the closure of financial year as per the requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.
- b) The approved financial results are forth with sent to the Stock Exchanges and are published in English Newspaper and a newspaper published in a regional language within forty-eight hours of the approval thereof.
- c) The Company's financial results and official press releases are displayed on the Company's website www.golkunda.com under the investors section.
- d) Management Discussion and Analysis forms part of the Annual Report, which is sent to the Shareholders of the Company.
- e) The quarterly results, shareholding pattern, quarterly compliances, contact information of designated employees who are responsible for assisting and handling the investors grievance and all other corporate communication to the Stock Exchanges viz, The BSE Limited are filed electronically. The Company has complied with filing submission through BSE's BSE Listing Centre. The same information is updated on the website viz. www.golkunda.com within the prescribed time limit.



- f) SCORES (SEBI Complaints Redressal System): SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

9. GENERAL SHAREHOLDER INFORMATION:

1.	Date, time and the venue of 30 th AGM	12 th September, 2020 at 3.00 p.m. Through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”)
2.	Financial Calendar	April 01, 2019 to March 31, 2020
3.	Date of Book Closure	06 th September, 2020 to 12 th September, 2020 (both days inclusive)
4.	Dividend Payment Date	19 th September, 2020 onwards
5.	Listed on Stock Exchange	BSE Limited, Phiroze Jeejeebhoy Towers, 1 st Floor, Dalal Street, Mumbai-400001
6.	Annual Listing Fees	Annual listing fees for the financial year 2020-21 has been paid to BSE Limited
7.	BSE Stock code	523676

8. Stock market price data for the last financial year ended March 31, 2020 on The Stock Exchange, Mumbai is as under:

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares
April 2019	13.9	13.9	10	10	3634
May 2019	9.52	10	8.55	10	2908
June 2019	10.5	16.2	10.5	15	7917
July 2019	14.7	14.7	14	14	411
August 2019	14	14.28	10.16	10.16	3666
September 2019	10	11.08	10	10.5	2418
October 2019	10.5	10.5	9.49	10.06	2247
November 2019	10.56	14.09	10.45	11.4	11109
December 2019	11.1	13.56	10.45	12.06	10429
January 2020	12.66	17.02	12.05	17.02	10167
February 2020	17.85	18.65	14.25	14.25	13169
March 2020	14.95	17.92	14.95	16.6	3828

9. Registrar & Share Transfer Agent

Sharex Dynamic (India) Private Limited
C101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083

10. Share Transfer System

The Company’s shares are traded in the Stock Exchange compulsorily in demat mode. Shares sent for physical transfer or dematerialization requests are registered promptly within stipulated time from the date of receipt of completed and validly executed documents.

11. Distribution of shareholding as on March 31, 2020

No. of Shares Nominal Value	No. of Shareholders	% of Shareholders	Total Amount	% of Amount
1 to 5000	5,777	94.829	77,92,890	11.190
5001 to 10000	185	3.037	15,23,030	2.187
10001 to 20000	57	0.936	8,77,320	1.260
20001 to 30000	18	0.295	4,52,400	0.650
30001 to 40000	11	0.181	3,98,310	0.572
40001 to 50000	10	0.164	4,44,280	0.638
50001 to 100000	13	0.213	9,15,140	1.314
100001 and above	21	0.345	5,72,37,430	82.190
TOTAL	6092	100	6,96,40,800	100.00



12. Shareholding pattern as on March 31, 2020		
Category	No. of Shares	% of total
Promoter's holding	51,31,836	73.69
Financial Institution / Banks	100	0.001
NRIs / OCBs	1,505	0.022
Companies / Bodies Corporate	37,699	0.541
Clearing Members	1,104	0.016
General Public	13,70,435	19.679
Investor Education & Protection Fund	4,21,401	6.051
Total	69,64,080	100.00
13. Dematerialization of Shares and liquidity	As on 31.03.2020, 92.14% of the Company's Equity Shares representing 64,17,295 Equity Shares were held in dematerialized form with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).	
14. Outstanding GDR's / ADR's / Warrants or any Convertible Instruments	The Company does not have outstanding GDRS/ADRS/Warrants or any Convertible instruments.	
15. Plant Location (Development Centre)	G-30, Gems & Jewellery Complex-III, SEEPZ, Andheri(E), Mumbai-400096	
16. Address for Correspondence (for dematerialization/ transfer of shares, payment of dividend on shares, and any other query relating to the shares of the Company For any other queries	Sharex Dynamic (India) Private Limited C101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083 G-30, Gems & Jewellery, Complex III, SEEPZ, Andheri (E), Mumbai- 400096	
17. Reconciliation of Share Capital Audit	A qualified practicing Company Secretary carry out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.	
18. Compliance Officer	Ms. Kopal Jain (Company Secretary) G-30, Gems & Jewellery, Complex III, SEEPZ, Andheri (E), Mumbai 400096 Tel No. 022-28290155/56 Email ID: cs@golkunda.com	
19. Investor Correspondence	Any query relating to shares and request for transactions such as transfer, transmission and nomination facilities, duplicate share certificates, change of address, non-receipt of dividend/ and/or Annual Report, and also regarding dematerialization/ rematerialisation of shares may be taken up with the Registrar and Transfer Agent. Sharex Dynamic (India) Pvt. Ltd. C101, 247 Park, LBS Marg, Vikhroli West, Mumbai-400083	

3. COMPLIANCE CERTIFICATE BY AUDITORS: The Company has obtained a certificate from the Secretarial Auditors regarding compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI(LODR)Regulations which is annexed herewith.

4. OTHERDISCLOSURES:

- a) There were no materially significant related party transactions during the year having conflict with the interests of the Company:

The Company has put in place a policy for Related Party Transactions (RPT Policy) which has been



approved by the Board of Directors. The Policy provides for identification of RPTs, necessary approvals by the Audit Committee/Board/Shareholders, reporting and disclosure requirements in compliance with Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All contracts executed by the Company during the financial year with related parties were under the ordinary course of business and on arm's length basis.

The Related Party transactions policy is posted on the Company's website www.golkunda.com.

- b. There has been no material non-compliance by the Company or penalty or strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years.
- c. In Compliance of the Companies Act, 2013 and Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy also provides for adequate safeguard against victimization of Whistle Blower who avails of such mechanism and also provides for the access to the Chairman of Audit Committee. None of the Whistle Blowers have been denied access to the Audit Committee. The Whistle Blower policy is posted on the Company's website www.golkunda.com
- d. The Company has duly complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR).
- e. In compliance with the discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR), the Company has financial statements with unmodified audit opinion, and the internal auditors are directly reporting to the Audit Committee.
- f. The Company has complied with the corporate governance requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED**

Date: 31.07.2020

Place: Mumbai

KANTIKUMAR DADHA
Chair man & Managing Director

Details of Directors seeking Re election:

Mr. Karansingh Baid retires by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re – election. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Additional information and experience relating to the Directors who are getting appointed/re-appointed is furnished in the Annual Report.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
GOLKUNDA DIAMONDS AND JEWELLERY LIMITED
G-30, Gems And Jewellery Complex-III, Seepz,
Andheri (East), Mumbai - 400096.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of GOLKUNDA DIAMONDS AND JEWELLERY LIMITED having CIN L36912MH1990PLC058729 and having registered office at G-30, Gems And Jewellery Complex-III, Seepz, Andheri (East), Mumbai - 400096 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	KARANSINGH BAID	00283224	10/11/2011
2	KANTIKUMAR DADHA	00283289	30/10/1996
3	ARVIND KANTI KUMAR DADHA	00317631	01/10/2009
4	ASHOKKUMAR KENATINKARA BEKAL	00922780	10/04/2003
5	VINOD GULABCHANDJI KANKARIYA	06886764	10/08/2018
6	RAJANI PODDAR	07224114	12/08/2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kala Agarwal
Practising Company Secretary
Certificate of Practice Number: 5356
Membership Number: 34897
UDIN: F005976B000539751

Place: Mumbai
Date: 31.07.2020



MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Developments:

The Company is a part of an Industry, which largely operates through unorganized constituents. However, unlike the industry, the Company has attempted to operate through as systematic and organized manner as possible. However, since Diamonds and Jewellery is one industry, in which India holds, commendable position in the world, akin to the software industry, one can look forward to more international involvement coming up in this industry.

