

GAUTAM GEMS LIMITED

ADDRESS: 3RD FLOOR, OFFICE – 301, SUMUKH SUPER COMPOUND,  
VASTA DEVADI ROAD, SURAT, GJ 395004 IN

CIN: L36911GJ2014PLC078802

E-MAIL : COMPLIANCEGGL@GMAIL.COM CONTACT NO.:+91-2612538046

WEB ADDRESS: [WWW.GAUTAMGEMS.COM](http://WWW.GAUTAMGEMS.COM)

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Date: 08.08.2020

To,  
The Manager,  
Department of Corporate Services (DCS-Listing)  
BSE limited  
P.J. Towers, 1st Floor, Dalal Street,  
Mumbai-400 001

Dear Sir,

**Sub: Annual Report- F.Y 2019-20**  
**Ref No: Company Code: BSE SME-540936**

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

Kindly take the same on your record.

Thanking You  
Yours faithfully

**For, GAUTAM GEMS LIMITED**

*Gautam P. Sheth*



**GAUTAM PRAVINCHANDRA SHETH**  
**MANAGING DIRECTOR**  
**DIN: 06748854**

# Gautam Gems Ltd

## **BOARD OF DIRECTORS**

Mr. GAUTAM PRAVINCHANDRA SHETH	: Managing Director
Mrs. NIDHI GAUTAM SHETH	: Whole time Director
Mrs. KANCHANBEN PRAVINBHAI SHETH	: Director
Mr. PRAVIN MANILAL PAREKH	: Director
Mr. PRAKASH NANALAL MEHTA	: Director
Mr. HARSHIT HASMUKHBHAI VADECHA	: Director

## **CHIEF FINANCIAL OFFICER**

Mr. SANDIP VINODBHAI MAKWANA

## **COMPANY SECRETARY & COMPLIANCE OFFICER**

Anilbhai Keshubhai Modhavadiya

## **STATUTORY AUDITORS**

### **PARTH SHAH AND ASSOCIATES**

Chartered Accountant

## **BANKERS TO THE COMPANY**

### **BANK OF INDIA**

Katargam Branch, Surat

## **REGISTERED OFFICE**

3rd Floor, Office - 301,  
Sumukh Super Compound,  
Vasta Devadi Road, Surat-395004

## **REGISTRAR & TRANSFER AGENT**

### **KFIN TECHNOLOGY PRIVATE LIMITED**

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



Gautam Gems Ltd

**GAUTAM GEMS LIMITED**

**(CIN: L36911GJ2014PLC078802)**

**Regn. Office: 3rd Floor, Office-301, Sumukh Super Compund,**

**Vasta Devadi Road, Surat-395004**

**Email: [complianceggl@gmail.com](mailto:complianceggl@gmail.com)**

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**NOTICE**

NOTICE is hereby given that the **7th Annual General Meeting** of the Members of the Company will be held on Monday, 31st August, 2020 at 2.00 P.M. at the Registered Office of the Company to transact the following business.

**ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2020, together with reports of the Board and Auditors thereon.**
- 2. To Appoint a Director in place of Mrs. Nidhi G. Sheth who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.**

**SPECIAL BUSINESS:**

- 3. To Increase Authorised Share Capital of the company**

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

**"RESOLVED THAT** pursuant to the provisions of sections 61 and 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, the consent of the company be and is hereby accorded to increase the Authorised Share capital of the company from existing 5,60,00,000/- (Rupees Five Crore Sixty Lakh only) divided into 56,00,000 (Fifty Six Lakh) equity shares of Rs.10 each to 10,07,00,000 (Rupees Ten Crore Seven Lakh only) divided into 1,00,70,000 (One Crore Seventy Thousand) equity shares of Rs. 10 each by creation of additional 44,70,000 (Forty Four Lakh Seventy Thousand) equity shares of Rs.10/- each ranking pari passu in all respect with the existing equity shares of the company.

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



#### **4. Alteration in the Capital Clause of Memorandum of Association**

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

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

**"V. The Authorised share capital of the company is Rs. 10,07,00,000 (Rupees Ten Crore Seven Lakh Only) divide into 1,00,70,000 equity shares of Rs.10/- each."**

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

#### **5. To Issue Bonus Shares**

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

**RESOLVED THAT** pursuant to Section 63 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, read with rule 14 of Companies (Share Capital & Debenture Rules), 2014 (including any amendment thereto or re-enactment thereof) and subject to the regulations and guidelines issued by Securities and Exchange Board of India (SEBI) including SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 (as amended from time to time) and other applicable laws, rules, regulations, etc., if any and subject to such consents and approvals as may be required from the appropriate authorities, the consent of the shareholders be and is hereby accorded to capitalize sum not exceeding Rs. 4,57,60,250/- (Rupees Four Crore Fifty Seven lakh Sixty Thousand Two Hundred Fifty only) out of Free Reserves and the Securities Premium Account of the company and transfer to Share Capital Account towards issuance and allotment of fully paid equity of Rs. 10/- (Rupees Ten Only) each as Bonus Shares credited as fully paid up to the members of the Company holding Equity shares of Rs. 10/- (Rupees Ten Only) each whose names stand in Register of members of the Company as on the Record Date as the Board of Directors may determine, in that behalf in the proportion of 5 (five) new Fully Paid up Equity Shares of Rs. 10/- (Rupees Ten Only) each for every 6 (Six) existing Equity Shares of Rs. 10/- (Rupees Ten Only) each (fractional entitlements of Bonus shares shall be rounded off to one) held as on the record date and that the bonus shares so issued and allotted be treated for all purposes as an increase of the nominal amount of the Equity Capital of the Company held by each such member/person and not as income.