Opportunities and Threats:

Following can be termed as the opportunities / strengths of the Company:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.
- More and more benefits and exemptions are likely to come in the way of exports and Special Economic Zones and the Company, having commendable exports and being situated in SEEPZ-SEZ, is likely to receive the advantage of the same.
- Some of the world retail majors have decided sometime back to source part of their requirements from India. This shall further the growth of the Diamond industry in India.
- The unfavorable government policies cut throat competition amongst manufacturers and exporters remains major concerns for the Gems and Jewellery Business.

Outlook:

The Company has done reasonable in the current year and expects to achieve a really good percentage of market share in the Diamond manufacturing and Jewellery marketing fields. The outlook for the Company can therefore be termed as optimistic and expects higher growth than inflation and average growth in the industry.

Growth of the Gems and Jewellery Industry is expected to be moderate to better in the years to come depending on the policies of the Government. However Gems and Jewellery Industry is seeing robust growth in the years to come. The Growth rate of the Gems and Jewellery Industry is closely related to the growth of the other Sector and hence movements and developments in the other sectors would also indirectly affect the future of Gems and Jewellery Industry.

Changes in Key Financial Ratios:

Pursuant to provisions of Regulation 34 (3) of SEBI (LODR) Regulation, 2015 read with Schedule V part B(1) details of changes in Key Financial Ratios is given hereunder:

S. NO.	Key Financial Ratio		FY 2019-20	*FY 2018-19
1.	Debtors Turnover Ratio	Times	3.57	2.56
2.	Inventory Turnover Ratio	Times	6.87	6.35
3.	Interest Coverage Ratio	Times	3.02	1.97
4.	Current Ratio	Times	1.67	1.64
5.	Debt Equity Ratio	Times	1.05	1.13
6.	Operation Profit Margin	%	3.97	4.48
7.	Net Profit Margin	%	2.34	1.86
8.	Change in Return on Net Worth	%	7.79	4.98

*Previous year's Figures have been regrouped / rearranged wherever necessary

Risks and Concerns:

Following can be some of the risks and concerns the Company needs to be wary of:

- The largely unorganized structure of the market can affect the systematic functioning of the Company.



- Political instability, which has at tremendous impact on the capital markets.
- Likely opening up of the economy, which can be a double-edge sword.
- The Diamond market in India is heavily influenced by the US Markets.
- The major income component of the Company being exports, changes in economies or government policies of the countries to which the Company is exporting may also affect the operations of the Company.
- Increasing competition among the Indian Exporters in this industry.
- Internal Control Systems and their Adequacy:

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials, components, plant and machinery, equipment and other assets, and for the sale of goods.

The Company also has in place an Audit Committee to have a periodic overview of the internal control procedures of the Company. The Audit committee is accessible at all times to the employees of the Company for any improvement to be recommended in the procedures in place.

Discussion on Financial Performance of the Company:

The financial performance of the Company has declined in the year under review.

The sales were Rs. 1,32,74,49,964/- as compared to Rs. 1,08,91,06,718/- in the previous year. The Profit after tax in the current year was Rs. 2,18,32,298/- as compared to Rs.1,34,80,434 /- in the previous year.

Export performance and Foreign Exchange earnings:

The Company is making contribution other foreign exchange earnings by the Country in view of the fact that the Export and Foreign exchange earnings stood at Rs.1,37,44,10,450/- during the financial year under review.

Industrial Relations and Human Resources:

The Company considers that its relationship with its employees is vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employee can put his best efforts and maximize his contribution.

The Company ensures that all its employees remain competent through education, skills, training and experience as necessary. The Company has had cordial relations between the management and employees and an atmosphere of harmonious working to achieve the business objectives of the Company throughout the year. The Company is poised to motivate each of its employees to perform to the fullest extent possible and to appropriately reward their excellence

Cautionary Note:

Statements in this report and Corporate Governance Report read together with the Directors' Report and financial statement describing the Company's objectives, projections, estimates, expectations and predictions, may be "forward looking statements". Actual results may differ from those expressed or implied due to variations in prices of raw materials, seasonal demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and other incidental factors.



MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors,
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
Mumbai

We, Kantikumar Dadha, Managing Director and Ashish Dadha, Chief Financial Officer of Golkunda Diamonds & Jewellery Limited, to the best of our knowledge and belief certify that:

- 1) We have reviewed the financial statements and the cash flow statement of Golkunda Diamonds & Jewellery Limited for the year ended March 31, 2020 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- 3) We accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the Company and they have disclosed to the auditors and the Audit Committee, Deficiencies in the design or operation of internal controls, if any, of which they have take nor propose to take to rectify these deficiencies.
- 4) We have indicated to the Auditors and the Audit Committee except changes in the position of members of the Committee:
 - a) There are no significant changes in internal control during the year;
 - b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to Financial Statements; and
 - c) There have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems.

Kanitkumar Dadha
Managing Director

Ashish Dadha
Chief Financial Officer

Date: 31.07.2020



To,
The members of
GOLKUNDA DIAMONDS & JEWELLERY LIMITED
Mumbai

DECLARATION REGARDING CODE OF CONDUCT

I, Kantikumar Dadha, Chairman & Managing Director of GOLKUNDA DIAMONDS & JEWELLERY LIMITED, to the best of my knowledge and belief, declare that all the members of Board of Directors, Senior Management Personnel, and Designated Employees have affirmed Compliance with the Code of Conduct for the year ended 31st March 2020.

FOR GOLKUNDA DIAMONDS & JEWELLERY LIMITED

KANTIKUMAR DADHA
Chairman & Managing Director
DIN: 00283289

Place: Mumbai
Date: 31.07.2020



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015

TO THE MEMBERS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED.

1. This certificate is issued in accordance with the terms of our engagement letter dated 10th October 2019.
2. We have examined the compliance of conditions of Corporate Governance by **Golkunda Diamonds & Jewellery Limited** ("the Company") for the year ended March 31, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2020.
5. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose of complying with the requirement of the Listing Regulations and may not be suitable for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA MUKESH P. MODY)

PARTNER

Membership No. 042975

Mumbai, 31st July, 2020.

UDIN: 20042975AAAAAM7131



INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** ('the Company'), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive loss), the Statement of Cash Flows and the Statement of Changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2020, and its profit (financial performance including other comprehensive loss), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

4. The developments surrounding the Covid-19 pandemic have a profound impact on people's health and on our society, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. We draw attention to Note 35 of the financial statement regarding the uncertainties arising out of this pandemic and the assessment made by the Management on its financial condition, liquidity and operations for the year ended 31st March, 2020. Such an assessment and outcome of the pandemic, as made by the Management, is dependent on the circumstances as they evolve in the subsequent periods.