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



# Gauntam Gems Ltd

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

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

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

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

**Place: Ahmedabad**

**Date: 27/07/2020**

**By Order of the Board of Directors**

**REGISTERED OFFICE:  
3rd Floor, office-301,  
Sumukh Super Compound,  
Vasta Devadi Road, Surat**

**S/d  
Gautam P Seth  
Managing Director  
(DIN: 06748854)**



**NOTES:**

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

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

2. A Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
4. Members / Proxies / Authorised Representatives are requested to bring their Attendance Slip; which is enclosed herewith. Members, who hold shares in electronic form, are requested to write their DP ID and Client ID number/s and those who hold shares in physical form, are requested to write their Folio Number/s in the Attendance Slip for attending the AGM to facilitate identification of Membership at the AGM.
5. The Register of Members and Share Transfer Books shall remain closed from 25<sup>th</sup> August, 2020 to 31<sup>st</sup> August, 2020 (both days inclusive) for the purpose of Annual General Meeting (AGM).
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
7. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
8. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.



9. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5th December, 2018 pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018. Hence Shareholders are advised to get their physical shares transferred / dematerialized.
10. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
11. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
12. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
13. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, Kfin Technology Private Limited for shares held in physical form and to their respective Depository Participants (DP) for shares held in electronic form.
14. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication. The Annual Report of the company will also be available on the Company's website [www.gautamgems.com](http://www.gautamgems.com)
15. All the Documents referred to in the notice are open for inspection at the registered office of the Company between 11 A.M. to 5.00 P.M on any working day prior to the day of meeting and will also be available at the meeting venue on the date of meeting.
16. The Company being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules 2014 is not mandatory to provide remote e-voting facility to its member.
17. **BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT / REAPPOINTMENT AT ANNUAL GENERAL MEETING** Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting item no. 2 follows.



# Grautam Gems Ltd

<b>Particular</b>	
Name	Nidhi Gautam Shah
Date of Birth	<b>03.12.1982</b>
Date of Appointment	<b>18.02.2014</b>
Qualification	<b>Bachelor of Home Science</b>
Relationships between directors inter se	<b>She is wife of Gautam Sheth</b>
Directorship held in other companies	<b>NA</b>
Membership/Chairmanships of Committee in other Public Companies	<b>NA</b>

**Place: Ahmedabad**  
**Date: 27/07/2020**

**By Order of the Board of Directors**

**S/d**  
**Gautam P Seth**  
**Managing Director**  
**(DIN: 06748854)**



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

**Item No.3 & 4.**

As per item Nos. 5 of the Notice, the Company proposes to issue Bonus Equity Shares to existing Equity Shareholders of the company. To enable the Company to issue Bonus shares, it is proposed to increase the existing Authorized Share Capital of the Company Rs. 5,60,00,000 (Rupees Five Crore Sixty Lakh only) to Rs. 10,07,00,000 (Rupees Ten Crore even Lakh only) as per the resolution. The resolution seeks approval of members by amending the said Clause V of the Memorandum of Association.

The present authorized capital (Rs. 5,60,00,000 (Rupees Five Crore sixty Lakh) of the Company is insufficient for further issue of bonus shares by the Company. Therefore, it became necessary for the Company to increase the authorized share capital of the Company.

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

Therefore, it is proposed to obtain the consent of the members to increase its Authorised Share Capital. None of the Directors or Key Managerial Personnel of the Company and their relatives is in any way concerned or interested in the resolution.

**Item no.5**

The Board of Directors at their meeting held on 27th July, 2020, recommended issue of bonus shares in proportion of 5 (Five) share for every 6 (Six) existing equity shares held by the members on a record date to be herein after fixed by the board of directors, by capitalizing sum not exceeding Rs. 4,57,60,250 /- (Rupees Four Crore Fifty Seven Lakh Sixty Thousand Two hundred Fifty only) out of Free Reserves and the Securities Premium Account of the company. Pursuant to the provisions of Articles of Association of the Company and in terms of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, the capitalization of reserves and bonus issue thereof require approval of the members in general meeting.

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

The Board recommends the resolution for approval of shareholders.

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



Gautam Gems Ltd

**GAUTAM GEMS LIMITED**  
(CIN: L36911GJ2014PLC078802)

**Regi office: 3rd Floor, Office-301, Sumukh Super Compund, Vasta Devadi Road, Surat-395004**  
**Email: complianceggl@gmail.com**

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7th Annual General Meeting – Monday, 31st August, 2020

**ATTENDANCE SLIP**

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

I, hereby record my presence at the Annual General Meeting of the Company to be held on Monday, 31st August, 2020 at 2.00 PM at 3rd Floor, Office – 301, Sumukh Super Compund, Vasta Devadi Road, Surat-395004, Gujarat

\_\_\_\_\_  
Signature of the Member

**Notes:**

A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.

B. Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.

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



Gautam Gems Ltd

**GAUTAM GEMS LIMITED**

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors present the Annual Report and the Company's Audited Financial Statement for the financial year ended, 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(Amount in Rs.)

<b>Particulars</b>	<b>2019-2020</b>	<b>2018-2019</b>
Income for the year	3,28,78,10,796	43,72,82,468
Operating & Administrative expenses	3,28,13,31,463	43,53,59,108
Profit before Financial Charges, Depreciation and Taxation	85,11,467	30,36,281
Less: Depreciation	10,16,067	5,56,460
Net Profit/(loss) before tax	7495400	24,79,821
Less: Provision for tax	15,00,000	4,46,907
Deferred Tax	2,59,441	2,59,441
Net Profit/(Loss)after tax	5735959	17,73,473
EPS	1.04	0.32

**OPERATION & REVIEW**

Total Revenue from operation of the company is Rs. 3,28,17,03,790/- And the net Profit after tax is Rs. 57,35,959 /- For the Financial year 2019-20.