Further, we were not able to participate in the physical verification of inventory that was carried out by the management. Consequently for valuation of stock we have relied on the certificate issued by the Management of the Company.

Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

No.	Key Audit matter	Auditor's Response
	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers".</p> <p>The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance</p>	<p>PRINCIPAL AUDIT PROCEDURES</p> <p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the revenue accounting standard, include –</p> <ul style="list-style-type: none">• Evaluated the design and implementation of the processes and internal controls relating to implementation of the revenue accounting standard;



<p>obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>	<ul style="list-style-type: none">• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;• Evaluated the changes made to IT systems to reflect the changes required in revenue recognition as per the revenue standard; and• Evaluated the appropriateness of the disclosures provided under the revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.
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OTHER INFORMATION

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement therein; we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

8. The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 (hereinafter referred to as "the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive loss), cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITORS' RESPONSIBILITY

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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our Conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. Further to our comments in Annexure A, 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 relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued there under;
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a Director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2020 for which there were no material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **MOTILAL & ASSOCIATES**
Chartered Accountants
(Firm Registration No.106584W)

CA MUKESH P.MODY
Partner
Membership No 042975
UDIN:20042975AAAAAN3864

Mumbai, 31stJuly, 2020



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended on 31st March 2020. We report that:

- (1) In Respect of its fixed assets:
 - (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the company have been physically verified by the management at reasonable intervals. No material discrepancies between the book records and the physical inventory have been noticed.
 - (c) All the title deeds of immovable properties are held in the name of the company.
- (2) In respect of its inventories:
 - (a) As explained to us the inventory has been physically verified by the management at reasonable intervals.
 - (b) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (3) According to the information and explanation given to us, the company has not granted unsecured loan to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clauses 3 (iii) (a) and 3(iii) (b) of the Order are not applicable.
- (4) In Our opinion and according to the information and explanations given to us during the course of the audit, the company has not entered into any transaction that attract the provisions of section 185 and 186 of the Companies Act, 2013.
- (5) According to the information and explanations given to us, the Company has not accepted any deposits from public during the year and hence reporting under paragraph 3 (v) of the Order is not applicable to the Company.
- (6) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly the provisions of clause 3 (vi) of the Order are not applicable.
- (7) In respect of statutory dues:
 - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and other material statutory dues with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed statutory dues outstanding as at March 31, 2020.
- (8) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to bank.
- (9) According to the information and explanations given to us the Company has not raised any money by way of initial public offer (including debt instruments) or term loans during the year and hence reporting under paragraph 3 (ix) of the Order is not applicable to the Company.
- (10) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (11) As per the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
- (12) The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- (13) In our opinion and according to the information and explanations given to us all transactions with the related parties are in



compliance with sections 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements etc., as required by the applicable Ind AS;

- (14) Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, and hence reporting under paragraph 3 (xiv) of the Order is not applicable to the company.
- (15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with Directors or persons connected with him. Thus the provisions of section 192 of Companies Act, 2013 are not applicable to the company;
- (16) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **MOTILAL & ASSOCIATES**
Chartered Accountants
(Firm Registration No.106584W)

CA MUKESH P.MODY
Partner
Membership No 042975
UDIN: 20042975AAAAAN3864
Mumbai, 31stJuly, 2020



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GOLKUNDA DIAMONDS & JEWELLERY LIMITED

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of **GOLKUNDA DIAMONDS & JEWELLERY LIMITED** (the 'Company') as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

2. 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, 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

3. 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 issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and 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.
4. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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:
 - a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - b. 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 management and directors of the company; and
 - c. 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

7. 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

8. In our opinion, to the best of our Information and according to the explanations given to us, 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 March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Motilal & Associates
Chartered Accountants
(Firm Registration No. 106584W)

CA Mukesh P. Mody
Partner
Membership No. 042975
UDIN: 20042975AAAAAN3864

Mumbai, 31stJuly, 2020



Balance Sheet As at 31st March, 2020			
Particular	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	2 (a)	33,335,861	28,075,900
Intangible Assets	2 (b)	246,675	340,169
Financial Assets :			
Other Financial Assets	3	5,058,160	9,165,465
Deferred tax asset (net)	4	3,276,507	1,545,269
Other non-current assets		-	-
Sub Total - Non - Current Assets		41,917,203	39,126,803
Current Assets			
Inventories	5	192,888,097	151,100,204
Financial Assets			
Trade receivables	6	344,067,297	388,325,652
Cash and cash equivalents	7	5,364,975	4,954,903
Other bank balances	8	52,030,195	44,437,690
Other Financial Assets (MTM)		(6,100,657)	687,500
Other current assets	9	23,684,476	20,449,841
Sub Total - Current Assets		611,934,383	609,955,790
TOTAL - ASSETS		653,851,586	649,082,593
EQUITY AND LIABILITIES			
Equity Share Capital			
Equity Share Capital	10	69,640,800	69,640,800
Other Equity	11	210,616,349	200,808,417
Total Equity		280,257,149	270,449,217
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	12	146,581	482,557
Provisions (Gratuity)		7,557,554	6,167,167
Total - Non - Current Liabilities		7,704,135	6,649,724
Current Liabilities			
Financial Liabilities			
Borrowings	13	292,817,716	304,090,180
Trade Payables	14	61,000,381	56,716,619
Other Current liabilities	15	3,572,206	4,176,853
Provisions	16	8,500,000	7,000,000
Total - Current Liabilities		365,890,302	371,983,652
TOTAL -EQUITIES AND LIABILITIES		653,851,586	649,082,593
Significant accounting policies	1		
Contingent liabilities and commitments	26		
As per our report of even date		For and on behalf of Board of Directors	
FOR MOTILAL & ASSOCIATES			
Chartered Accountants	ASHISH DADHA	KANTIKUMAR DADHA	
FRN.: 106584W	Chief Financial Officer	Chairman & Managing Director	
		DIN-00283289	
CA MUKESH P. MODY	CS KOPAL JAIN	KARANSINGH BAID	
Partner	Company Secretary	Whole Time Director	
FCA 042975	ACS-50718	DIN-00283224	
Date:- 31st July 2020		ARVIND DADHA	
		Whole Time Director	
		DIN-00317631	



Statement of Profit and Loss for the year ended 31st March, 2020			
Particular	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from Operations	17	1,327,449,964	1,089,106,718
Other income	18	3,886,983	2,916,147
Total Revenue		1,331,336,947	1,092,022,865
Expenses			
Cost of materials consumed	19	1,156,231,376	991,585,747
Increase/Decrease in stock in trade	20	25,951,183	(37,973,941)
Employee benefits expense	21	50,593,229	48,630,464
Finance costs	22	17,186,792	23,902,099
Depreciation	2	4,121,202	3,561,822
Other expenses	23	46,606,420	42,751,043
Total Expenses		1,300,690,201	1,072,457,234
Profit Before Tax		30,646,746	19,565,631
Tax expense:			
Current Tax		8,500,000	7,000,000
Deferred Tax		314,448	(914,803)
		8,814,448	6,085,197
Profit/(Loss) for the year		21,832,298	13,480,434
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of Defined Benefit Plan		(565,421)	-
(ii) Income Tax related to item (i)		(157,300)	-
		(408,121)	-
Items that will be reclassified to profit or loss			
(i) MTM Gain/(Loss) on derivative instruments		(6,100,657)	687,500
(ii) Income Tax related to item (i)		(1,697,203)	191,263
		(4,403,454)	496,237
Other Comprehensive Income (Net of Tax)		(4,811,575)	496,237
Total Comprehensive Income for the year (IX+X)		17,020,724	13,976,671
Earnings per equity share (Face value of Rs.10 each)			
Basic	24	3.13	1.94
Diluted		3.13	1.94
Significant Accounting Policies	1		
As per our report of even date FOR MOTILAL & ASSOCIATES Chartered Accountants FRN.: 106584W		For and on behalf of Board of Directors	
	ASHISH DADHA Chief Financial Officer	KANTIKUMAR DADHA Chairman & Managing Director DIN-00283289	
CA MUKESH P. MODY Partner FCA 042975 Date:- 31st July 2020	CS KOPAL JAIN Company Secretary ACS-50718	KARANSINGH BAID Whole Time Director DIN-00283224	
		ARVIND DADHA Whole Time Director DIN-00317631	



Statement of changes in Equity for the year ended 31st Mar, 2020

A Equity share capital:					
Particulars		Note	No. of shares	Amount	
Issued, subscribed and fully paid up					
Equity shares of Rs.10 each					
Balance as at 31 March 2019		10	6,964,080	69,640,800	
Changes in equity share capital during the year			-	-	
Balance as at 31 March 2020		10	6,964,080	69,640,800	
A Other Equity:					
Particulars		Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance as at 31st Mar'2019	11	2,800,000	12,416,915	185,591,502	200,808,417
Profit for the year		-	-	21,832,298	21,832,298
Other comprehensive income		-	-	(5,307,812)	(5,307,812)
Previous year's Rectification under Deferred Tax		-	-	(81)	(81)
Total comprehensive income		2,800,000	12,416,915	202,115,908	217,332,823
Transactions with owners in their capacity as owners:					
Dividends distributed to equity shareholders		-	-	5,571,281	5,571,281
Corporate dividend tax on dividend paid		-	-	1,145,193	1,145,193
Balance as at 31st Mar'2020	11	2,800,000	12,416,915	195,399,434	210,616,349

As per our report of even date

FOR MOTILAL & ASSOCIATES

Chartered Accountants

FRN.: 106584W

CA MUKESH P. MODY

Partner

FCA 042975

Date:- 31st July 2020

ASHISH DADHA

Chief Financial Officer

CS KOPAL JAIN

Company Secretary

ACS-50718

For and on behalf of Board of Directors

KANTIKUMAR DADHA

Chairman & Managing Director

DIN-00283289

KARANSINGH BAID

Whole Time Director

DIN-00283224

ARVIND DADHA

Whole Time Director

DIN-00317631



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020				
	2019-20		2018-19	
	Rs.	Rs.	Rs.	Rs.
I CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit Before Tax & Extra-ordinary Items		30,646,746		19,565,631
Adjustments for -				
Depreciation	4,121,202		3,561,822	
Interest Charged	12,564,859		19,811,383	
Foreign Exchange Rate Difference	(21,603,574)		(41,447,812)	
Profit/Loss On Sale Of Car	41,059	(4,876,454)	-	(18,074,607)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		25,770,292		1,491,024
Adjustments for :				
Trade & Other Receivable	44,581,047		42,270,989	
Inventories	(41,787,893)		(1,694,672)	
Liabilities	4,504,081	7,297,235	(4,048,889)	36,527,428
Cash Generated from Operations		33,067,526		38,018,452
Direct Tax Paid		(10,557,327)		(7,006,325)
Cash Flow Before Extra-Ordinary Items		22,510,199		31,012,127
NET CASH FROM OPERATING ACTIVITIES A		22,510,199		31,012,127
II CASH FLOW FROM INVESTING ACTIVITIES :				
Purchases of Fixed Assets	(9,635,519)		(7,238,361)	
Sale of Fixed Assets	172,882		-	
Capital WIP	133,908		(133,908)	
Change in Other Bank Balance and cash not available for immediate use	(3,485,200)		(12,841,192)	
NET CASH USED IN INVESTING ACTIVITIES B		(12,813,929)		(20,213,461)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Borrowings	(11,608,440)		(38,148,926)	
Dividend paid	(5,571,281)		-	
Tax on dividend paid	(1,145,193)		-	
Interest Paid	(12,564,859)		(19,811,383)	
NET CASH USED IN FINANCE ACTIVITIES C		(30,889,773)		(57,960,309)
III FOREIGN EXCHANGE RATE DIFFERENCE D		21,603,574		41,447,812
Net Decrease in Cash and Cash Equivalents (A+B+C+D)		410,072		(5,713,832)
Opening Balance of Cash & Cash Equivalents		4,954,903		10,668,735
IV Closing Balance of Cash & Cash Equivalents		5,364,975		4,954,903

Notes :

- Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Cash and cash equivalents included in the Statement of cash flows comprise the following :

	2019-20	2018-19
a) Cash and cash equivalents disclosed under current assets (Note 7)	5,364,975	4,954,903
b) Other bank balances disclosed under current assets (Note 8)	52,030,195	44,437,690
c) Cash and cash equivalents disclosed under non-current assets (Note 3)	5,058,160	9,165,465
Total cash and cash equivalents as per Balance Sheet	62,453,330	58,558,058
Less : Other bank balances disclosed under current assets (Note 8)	52,030,195	44,437,690
Less : Cash and cash equivalents disclosed under non-current assets (Note 3)	5,058,160	9,165,465
Total cash and cash equivalents as per Statement of Cash Flows	5,364,975	4,954,903

- Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date

FOR MOTILAL & ASSOCIATES

Chartered Accountants
FRN.: 106584W

ASHISH DADHA
Chief Financial Officer

CA MUKESH P. MODY
Partner
Membership No.: FCA 042975
Date:- 31st July 2020

CS KOPAL JAIN
Company Secretary
ACS-50718

For and on behalf of Board of Directors

KANTIKUMAR DADHA
Chairman & Managing Director
DIN-00283289

KARANSINGH BAID
Whole Time Director
DIN-00283224

ARVIND DADHA
Whole Time Director
DIN-00317631



Notes to Accounts

Note: 1 - Significant Accounting Policies:

1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

2 Basis of Accounting :

All financial items of Income and Expenditure having a material bearing on the financial statement are recognised on accrual basis, except income by way of dividend and expense by way of leave encashment which is accounted on cash basis.

3 Presentation of financial statements :

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III of the Companies Act, 2013 (the "Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

4 Sales :

Sales exclude Sales Tax/GST, Transportation, Insurance, discount, penalty/late delivery charges and include Sales Returns and Discount.

5 Use of Estimates :

The preparation of Financial Statements in conformity with the Accounting Standards generally accepted in India requires, the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenue and expense for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

6 Property, Plant & Equipment :

- i) All fixed assets are valued at cost less depreciation. The cost is inclusive of incidental expenses related to acquisition and put to use. Pre-operative expenses including trial run expenses (net of revenue) are capitalised. Interest on borrowings and financing costs during the period of construction is added to cost of fixed assets.
- ii) Impairment loss, if any is recognised in the year in which impairment takes place.
- iii) Depreciation on Fixed Assets is provided on Straight Line Value Method at the rate and in the manner specified in Schedule II of the Companies Act, 2013.
- iv) Depreciation on additions / disposals of the fixed assets during the year is provided on pro-rata basis according to the period during which assets are put to use.

7 Intangible Assets :

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

8 Expenditure during the Construction Period :

The expenditure incidental to the expansion / new projects are allocated to Fixed Assets in the year of commencement of the commercial production.