**DIVIDEND**

No Dividend was declared for the current financial year by the Company during the year under review.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

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



## TRANSFER TO RESERVES

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

## CHANGE IN THE NATURE OF THE BUSINESS

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

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr no.	Name of Director/KMP	Designation
1.	Gautam Pravinchandra Sheth	Managing Director
2.	Nidhi Gautam Sheth	Whole time Director
3.	Kanchanben Pravinbhai Sheth	Executive Director
4.	Pravin Manilal Parekh	Non-Executive Director
5.	Prakash Nanalal Mehta	Non-Executive Independent Director
6.	#Harshit Hasmukhbhai Vadecha	Non-Executive Independent Director
7.	Sandip Vinodbhai Makwana	Chief Financial Officer
8.	Anilbhai Keshubhai Modhavadiya*	Company Secretary

- Ms. Nidhi Gautam Sheth is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re- appointment.

# During the under review company has appointed Mr. Harshit Hasmukhbhai Vadecha as an Independent Director w.e.f. 30<sup>th</sup> May, 2019.

\*The Board of directors of the company has appointed Mr. Anilbhai Keshubhai Modhavadiya as company secretary and compliance Officer w.e.f 1st July, 2019.

Further there was no change in the Board of Director of the Company except above changes.

## DECLARATION BY INDEPENDENT DIRECTORS

Declaration from all the independent directors has been received that they meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

## NUMBER OF BOARD MEETINGS

During the Year under the review the Board of Directors met 4 (Four) times, Details of the Meetings are as under.

Board Meetings held during the Year



Date on which the Board Meetings were held	Total Strength of the Board	No of directors present
30-05-2019	6	6
02-09-2019	6	6
14-11-2019	6	6
28-01-2020	6	6

### Attendance of Directors at Board Meetings and Annual General Meeting

Name	Category of Directors	Attendance		Directorship in other Public Companies	Committees Position	
		Board	Last AGM		Chairman	Member
Gautam Pravinchandra Sheth	Managing Director	4	Yes	1	0	0
Nidhi Gautam Sheth	Whole time Director	4	Yes	0	1	2
Kanchanben Pravinbhai Sheth	Executive Director	4	Yes	0	0	0
Pravin Manilal Parekh	Non-Executive Director	4	Yes	0	0	4
Prakash Nanalal Mehta	Non-Executive Independent Director	4	Yes	0	3	1
Harshit Hasmukhbhai Vadecha	Non-Executive Independent Director	4	Yes	0	0	3

In respect of said meetings proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc. Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) in the preparation of the annual accounts, 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 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) 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.
- (f) 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
- (g) The company has complied with all the secretarial standard applicable to it.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements. During the year, such Controls were tested and no reportable material weakness was observed.

## **RISK MANAGEMENT**

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

## **CHANGE IN CAPITAL STRUCTURE OF COMPANY**

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

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY**

During the year under the review there are No other material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statements relate on the date of this report.



## **EXTRACT OF THE ANNUAL RETURN**

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

## **AUDITORS AND THEIR REPORT STATUTORY AUDITOR**

The Company has appointed M/s. Parth Shah And Associates Chartered Accountant, Ahmedabad (FRN: 144251W) as a Statutory Auditor of the Company as per the Provision of Section 139 of Companies Act 2013 for the Period of Five Years till the 10th AGM to be held in 2023 with no further need for ratification at every Annual General Meeting to be held during the said period. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company. The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## **COST AUDITOR**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

## **SECRETARIAL AUDITOR**

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

## **DEPOSITS**

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

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

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



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

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

## **RELATED PARTY TRANSACTIONS**

During the year under review, contracts or arrangements entered into with the related party, as defined under section 188 of the companies Act, 2013 were in ordinary course of business and on arms' length basis. Details of the transactions pursuant to compliance of section 134(3)(h) of the companies act, 2013 and rule 8(2) of the companies (Accounts) Rule, 2014 are annexed herewith as per "Annexure – B". However, there are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

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

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

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

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

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

### **B. TECHNOLOGY ABSORPTION:**

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

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



## **AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE/ SEXUAL HARASSMENT COMMITTEE**

Audit Committee Constitution & Composition of Audit Committee: Our Company has formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on 30.05.2019 and further amended as per the applicable provisions of the Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 18 of SEBI Listing Regulations (applicable upon listing of Company's Equity Shares). The composition of the Audit Committee and details of meetings attended by the members of the Audit Committee are given below:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Prakash N. Mehta	Chairman	Non-Executive-Independent Director	4	4
Pravin M. Parekh	Member	Non-Executive-Director	4	4
Mrs. Nidhi G. Sheth	Member	Wholetime Director	4	4
Mr. Harshit Hasmukhbhai Vadecha	Member	Non-Executive-Independent Director	4	4

### **VIGIL MECHANISM:**

Your Company is committed to highest standards of ethical moral and legal business conduct. Accordingly the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act 2013. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination harassment victimization or any other unfair practice being adopted against them.

### **Nomination and Remuneration Committee:**

#### **Constitution & Composition of Remuneration Committee:**

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



Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Prakash N. Mehta	Chairman	Non-Executive-Independent Director	2	2
Pravin M Parekh	Member	Non-Executive-Director	2	2
Mr. Harshit Hasmukhbhai Vadecha	Member	Non-Executive-Independent Director	2	2

The Policy of nomination and Remuneration committee has been placed on the website of the company at [www.gautamgems.com](http://www.gautamgems.com) and the salient features of the same have been disclosed under “Annexure – C”

### Stakeholder’s Relationship Committee:

#### Constitution & Composition of Stakeholders Relationship Committee:

Our Company has formed the Stakeholders Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 20 of SEBI Listing Regulations (applicable upon listing of Company’s equity shares) vide board resolution dated 30.05.2019.