9 Operating cycle for current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of transaction, the Company has ascertained its operating cycle as 12 months for the purpose of current / noncurrent classification of assets and liabilities.

10 Inventories :

Raw Materials, Stores & Spare Parts and Finished Goods are valued at lower of cost and net realisable value.

11 Cash and Bank Balances

Cash and cash equivalent in balance sheet comprise cash at banks, cash on hand and short term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and short term deposits.

12 Revenue Recognition :

a Sale of goods and services

The Company is engaged in manufacturing of Studded Jewellery.

Effective April 1, 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers using the cumulative effect (without practical



Notes to Accounts

expedients). There are no material impacts of transition to Ind AS 115 on retained earnings as on 1st April, 2018 and 31st March, 2019. The application of Ind AS establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

Revenue from sale of products is recognised when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Dividend income is recognised when the unconditional right to receive the income is established.

13 Foreign Currency Transactions :

Initial recognition

The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items are recognised as income or expenses in the period in which they arise.

14 Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

Defined benefit plans

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Leave Liability :

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is not recognised.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

15 Employee Separation Costs :

The compensation paid to the employees under Voluntary Retirement Scheme is expensed in the year of payment.

16 Provision for Bad and Doubtful Debts / Advances :

Provision, if any, is made in accounts for bad and doubtful debts / advances which in the opinion of the management are considered doubtful of recovery.

17 Dividend distribution to Equity Shareholders.

Dividend distribution to Equity Shareholders is recognised as distribution to owners of capital in the Statement of Changes in Equity, in the period in which it is paid.

18 Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.



Notes to Accounts

19 Provisions, Contingent Liabilities and Contingent Assets :

Provisions:

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimates can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

Contingent Liabilities:

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets:

Contingent assets are neither recognised nor disclosed in the financial statements.

20 Rent Income / Expense

The Company is paying/receiving the rent as per the agreement for lease executed with the respective lessee. The rent is fixed from the date of execution of lease agreements. The payment/receipt for the same is made year after year. Payments/receipts made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease unless such payments/receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

21 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses
- iii. all other items are considered as either investing or financing cash flows.

22 Derivative contracts and hedge accounting

Other derivatives

The Company uses foreign exchange forward contracts to hedge its exposure towards foreign currency. These foreign exchange forward contracts are not used for trading or speculation purposes. A derivative contract is not recognised as an asset or a liability on the commitment date. Outstanding derivative contracts as at reporting date are fair valued and recognised as financial asset/financial liability, with the resultant gain/(loss) being recognised in the statement of profit and loss under OCI.

23 Earnings per Share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings pershare, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

24 The Ministry of Corporate Affairs ("MCA") has notified the amendments to Ind AS 116 "Leases" effective for annual periods beginning on or after April 1, 2019.

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as right of use of the leased assets or together with property, plant and equipment. If lease payments are made over a period of time financial liability representing the future obligation would be recognised.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use of assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities. The Company has not adopted Ind AS 116 "Lease" during the year 2019-20 and is still in the process of evaluating the impact of adoption of the same on its financial statements.



Notes to the Financial Statements													
Note : 2 (a) - Property, Plant and Equipment												Note : 2 (b) - Intangible Assets	
Particular	Buildings	Plant & Machinery	Furniture and Fixtures	Factory/Office Equipments	Vehicles	Vault	Air Conditioners	Electrical Installations	Computers	Capital WIP	Total	Computer Software	Grand Total
Gross Block													
Deemed Balance as at 31st Mar'11	23,847,497	13,687,916	2,742,126	2,011,041	5,449,536	131,272	1,090,481	1,035,823	1,195,192	133,908	51,324,793	480,750	51,805,543
Additions	2,078,775	1,793,500	2,256,529	471,520	1,757,791	-	184,328	567,951	483,125	-	9,595,519	40,000	9,635,519
Amount spent	-	-	-	-	213,941	-	-	-	-	4,150,651	4,150,651	-	4,150,651
Disposals & Other Adjustments	-	-	-	-	-	-	-	-	-	-	213,941	-	213,941
Balance as at 31st Mar'20	25,926,272	15,481,416	4,998,655	2,482,561	6,993,386	131,272	1,274,809	1,603,774	1,680,317	4,284,559	64,857,021	520,750	65,377,771
Balance as at 31st Mar'19	10,182,326	5,721,554	1,434,932	1,226,679	2,854,494	91,091	422,972	480,830	834,015	-	23,248,893	140,581	23,389,474
Depreciation charge for the year	1,156,605	941,678	414,617	285,042	654,085	15,388	84,205	121,664	314,424	-	3,987,708	133,494	4,121,202
Amount spent	-	-	-	-	-	-	-	-	-	4,284,559	4,284,559	-	4,284,559
Reversals on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st Mar'20	11,338,931	6,663,232	1,849,549	1,511,721	3,508,579	106,479	507,177	602,494	1,148,439	4,284,559	31,521,160	274,075	31,795,235
Net Block													
Balance as at 31st Mar'20	14,587,341	8,818,184	3,149,106	970,840	3,484,807	24,793	767,632	1,001,280	531,878	-	33,335,861	246,675	33,582,536
Balance as at 31st Mar'19	13,665,171	7,966,362	1,307,194	784,362	2,595,042	40,181	667,509	554,993	361,177	133,908	28,075,900	340,169	28,416,069

Note:

There are no impairment of fixed assets during the year under review. Therefore no separate disclosure is required.



Particular	As at March 31, 2020	As at March 31, 2019			
Note : 3- Other Financial Assets					
Deposit with maturity of more than 12 months	5,058,160	9,165,465			
Total	5,058,160	9,165,465			
Note : 4 - Deferred Tax :					
A The Net Deferred Tax Asset/(Liability) of Rs. 3,14,448/- [Previous Year : (9,14,803/-)] for the year has been credited in the Profit and Loss Account.					
B Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under :					
Current Year	As at 31-03-19	Previous year's error now rectified	Charge during the year to P/L Account	Taken Under OCI	As at 31-03-20
Deferred Tax Liabilities :					
Depreciation	2,644,721	(1,052,206)	140,638	-	1,733,153
Fair value of Cash Flow Hedge	-	-	-	(1,697,203)	(1,697,203)
Fair value of Cash Flow Hedge is reversed	227,711	-	-	(227,711)	-
Fair value of Cash Flow Hedge is reversed	(36,448)	-	-	36,448	-
Total	2,835,984	(1,052,206)	140,638	(1,888,466)	35,950
Deferred Tax Assets :					
Gratuity	2,767,993	(1,052,287)	(229,506)	(157,300)	2,102,512
VRS Compensation	1,613,261	-	403,315	-	1,209,945
Total	4,381,254	(1,052,287)	173,810	(157,300)	3,312,457
Net Deferred Tax Assets	(1,545,269)	80.9	314,448	(1,731,166)	(3,276,507)
Previous Year	As at 31-03-18	Previous year's error now rectified	Profit & Loss Account	Taken Under OCI	As at 31-03-19
Deferred Tax Liabilities :					
Depreciation	1,823,073	-	821,648	-	2,644,721
Fair value of Cash Flow Hedge	36,448	-	-	191,263	227,711
Fair value of Cash Flow Hedge is reversed	-	-	-	(36,448.00)	(36,448)
Total	1,859,521	-	821,648	154,815	2,835,984
Deferred Tax Assets :					
Gratuity & VRS Compensation	2,644,802	-	1,736,452	-	4,381,254
Total	2,644,802	-	1,736,452	-	4,381,254
Net Deferred Tax Liability	(785,281)	-	(914,803)	154,815	(1,545,269)
Note : 5- Inventories					
Classification of Inventories :					
Raw Materials				170,869,196	106,567,398
Finished Goods (Including Stock on Consigement)				17,583,983	43,535,166
Stores and Spares				4,434,918	997,640
Total				192,888,097	151,100,204
The Inventories are valued at lower of cost and net realisable value.					
Note : 6 - Trade Receivables :					
Unsecured, Considered good					
Over Six Months from the date they were due for payment				12,880,971	20,731,281
Others				331,186,326	367,594,371
Total				344,067,297	388,325,652