The constituted Stakeholders Relationship Committee comprises the following members:

Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Prakash N. Mehta	Chairman	Non-Executive-Independent Director	4	4
Mr. Harshit Hasmukhbhai Vadecha	Member	Non-Executive-Independent Director	4	4
Mrs. Nidhi G Sheth	Member	Executive Director	4	4

### Sexual Harassment Committee

#### Constitution & Composition of Sexual Harassment Committee:

The Sexual Harassment Committee was constituted by the Board of Directors at the meeting held on November 27, 2017 in compliance with the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.



Name	Designation	Category	No. of Meetings held during the Period	
			Held	Attended
Nidhi G Sheth	Chairman	Wholetime Director	1	1
Pravin M Parekh	Member	Non Executive Director	1	1
Prakash N Mehta	Member	Non-Executive Independent Director	1	1
Kanchanben Pravinbhai Sheth	Member	Director	1	1

## MANAGEMENT DISCUSSION AND ANALYSIS

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

## CORPORATE GOVERNANCE

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

## ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**PLACE: AHMEDABAD**  
**BOARD OF DIRECTORS**  
**DATE: 27-07-2020**

**FOR AND ON BEHALF OF THE**

S/d  
**Gautam Pravinchandra Sheth**  
**(Managing Director)**  
**(DIN: 06748854)**

S/d  
**Nidhi Gautam Sheth**  
**(Whole time Director)**  
**(DIN:06748877)**



**Annexure A**  
**FormNo.MGT-9**

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH,  
2020

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	L36911GJ2014PLC078802
Registration Date	18/02/2014
Name of the Company	GAUTAM GEMS LIMITED
Category/Sub-Category of the Company	Company limited by Shares/ Indian Non-govt company
Address of the Registered office and contact details	3rd Floor, Office – 301, Sumukh Super Compound, Vasta Devadi Road, Surat Gujarat-395004 India E-mail Id compliancegg1@gmail.com Tele No.- 0261- 2538046
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Kfin Technology Private Limited “Karvy House”, 46 , Avenue – 4, Street no. 1, Banjara Hills, Hyderabad – 500038, Andhra Pradesh Tel. No. – 040-67162222 Website - www.karvycomputershare.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading of Diamonds	46697	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

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





# Grauram Gems Ltd

Companies									
FII's	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
) Others (specify)	--	--	--	--	--	--	--	--	--
Sub-total(B)(1)	--	--	--	--	--	--	--	--	--
2. Non Institutions									
Bodies Corp. i) Indian ii) Overseas	591172	--	591172	10.77	442100	--	442100	8.05	2.72
Individuals		--				--			
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	132840		132840	2.42	360840		360840	6.57	4.15
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1374000		1374000	25.02	1295000		1295000	23.58	1.44
Others(Specif y)	3000	--	3000	0.05	3000	--	3000	0.05	0
Sub-total(B)(2)	2101012	--	2101012	38.26	2100940	--	2100940	38.26	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2101012	--	2101012	38.26	2100940	--	2100940	38.26	0
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	<b>5491108</b>	--	<b>5491108</b>	<b>100</b>	<b>5491108</b>	--	<b>5491108</b>	<b>100</b>	--



**ii. Shareholding of Promoters**

Sr · No	Shareholder's Name	Shareholding at the beginning of the year(As on 31st March,2019)			Shareholding at the end of the year (As on 31st March,2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Gautam M Sheth	3223008	58.70	--	3223008	58.70	--	0
	Nidhi G. Sheth	82880	1.51	--	82880	1.51	--	0
	Kanchanben P. Sheth	83928	1.53	--	84000	1.53	--	0
	Reshma S. Virwadia	280	0.01	--	280	0.01	--	0
	Total	3390096	61.74	--	3390168	61.74	--	0

**iii. Change in Promoters'S Shareholding(please specify, if there is no change**

Sr · no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	Gautam G Sheth				
	At the beginning of the year	3223008	58.70	3223008	58.70
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /	--	--	--	--



	transfer / bonus/ sweat equity etc):				
	At the End of the year	3223008	58.70	3223008	58.70
<b>2.</b>	<b>Nidhi Sheth</b>				
	At the beginning of the year	82880	1.51	82880	1.51
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	82880	1.51	82880	1.51
<b>3.</b>	<b>Kanchanben P Sheth</b>				
	At the beginning of the year	83928	1.53	83928	1.53
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	72	0	72	0
	At the End of the year	84000	1.53	84000	1.53
<b>4.</b>	<b>Reshma S Virvadiya</b>				
	At the beginning of the year	280	0.01	280	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the end of the year	280	0.01	280	0.01



**iv. Shareholding pattern of Top Ten Shareholders  
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No	For each of the Top ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	No. of shares % of total shares of the company
1	GAUTAM PRAVINCHADRA SHETH	3223008	58.70	3223008	58.70
2.	HIGHGROWTH VINCOM PRIVATE LIMITED	327000	5.96	327000	5.96
2	VAGHELA HASMUKH RAJESH	195000	3.55	195000	3.55
3	VAGHELA KOKILABEN	185000	3.37	185000	3.37
4	LICY ROSHAN AUGUSTINE	153000	2.79	153000	2.79
5	DIXIT N BORISA	90000	1.64	90000	1.64
6	HATHILA VANESHBHAI RASUBHAI	87000	1.58	87000	1.58
7	KANCHANBEN PRAVINBHAI SHETH	83928	1.53	84000	1.53
8	NIDHI GAUTAM SHETH	82880	1.51	82880	1.51
9	VAGHELA PRAKASH KANTILAL	79000	1.44	79000	1.44
10	DINESHBHAI KANJIBHAI THAKKAR	78000	1.42	78000	1.42