Particular	As at March 31, 2020	As at March 31, 2019
Note : 7 - Cash and Cash Equivalents :		
Balances with Banks	4,882,724	4,761,466
Cash on Hand	482,251	193,437
Total	5,364,975	4,954,903
Earmarked balances with banks:		
i) Company maintains current accounts mainly with Nationalised /Private Banks.	4,882,724	4,761,466
Note : 8 - Other Bank Balances :		
Unclaimed Dividend Accounts	1,653,446	1,366,561
Deposit with maturity more than 3 months but less than 12 months	50,376,749	43,071,129
Total	52,030,195	44,437,690
Earmarked balances with banks:		
i) Balances with Banks in unclaimed dividend account	1,653,446	1,366,561
ii) Company keeps Fixed deposit with the Nationalised/Private Banks, these deposits. can be withdrawn by the company as per its own discretion / requirement of funds. Lien marked on FDRS /TDRS as Cash Collateral towards secured loans from SBI, Seepz and therefore Originals of the FDRS/TDRS are with Bank.	50,376,749	43,071,129
Note : 9 - Other current assets		
[Unsecured, Considered Good]		
Security Deposit	564,713	893,610
Advance recoverable in cash or kind	3,599,164	2,994,711
Prepaid expenses	3,946,802	3,415,308
Balance with Revenue Authorities	15,573,797	13,146,213
Total	23,684,476	20,449,841
Note : 10 - Equity Share Capital :		
Authorised :		
70,00,000 Equity Shares of Rs.10/- each	70,000,000	70,000,000
Issued, Subscribed and Fully Paid-up Equity Shares :		
69,64,080 Equity Shares of Rs.10/- each fully paid up	69,640,800	69,640,800
	69,640,800	69,640,800
i) The reconciliation of the number of Shares outstanding as at March 31, 2020, as at March 31, 2019:		
Number of shares at the beginning		
Number of shares	6,964,080	6,964,080
Amount	69,640,800	69,640,800
Number of shares at the end		
Number of shares	6,964,080	6,964,080
Amount	69,640,800	69,640,800
ii) During the year ended 31 March 2020, recommended dividend for the financial year 2019-2020 @ Re. 1/- per share aggregating to Rs. 69,64,080/- on 6964080 Equity shares of Rs.10 each fully paid.		
iii) In the event of liquidation of the Company, equity shareholders will be entitled to receive remaining assets of the company in proportion to the number of equity shares held by the shareholders.		
iv) Details of Shareholders holding more than 5% of the aggregate Equity Shares in the Company.		
Neverloose Properties & Investment Pvt. Limited, the Holding Company.		
Number of Shares	3,731,843	3,747,543
% of Holding	53.59	53.81
Arvind Dadha, Whole Time Director		
Number of Shares	426,635	411,135
% of Holding	6.13	5.90



Particular	As at March 31, 2020	As at March 31, 2019
Kantikumar Dadha, Chairman & Managing Director Number of Shares % of Holding	400,158 5.75	395,158 5.67
Note : 11 - Other Equity		
Share Premium Account: Opening Balance	2,800,000	2,800,000
General Reserve: Opening Balance	12,416,915	12,416,915
	12,416,915	12,416,915
Surplus in statement of profit & loss: Opening Balance	185,591,502	171,688,621
Add : Profit for the year	17,020,724	13,976,671
Less: MTM Gain/(Loss) on derivative instruments (Net)	496,237	73,790
Less: Previous year's Rectification under Deferred Tax	(81)	-
Less : Appropriations : Dividend Paid During the year	5,571,281	-
Corporate Dividend Tax on Proposed Dividend	1,145,193	-
Balance as at year end	195,399,434	185,591,502
Total	210,616,349	200,808,417
Note : 12 - Financial Liabilities-Borrowings		
Secured		
a From ICICI Bank Ltd, Mumbai.	146,581	482,557
Total	146,581	482,557
i) Securities for Term Loan: Secured by hypothecation of Vehicle		
ii) Terms of repayment : Monthly EMI		
iii) There are no defaults in repayment of loan and interest thereon as on March 31, 2020 for the loan under this head.		
Note : 13 - Current Financial Liabilities-Borrowings		
Secured Loans repayable on Demand :		
Export Packing Credit from State Bank of India, Seepz, Mumbai.	124,159,770	122,871,692
Post Shipment Credit from State Bank of India, Seepz, Mumbai.	168,657,946	162,892,413
Pre-Shipment Credit In Foreign Currency From State Bank Of India, Seepz, Mumbai.	-	18,326,075
Total	292,817,716	304,090,180
Primary Securities for Secured Loans:		
i) Secured by First Pari-Passu charge by way of hypothecation of entire current assets of the company, present and future and personal guarantees of three Directors and a Shareholder of the Company.		
Collateral Securities for Secured Loans :		
ii) Secured by First Charge by way of Registered Mortgage of office premises at Chakala and Bandra, Mumbai and personal guarantees of three Directors and a Shareholder of the Company.		
iii) Secured by First Charge by way of Registered Mortgage of residential flat Worli Division ,Mumbai.		
iv) Secured by First Charge by way of lien on Cash Collateral i.e. Fixed Deposit Receipts with Bank.		
v) No repayment schedule mentioned in the sanctioned letter dated 20/01/2020. However the repayment of loan was made on realisation of exports. As per informations and explanations given by the Management of the company there are no defaults in repayment of loan and interest thereon as on March 31, 2020, to this extent, for all the loans under this head.		



Particular	As at March 31, 2020	As at March 31, 2019																		
Note : 14 - Trade Payables :																				
Micro, Small and Medium Enterprises :	2,007,437	2,627,155																		
Others	58,992,944	54,089,464																		
Total	61,000,381	56,716,619																		
<p>i) This disclosure is based on the document / information available to the company regarding their status of the small scale undertaking.</p> <p>ii) The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.</p> <p>iii) DUES TO MICRO AND SMALL ENTERPRISES The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:</p> <table border="1"> <tbody> <tr> <td>a) The principal amount remaining unpaid to any supplier at the end of the year</td> <td>2,007,437</td> <td>2,627,155</td> </tr> <tr> <td>b) Interest due remaining unpaid to any supplier at the end of the year</td> <td>-</td> <td>-</td> </tr> <tr> <td>c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year</td> <td>-</td> <td>-</td> </tr> <tr> <td>d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006</td> <td>-</td> <td>-</td> </tr> <tr> <td>e) The amount of interest accrued and remaining unpaid at the end of each accounting year</td> <td>-</td> <td>-</td> </tr> <tr> <td>f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.</p>			a) The principal amount remaining unpaid to any supplier at the end of the year	2,007,437	2,627,155	b) Interest due remaining unpaid to any supplier at the end of the year	-	-	c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
a) The principal amount remaining unpaid to any supplier at the end of the year	2,007,437	2,627,155																		
b) Interest due remaining unpaid to any supplier at the end of the year	-	-																		
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-																		
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-																		
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-																		
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-																		
Note : 15 - Other Current Liabilities :																				
Unclaimed Dividends	1,653,446	1,366,561																		
Other Payables/Provision:																				
Other Payables	1,633,164	2,514,971																		
Payable to Statutory Authorities	285,596	295,321																		
Total	3,572,206	4,176,853																		
Note : 16 - Current Liabilities-Provisions																				
Income Tax Payable	8,500,000	7,000,000																		
Total	8,500,000	7,000,000																		
Note : 17 - Revenue from Operations :																				
Sale of Products	1,307,678,829	1,049,278,494																		
Foreign Exchange Rate Difference	19,771,135	39,828,224																		
Total	1,327,449,964	1,089,106,718																		
Details of sale of products Operations of the Company are as under :																				
a Finished goods	1,307,678,829	1,049,278,494																		
Note : 18 - Other Income :																				
Other Operating Revenue																				
Scrap Sale	90,350	8,475																		