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid	-	1467611	-	1467611
iii) Interest accrued but not				
Total(i+ii+iii)	-	<b>1467611</b>		<b>1467611</b>
Change in Indebtedness during the financial year				
- Addition	-	5502704	-	5502704
- Reduction	-	-	-	-
Net Change	-	5502704	-	5502704
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	6970315	-	6970315
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	6970315	-	6970315

## VII 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	Name of WTD	Total Amount
		<b>Gautam P Sheth</b>	<b>Nidhi G Sheth</b>	
1	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section 17(3) Income-tax Act,1961	3,00,000	2,00,000	5,00,000
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - Others, specify... - Others, specify...	--	--	--



5	Others, please specify	--	--	--
6	Total(A)	<b>3,00,000</b>	<b>2,00,000</b>	<b>5,00,000</b>
	Ceiling as per the Act			

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

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

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

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



6	Total	--	--	--	--
---	-------	----	----	----	----

## VIII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

<u>Type</u>	<u>Section of the Companies Act</u>	<u>Brief description</u>	<u>Details of Penalty/ Punishment/ Compounding fees imposed</u>	<u>Authority (RD/NCLT /Court)</u>	<u>Appeal made. If any (give details)</u>
<b>A. Company</b>					
Penalty			<u>NIL</u>		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			<u>NIL</u>		
Punishment					
Compounding					
<b>C. Other officer in default</b>					
Penalty			<u>NIL</u>		
Punishment					
Compounding					



## ANNEXURE – B

### FORM NO. AOC -2

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

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

#### **1. Details of contracts or arrangements or transactions not at Arm's length basis.**

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

#### **2. Details of contracts or arrangements or transactions at Arm's length basis**

<b>Sr no.</b>	<b>Particulars</b>		
a)	Name (s) of the related party & nature of relationship	<b>Gautam P. Sheth</b> Managing Director of the company	<b>Nidhi G. Sheth</b> Wholetime Director
b)	Nature of contracts/arrangements/transaction	Remuneration of Rs. 3,00,000/- Loan Taken 4,37,58,516	Remuneration of Rs. 2,00,000/- Loan Taken 7,23,594
c)	Duration of the contracts/arrangements/transaction	For the year	For the year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA	NA
e)	Date of approval by the Board	14/05/2018	14/05/2018
f)	Amount paid as advances, if any	NA	NA

**Date: 27/07/2020**  
**Place: Ahmedabad**

**For and on behalf of Board**

**Gautam P Sheth**  
**Managing Director**  
**(DIN: 06748854)**

**Nidhi G Sheth**  
**Whole time director**  
**(DIN: 06748877)**



**Annexure- C**

**Policy of Nomination and Remuneration Committee of the Company**

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

The Committee shall:

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

**TERM OF APPOINTMENT:**

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

**RETIREMENT:**

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



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

1. Evaluation of performance of Board and Individual Directors:
  - a. Achievement of financial/ business targets as fixed by the Board;
  - b. Proper development, management and execution of business plans;
  - c. Display of leadership qualities i.e. correctly anticipating business trends and opportunities;
  - d. Establishment of an effective organization structure;
  - e. Participation in the Board/Committee Meetings;
  - f. Integrity and maintenance of confidentiality;
  - g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board may be considered by the Committee.

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

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

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

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

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

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

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



## Annexure - D

### MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview the Company was originally incorporated as “Gautam Gems Private Limited” on February 18, 2014 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, it was converted in to a public company and consequently name was changed to “Gautam Gems Limited” (GGL) vide fresh certificate of incorporation dated August 16, 2017 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

The company has been principally incorporated as a Manufacturer & Trader of rough and polished diamonds. Its registered and corporate office is located in Surat, which is the diamond hub of India. It sells diamonds of multiple category, shape, cut, size and color. The range of diamonds it manufactures and trades in purely depends on the demand and supply of diamonds in the local markets. Primarily, Round Brilliant and All Fancy shape, 0.18 carats upto 15.00 carats Size and D to N color with all type of Fancy color diamonds are demanded by its customers. It maintains stock of its various shaped diamonds depending on the customer demand.

It procures its diamonds from suppliers based in the domestic market. It deals with only those suppliers who are reputed. Trust, reliability, quality and authenticity of diamonds is the upmost priority in diamond business. Further, the sales of its rough and polished diamonds depend on the kind of customer with whom they are dealing with. Such as its polished diamonds are majorly purchased by jewellery manufacturers, jewellery wholesalers, jewellery retailers, jewellery traders, diamond wholesalers, diamond retailers and its rough diamonds are majorly purchased by rough diamond traders and diamond manufacturers.

In order to compete in the diamond market, it has created and maintained an independent sales and distribution network for its products within the domestic markets. Further to ensure customer satisfaction, quality supply of diamonds, timely delivery of orders and purchase-sale of authentic diamonds, it deals with its suppliers and customers on mutually agreed terms. Further, it has developed and maintained long-term and stable relationships with its key suppliers and its key customers although it has not entered into any formal contracts with either of them.

Its promoters, Mr. Gautam P Sheth and Nidhi G Sheth have 15 years and 7 years of experience in diamond business, respectively.

#### **The Company`s Competitive Strengths are:**

- Quality Products
- Well established relationship with our supplier
- Strong & long-term relationship with our customers
- Wide Varieties of diamonds
- Rich domain experience of our Promoters



## **OPPORTUNITIES**

Increasing middle class population is expected to drive growth in the future and is expected to lead to an increase in demand for gold. Also, India's population is increasingly becoming urbanised, which is expected to boost household income, thereby leading to higher demand for gold and other jewellery. The jewellery demand is also increasing steadily due to changes in its role from just being an item of adornment and as a store of value to a life style and fashion accessory. Rising quality awareness of customers has provided a fillip to the organized retail segment, which is banking on its 'reliability' and 'quality' to compete against the highly fragmented unorganized jewellers. The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle.

The Government of India has also launched the Sovereign Gold Bond Scheme to reduce the country's reliance on physical gold imports to meet the investment demand for gold by retail investors.

## **THREATS**

Some of the key challenges facing the retail jewellery industry are as follows: (a) Adapting to fast changing consumer preferences and buying patterns. (b) Volatility in the market prices of gold and diamonds. (c) Limited availability of high end retail space. (d) The retail jewellery is a working capital intensive business and currently there are Increasing restrictions by banks over lending in this sector.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the Company is the right destination where with the growth of the organization, value addition of individual employees is assured. The total number of employees as on 31st March, 2019 is 14.

## **INTERNAL CONTROL:**

The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest.

The Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition. The Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. Based on the assessment carried out by the management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls systems that are operating effectively as of March 31, 2020 There were no instances of fraud which necessitates reporting in the financial statements. Further, there have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.



## Annexure - E

### MANAGEMENT DISCUSSION AND ANALYSIS

#### Business Overview

The Company was originally incorporated as “Gautam Gems Private Limited” on February 18, 2014 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Subsequently, it was converted in to a public company and consequently name was changed to “Gautam Gems Limited” (GGL) vide fresh certificate of incorporation dated August 16, 2017 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli.

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It procures its diamonds from suppliers based in the domestic market. It deals with only those suppliers who are reputed. Trust, reliability, quality and authenticity of diamonds is the upmost priority in diamond business. Further, the sales of its rough and polished diamonds depend on the kind of customer with whom they are dealing with. Such as its polished diamonds are majorly purchased by jewellery manufacturers, jewellery wholesalers, jewellery retailers, jewellery traders, diamond wholesalers, diamond retailers and its rough diamonds are majorly purchased by rough diamond traders and diamond manufacturers.

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Its promoters, Mr. Gautam P Sheth and Nidhi G Sheth have 15 years and 7 years of experience in diamond business, respectively.

#### The Company`s Competitive Strengths are:

- Quality Products
- Well established relationship with our supplier
- Strong & long-term relationship with our customers
- Wide Varieties of diamonds
- Rich domain experience of our Promoters



## **OPPORTUNITIES**

Increasing middle class population is expected to drive growth in the future and is expected to lead to an increase in demand for gold. Also, India's population is increasingly becoming urbanised, which is expected to boost household income, thereby leading to higher demand for gold and other jewellery. The jewellery demand is also increasing steadily due to changes in its role from just being an item of adornment and as a store of value to a life style and fashion accessory. Rising quality awareness of customers has provided a fillip to the organized retail segment, which is banking on its 'reliability' and 'quality' to compete against the highly fragmented unorganized jewellers. The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle.

The Government of India has also launched the Sovereign Gold Bond Scheme to reduce the country's reliance on physical gold imports to meet the investment demand for gold by retail investors.

## **THREATS**

Some of the key challenges facing the retail jewellery industry are as follows: (a) Adapting to fast changing consumer preferences and buying patterns. (b) Volatility in the market prices of gold and diamonds. (c) Limited availability of high end retail space. (d) The retail jewellery is a working capital intensive business and currently there are Increasing restrictions by banks over lending in this sector.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the Company is the right destination where with the growth of the organization, value addition of individual employees is assured. The total number of employees as on 31st March, 2020 is 14.

## **INTERNAL CONTROL:**

The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders interest.

The Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition. The Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. Based on the assessment carried out by the management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls systems that are operating effectively as of March 31, 2020. There were no instances of fraud which necessitates reporting in the financial statements. Further, there have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices.



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

**Independent Auditor's Report**

**To the Members of GAUTAM GEMS LIMITED.**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **GAUTAM GEMS LIMITED**. ('the Company'), which comprise the balance sheet as at **31 March 2019**, the statement of profit and loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

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

overall presentation of the financial statements.

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) in our opinion with respect to internal financial control , the said para is applicable to Company & hereby attached as Annexure – B.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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

iii. There were no amounts which are required to be transferred to the investor education and protection fund by the company.

For, Parth Shah & Associates.  
(Chartered Accountants )

**CA.Parth Shah**  
**(Proprietor)**  
**M No. :- 173468**  
**FRN No. : -144251W**

**Place: Ahmedabad**  
**Date: 27.07.2020**

# **PARTH SHAH AND ASSOCIATES**

## **CHARTERED ACCOUNTANTS**

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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. (This clause is not applicable to company, as there are no immovable property or any other property.)
- (ii) The Company is dealing in the business of Gold and Diamond.
- (iii) The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the book of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance and duty of excise.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.
- (vii) The Company has not received loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(vii) of the Order is not applicable.
- (viii) The Company has not raised any fund during current Financial year. Accordingly, paragraph 3(viii) of the Order is not applicable.

## **PARTH SHAH AND ASSOCIATES**

### **CHARTERED ACCOUNTANTS**

- (ix) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (x) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company has been entered into transactions with the related parties as specified in sections 177 and 188 of the Act.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly the provisions of clause 3(xiv) of the order are not applicable to the company.hencenot commented upon.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

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

**Date: 27/07/2020**  
**Place: Ahmedabad**

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

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

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

We have audited the internal financial controls over financial reporting of Gautam Gems Limited ('the Company') as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