Particular	As at March 31, 2020	As at March 31, 2019
Discount Recd.	23,571	-
Bank Interest on FDR	3,553,611	3,002,478
Interest Recd.	161,467	-
Profit/Loss On Sale Of Car	41,059	-
Sundry Balances W/OfE./(Back)	16,925	(94,806)
Total	3,886,983	2,916,147
Note : 19 - Cost of Materials Consumed :		
Raw Materials :		
Stock at commencement	106,567,398	142,879,889
Add : Purchases	1,220,533,174	955,273,256
	1,327,100,572	1,098,153,145
Less : Stock at close	170,869,196	106,567,398
Total	1,156,231,376	991,585,747
Details of Purchase of Raw Material are as under :		
a Gold	732,865,984	545,796,587
b Diamonds	484,740,504	403,104,214
c Others	2,926,686	6,372,455
Value of Consumption of Raw Material		
a Indegenous	783,961,009	545,923,344
b Imported	372,270,367	445,662,403
Note : 20 - Changes in Inventories :		
Less : Stock at commencement		
Finished Goods	43,535,166	5,561,225
	43,535,166	5,561,225
Stock at close :		
Finished Goods	17,583,983	43,535,166
	17,583,983	43,535,166
Total	25,951,183	(37,973,941)
Note : 21 - Employee Benefit Expense :		
Salaries, Wages and Bonus	13,958,267	22,610,967
Company's Contribution to Provident & Other funds	359,760	693,853
Gratuity	824,966	334,448
Staff Welfare Expenses	1,971,877	1,774,513
Labour Contract Charges	33,478,359	23,216,683
Total	50,593,229	48,630,464
Note : 22 - Finance Cost :		
Interest on Cash Credit Loan (Net)	12,564,859	19,811,383
Bank Commission & Charges	4,621,932	4,090,717
Total	17,186,792	23,902,099
Note : 23 - Other Expenses :		
Consumption of Stores and spares parts	9,247,331	6,588,579
Power & Fuel	3,733,144	3,092,431
Water Charges	517,454	527,934
Rent	1,507,191	1,121,965
Repairs and Maintenance:		
Factory Buildings	252,477	138,116
Plant and Machinery	250,200	279,316
Computer	195,928	88,521



Particular	As at March 31, 2020	As at March 31, 2019
Others	1,421,778	1,661,541
Directors Remuneration	7,558,191	6,860,609
Insurance & ECGC Premium	4,929,514	4,532,528
Audit Fees	200,000	200,000
Rates and Taxes	46,147	123,809
Traveling & Conveyance Expenses	2,356,017	2,010,812
Legal and Professional Fees	2,039,571	2,359,618
Printing & Stationery	600,085	557,809
Telephone & Postage	425,320	859,971
Marketing, Selling & Distribution Expenses :		
Advertisement & Sales promotion expenses	5,084,585	6,440,770
Freight and forwarding	2,976,325	2,732,250
Miscellaneous	3,265,162	2,574,465
Total	46,606,420	42,751,043

Note : 24 - Calculation of Earnings per Equity Share [EPS] :

The numerators and denominators used to calculate the basic and diluted EPS are as follows :

A	Profit after tax attributable to Shareholders	INR	21,832,298	13,480,434
B	Basic and weighted average number of Equity shares outstanding during the year	Nos.	6,964,080	6,964,080
C	Nominal value of equity share	INR	10	10
D	Basic EPS	INR	3.13	1.94
E	Diluted EPS	INR	3.13	1.94

Note : 25 - Related Party Transactions :

A	Name of the Related Party and Nature of the Related Party Relationship :				
			Transaction		
a)	<u>Holding Company</u>				
	Neverloose Properties & Investment Pvt. Ltd.		Loan taken during the year	5,000,000	-
			Loan repaid during the year	5,152,926	2,578,836
			Interest paid on loan	152,926	41,665
b)	<u>Key Management Personnel</u>				
	Name	Designation	Transaction		
i	Mr. Kantikumar Dadha	Chairman & Managing Direc	Remuneration & Perquisites	2,587,770	2,319,782
ii	Mr. Karansingh Baid	Whole Time Director	Remuneration & Perquisites	2,078,140	1,982,210
iii	Mr. Arvind Dadha	Whole Time Director	Remuneration & Perquisites	2,191,881	2,037,902
B	The following transactions were carried out with the related parties in the ordinary course of business :				
a)	Details relating to parties referred to in items 25 - A (b)				
i	Mrs. Kusum Dadha	Relative of KMP	Rent	1,032,000	948,000
ii	Mr. Ashish Dadha	Chief Financial Officer	Salary	1,848,740	1,719,000
iii	G D Creations	Ashish Dadha (HUF)	Rent Income	-	60,000
iv	Tecnova Digital India Pvt Ltd	Entity controlled by KMP	Rent Income	-	60,000

Note : 26 - Contingent Liabilities and commitment to the extent not provided for :

- 1) Contingent Liabilities :**
The Company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.
- 2)** The Company has imported Wax Injector machinery from Cascade Star International LLC at a cost of Euro 20000. The instruction given to the State Bank of India to remit Euro 15000. However, Cascade Star International LLC has confirmed having received Euro 20000. The liability on account of this transaction being not reflected in bank account is of Euro 5000.

Note : 27 - Value of Imports calculated on CIF basis :

Raw Materials	248,836,296	399,225,452
Studded Jewellery	90,412,897	36,257,849
Capital Goods	1,036,450	3,190,269
Total	340,285,643	438,673,570