Meaning of Internal Financial Controls over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded

as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

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

**For and On behalf of the Board**

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

**S/d  
Gautam Sheth  
Managing Director  
(DIN: 06748854)**

**S/d  
Nidhi Gautam Sheth  
Whole time director  
(DIN: 06748877)**

**Date: 27/07/2020  
Place: Ahmedabad**

# GAUTAM GEMS LIMITED

301,Sumukh Building, Super Compound,Vasta Devdi Road,Katargam, Surat

**BALANCE SHEET AS ON 31/03/2020**

Particulars	Notes	Year Ended on 31/03/2020	Year Ended on 31/03/2019
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	54,911,080	54,911,080
(b) Reserves and Surplus	2	80,690,092	75,045,547
<b>(2) Share Application money pending allotment</b>		0	0
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings		0	0
(b) Deferred Tax Liabilities (Net)		518,882	259,441
(c) Other Long Term Liabilities		0	0
(d) Long Term Provisions		0	0
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	3	6,970,315	1,467,611
(b) Trade Payables	4	7,946,343	13,761,570
(c) Other Current Liabilities	5	107,398	0
(d) Short-Term Provisions	6	1,744,500	724,500
<b>Total Equity &amp; Liabilities</b>		<b>152,888,609</b>	<b>146,169,747</b>
<b>II.ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets (Net)</b>			
(i) Property, Plant and Equipment	7	5,094,711	6,110,786
(ii) Intangible Assets		0	0
(iii) Capital Work in Progress		0	0
(b) Non-current investments		0	0
(c) Deferred tax assets (net)		0	0
(d) Long term loans and advances		0	0
(e) Other non-current assets		0	0
<b>(2) Current Assets</b>			
(a) Current investments		0	0
(b) Inventories		85,347,647	18,362,256
(c) Trade receivables	8	1,019,354	88,929,718
(d) Cash and cash equivalents	9	6,981,276	5,027,469
(e) Short-term loans and advances		51,302,720	26,224,000
(f) Other current assets	10	3,142,899	1,515,518
<b>Total Assets</b>		<b>152,888,607</b>	<b>146,169,747</b>

**NOTES TO ACCOUNTS**

17

*Schedules referred to above and notes attached there to form an integral part of Balance Sheet*

*This is the Balance Sheet referred to in our Report of even date.*

FOR , PARTH SHAH AND ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR, GAUTAM GEMS LIMITED

(CA PARTH SHAH)  
(PROPRIETOR)

M No. : 173468  
FRN No. 144251W

Gautam Pravinchandra Sheth  
(Managing Director)  
(DIN: 06748854)

Nidhi Gautam Seth  
(Whole time director)  
(DIN: 06748877)

Date: 27/07/2020  
Place: Ahmedabad

# GAUTAM GEMS LIMITED

301,Sumukh Building, Super Compound,Vasta Devdi Road,Katargam, Surat  
**PROFIT & LOSS STATEMENT AS ON 31ST MARCH, 2020**

(In Rs.)

Sr. No	Particulars		For the Year Ended on 31.03.2020	For the Year Ended on 31.03.2019
I	<b>Revenue from operations</b>	11	3,281,703,790	437,282,468
II	Other Income		6,107,006	0
III	<b>Total Revenue (I +II)</b>		<b>3,287,810,796</b>	<b>437,282,468</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed		-	-
	Purchase of Stock-in-Trade	12	3,339,908,137	410,268,932
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	13	-66,985,391	19,064,233
	Employee Benefit Expense	14	3,301,700	3,189,241
	Financial Costs	15	26,115	23,736
	Depreciation and Amortization Expense		1,016,067	556,460
	Other Expenses	16	3,048,768	1,700,046
	<b>Total Expense</b>		<b>3,280,315,396</b>	<b>434,802,648</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>7,495,400</b>	<b>2,479,821</b>
VI	Exceptional Items			
VII	Profit before extraordinary items and tax (V - VI)		<b>7,495,400</b>	<b>2,479,821</b>
VIII	Extraordinary Items			
IX	Profit before tax (VII - VIII)		<b>7,495,400</b>	<b>2,479,821</b>
X	<b>Tax expense:</b>			
	(1) Current tax		1,500,000	446907
	(2) Deferred tax		259,441	259441
XI	<b>Profit(Loss) from the period from continuing operations</b>	(IX-X)	<b>5,735,959</b>	<b>1,773,473</b>
XII	Profit/(Loss) from discontinuing operations			
XIII	Tax expense of discounting operations			
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>5,735,959</b>	<b>1,773,473</b>
	Add:- Transfer from reserve			
	Less: Proposed Dividend			
	Less: Tax on Dividend			
	<b>Balance Carried Forward to Balance Sheet</b>		<b>5,735,959</b>	<b>1,773,473</b>
XVI	Earning per equity share:			
	(1) Basic		1.04	0.32
	(2) Diluted		1.04	0.32

**NOTES TO ACCOUNTS**

17

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

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

FOR, FOR, PARTH SHAH AND ASSOCIATES  
 CHAR CHARTERED ACCOUNTANTS

FOR, GAUTAM GEMS LIMITED

Gautam Pravinchandra Sheth  
 (Managing Director)  
 (DIN: 06748854)

Nidhi Gautam Seth  
 (Whole time director)  
 (DIN: 06748877)

(CA PARTH SHAH)  
 (PROPRIETOR)  
 M No. : 173468  
 FRN No. 144251W

Date: 27/07/2020  
 Place: Ahmedabad

# GAUTAM GEMS LIMITED

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

## **Note : 1 Share Capital**

Sr. No	Particulars	2020	2019
1	<b>AUTHORIZED CAPITAL</b> 5600000 Equity Shares of Rs. 10/- each.	56,000,000	56,000,000
		56,000,000	56,000,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> 5491108 Equity Shares of Rs. 10/- each, Fully	54,911,080	54,911,080
	<b>Total</b>	<b>54,911,080</b>	<b>54,911,080</b>

Following Shareholders hold equity shares more than 5% of the Total equity shares of the company