Particular	As at March 31, 2020	As at March 31, 2019
Note : 28 - Earning in Foreign Currency :		
Export at F.O.B. Basis	1,374,410,450	1,239,786,566
Note : 29 - : Consumption of Store & Consumables		
	As at March 31, 2020	
	%	Amounts
a Indigenous	100.00	9,247,331
b Imported	-	-
Total	100.00	9,247,331
	As at March 31, 2019	
	%	Amounts
a Indigenous	93.51	6,160,695
b Imported	6.49	427,884
Total	100.00	6,588,579
Note : 30 - Expenditure in Foreign Currency :		
Travelling Expenses	483,604	841,576
Note : 31 - Corporate Social Responsibility (CSR):		
As per information and explanations given to us by the management of the Company, the provisions of section 135 of the companies, Act 2013 on Corporate Social Responsibility is not applicable. Therefore, during the year the company has not spent any amount towards the Corporate Social Responsibility.		
Note : 32 - Auditors' Remuneration :		
a For Statutory Audit	165,000	165,000
b For Tax Audit	35,000	35,000
Total	200,000	200,000
Note : 33 - Employee Benefits		
As per Ind AS 19 'Employee Benefits', the liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs.		
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19	Indian Accounting Standard 19
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-19	01-Apr-18
Date of Reporting	31-Mar-20	31-Mar-19
Period of Reporting	12 Months	12 Months
Actuarial assumptions used		
Rate of Discounting	6.04%	7.76%
Salary Escalation Rate	10.00%	10.00%
Attrition Rate	5.00%	2.00%
Table Showing Change in the Present Value of Projected Benefit Obligation		
Gratuity Payable in Books of Accounts as on 1.4.2018	-	7,717,851
Less : Adjustment on account of Actuarial valuation done on 25.9.2018 as at 31.3.2018	-	20,071
Present Value of Benefit Obligation at the Beginning of the Period	6,167,167	7,697,780
Interest Cost	478,572	606,585
Current Service Cost	346,394	424,906
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	-	(1,885,132)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	349,189	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	618,324	49,020
Actuarial (Gains)/Losses on Obligations - Due to Experience	(402,092)	(725,992)
Present Value of Benefit Obligation at the End of the Period	7,557,554	6,167,167



Particular	As at March 31, 2020	As at March 31, 2019
Demographic assumptions used		
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Retirement Age	58 to 75 Years	58 to 75 years
Average Future Service	9 years	13 years
Amount Recognized in the Balance Sheet		
(Present Value of Benefit Obligation at the end of the Period)	(7,557,554)	(6,167,167)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/(Deficit))	(7,557,554)	(6,167,167)
Net (Liability)/Asset Recognized in the Balance Sheet	(7,557,554)	(6,167,167)
Net Interest Cost for Current Period		
Present Value of Benefit Obligation at the Beginning of the Period	6,167,167	7,697,780
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset) at the Beginning	6,167,167	7,697,780
Interest Cost	478,572	606,585
(Interest Income)	-	-
Net Interest Cost for Current Period	478,572	606,585
Expenses Recognized in the Statement of Profit or Loss for Current Period		
Current Service Cost	346,394	424,906
Net Interest Cost	478,572	606,585
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Adjustment on account of Actuarial valuation done as at 25.9.2018	-	(20,071)
Expenses Recognized	824,966	1,011,420
Actuarial (Gains)/Losses on Obligation For the Period	-	(676,972)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period	-	(676,972)
Net Gratuity paid recognised in Profit & Loss A/c	824,966	334,448
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period		
Actuarial (Gains)/Losses on Obligation For the Period	565,421	-
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
Net (Income)/Expense For the Period	565,421	-
Balance Sheet Reconciliation		
Opening Liability as per Last Balance sheet	6,167,167	7,717,851
Adjustment on account of Actuarial valuation done on 25.9.2018 as on 31.3.2018	-	(20,071)
Opening Net Liability as per Ind AS 19	6,167,167	7,697,780
Expenses Recognized in Statement of Profit or Loss	824,966	1,031,491
Expenses Recognized	-	(676,972)
Expenses Recognized in OCI	565,421	-
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	(1,885,132)
(Employer's Contribution)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	7,557,554	6,167,167
Sensitivity analysis		
Projected Benefit Obligation on Current Assumptions	7,557,554	6,167,167
Delta Effect of +1% Change in Rate of Discounting	(374,161)	(385,396)
Delta Effect of -1% Change in Rate of Discounting	421,973	442,065
Delta Effect of +1% Change in Rate of Salary Increase	197,124	236,406
Delta Effect of -1% Change in Rate of Salary Increase	(184,503)	(214,438)
Delta Effect of +1% Change in Rate of Employee Turnover	57,273	116,134
Delta Effect of -1% Change in Rate of Employee Turnover	(68,198)	(136,805)



Particular	As at March 31, 2020	As at March 31, 2019																					
<p>i) The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.</p> <p>ii) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.</p> <p>iii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.</p> <p>iv) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.</p> <p>Maturity Analysis of the Benefit Payments: From the Employer Projected Benefits Payable in Future Years From the Date of Reporting</p> <table border="1"> <tr> <td>1st Following Year</td> <td>760,630</td> <td>454,245</td> </tr> <tr> <td>2nd Following Year</td> <td>488,732</td> <td>244,242</td> </tr> <tr> <td>3rd Following Year</td> <td>761,860</td> <td>267,080</td> </tr> <tr> <td>4th Following Year</td> <td>3,204,632</td> <td>559,198</td> </tr> <tr> <td>5th Following Year</td> <td>711,674</td> <td>3,193,389</td> </tr> <tr> <td>Sum of Years 6 To 10</td> <td>1,493,184</td> <td>1,190,204</td> </tr> <tr> <td>Sum of Years 11 and above</td> <td>3,866,813</td> <td>6,706,704</td> </tr> </table>	1st Following Year	760,630	454,245	2nd Following Year	488,732	244,242	3rd Following Year	761,860	267,080	4th Following Year	3,204,632	559,198	5th Following Year	711,674	3,193,389	Sum of Years 6 To 10	1,493,184	1,190,204	Sum of Years 11 and above	3,866,813	6,706,704		
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Sum of Years 11 and above	3,866,813	6,706,704																					
Note : 34 - Lease Payments																							
The Company is receiving / paying the rent as per the agreement for lease executed with the lessee / lessor. The rent is fixed from the date of execution of lease agreements. The Company has not adopted Ind AS 116 "Lease" during the year 2019-20 and is still in the process of evaluating the impact of adoption of the same on its financial statements.																							
Note : 35 - Impact of COVID-19																							
Due to COVID-19 outbreak, the Indian Government on March 24, 2020, announced a prolonged lockdown across the country, to contain the spread of the virus. The lockdown has since been extended with gradual relaxations. There is no major significant impact of COVID-19 on company's financial statements as at 31st March, 2020. The company continues to closely monitor the developments and possible effects that may result from the current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation.																							
Note : 36																							
Balances in respect of Unsecured Loans, Loans & Advances, Sundry Debtors & Sundry Creditors are subject to confirmation by respective parties.																							
Note : 37																							
Previous year's figures have been regrouped / rearranged wherever necessary to confirm to the current year grouping.																							
Significant Accounting Policies and Notes to the Financial Statements 1 to 37																							
As per our report of even date	For and on behalf of Board of Directors																						
FOR MOTILAL & ASSOCIATES																							
Chartered Accountants	ASHISH DADHA	KANTIKUMAR DADHA																					
FRN.: 106584W	Chief Financial Officer	Chairman & Managing Director DIN-00283289																					
CA MUKESH P. MODY	CS KOPAL JAIN	KARANSINGH BAID																					
Partner	Company Secretary	Whole Time Director DIN-00283224																					
Membership No.: FCA 042975	ACS-50718																						
Date:- 31st July 2020		ARVIND DADHA Whole Time Director DIN-00317631																					

GLANCE



30
Years of
Experience

100%
Export

Facility at
SEEPZ
Special Economic Zone

Our Manufacturing Capabilities

25,000 +
Design Bank



10,000
Units
Production Capacity



250 - 300
New Designs
Per Month



250
Skilled
Craftsmen



REGISTERED OFFICE:

GOLKUNDA DIAMONDS AND JEWELLERY LIMITED

G/30, Gems & Jewellery Complex-III, Seepz, Andheri (E),
Mumbai-400096

CIN: L36912MH1990PLC058729