Sr. No	Share Holders Name	2020	2019
1	Gautam P. Sheth	3223008 58.70%	3223008 58.70%
2	Linkup Fin. Cons. Pvt. Ltd.	--	--
3	Highgrowth Vincon Pvt Ltd	362000 6.59%	327000 5.96%

## **Note : 2 Reserve & Surplus**

Sr. No	Particulars	2020	2019
1	Capital Reserve		
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	70,788,870	70,788,870
4	Debenture Redemption Reserve	-	-
5	Revaluation Reserve	1,588,585	1,588,585
6	Shares Option Outstanding Account	-	-
7	Other Reserve (Special Reserve)	-	-
8	Surplus (Profit & Loss Account)	8,312,637	2,668,092
	Balance brought forward from previous year	2,668,092	808,701
	Add: Prior Period adjustment	91,414	85,918
	Less: Tax on Regular Assessment Paid	-	-
	Less: Transfer to Profit and Loss A/c	-	-
	Add: Profit for the period	5,735,959	1,773,473
	<b>Total</b>	<b>89,002,728</b>	<b>75,045,547</b>

## **Note :3 Short-Term Borrowings**

Sr. No	Particulars	2020	2019
<b>A.)</b>	<b>Unsecured</b>		
1	Gautam P Sheth	3,653,192	144,017
2	kanchnaben P Sheth	600,000	600,000
3	nidhi g Sheth	927,123	723,594
4	Bharat Rasiklal Shah	100,000	-
5	Ravi Ornaments	200,000	-
6	Ro. Jewels Ltd	750,000	-
7	Shah Sibhuam	50,000	-
8	Aarav Finance Services	690,000	-
	<b>Total</b>	<b>6,970,315</b>	<b>1,467,611</b>

# GAUTAM GEMS LIMITED

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

**Note :4 Trade Payable**

Sr. No	Particulars	2020	2019
1	Balance of sundry creditors	7,946,343	13,761,570
	<b>Total</b>	<b>7,946,343</b>	<b>13,761,570</b>

**Note :5 Other Current Liabilities**

Sr. No	Particulars	2020	2019
1	Tds payable	107,398	-
	<b>Total</b>	<b>107,398</b>	<b>-</b>

**Note :6 Short-Term Provisions**

Sr. No	Particulars	2020	2019
<b>A.)</b>	<b><u>Other Provisions</u></b>		
1	Audit Fees Payable	90,000	60,000
2	Provision for Tax	1,500,000	510,000
3	Salary Payable	154,500	154,500
	<b>Total</b>	<b>1,744,500</b>	<b>724,500</b>

## GAUTAM GEMS LIMITED

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

<b>Note : 8 Trade Receivables</b>			
Sr. No	Particulars	2020	2019
A	Secured Considered Good	19354	87929718
B	Advance to creditors	1000000	1000000
<b>Total [ A + B ]</b>		<b>1019354</b>	<b>88929718</b>

<b>Note : 9 Cash &amp; Cash Equivalent</b>			
Sr. No	Particulars	2020	2019
1	<b>Cash-in-Hand</b>		
	Cash Balance	1163966	4500763
	Sub Total (A)	1163966	4500763
2	<b>Bank Balance</b>		
	Indusind Bank	4759455	526706
	Axis Bank	15420	0
	Bank Of India	5184	0
	Central Bank Of India	6022	0
	Yes Bank	1031229	0
	Sub Total (B)	5817310	526706
<b>Total [ A + B ]</b>		<b>6981276</b>	<b>5027469</b>

<b>Note :10 Other Current Assets</b>			
Sr. No	Particulars	2020	2019
1	Deposits	50000	0
2	Preliminary Expense	960150	1014150
3	GST Receivable	2046649	446907
4	Others	86100	54461
<b>Total</b>		<b>3142899</b>	<b>1515518</b>

# GAUTAM GEMS LIMITED

Notes Forming Part of the Profit & Loss Statement as at 31st March, 2020

<b>Note : 11 Revenue from Operations</b>			
Sr. No	Particulars	2020	2019
1	Sales Revenue	3,281,703,790	437,282,468
	<b>Total</b>	<b>3,281,703,790</b>	<b>437,282,468</b>
<b>Note : 12 Purchase of Stock-in-Trade</b>			
Sr. No	Particulars	2020	2019
a)	<b>PURCHASES OF RAW MATERIALS AND STORES</b>		
1	Purchase	3,331,348,674	410,268,932
2	Stores spares and materails	59,303	-
3	Other Direct Exp	8,500,160	-
	<b>Total</b>	<b>3,339,908,137</b>	<b>410,268,932</b>
<b>Note : 13 Change in Inventories</b>			
Sr. No	Particulars	2020	2019
1	Opening Stock	18,362,256	37,426,489
2	Closing Stock	85,347,647	18,362,256
	<b>Total</b>	<b>-66985390.97</b>	<b>19064233.03</b>
<b>Note : 14 Employees Benefit Cost</b>			
Sr. No	Particulars	2020	2019
1	Salary	2,801,700	2,689,241
2	Directors Remuneration	500,000	500,000
	<b>Total</b>	<b>3301700</b>	<b>3,189,241</b>
<b>Note : 15 Finance Cost</b>			
Sr. No	Particulars	2020	2019
1	Bank Charges	26,115	23,736
	<b>Total</b>	<b>26,115</b>	<b>23,736</b>
<b>Note : 16 Other Administrative Expenses</b>			
Sr. No	Particulars	2020	2019
1	Audit Fees	30,000	30,000
2	Advertisement Exps	-	-
3	Rent Exps	345,000	120,000
4	post and courier	183,125	63,887
5	Preliminary Expense written off	54,000	325,188
6	BSE,CDSL NSDL, ROC IPO EXP	386,139	83,748
7	Conveyance exps and petrol	341,120	151,896
8	office exp and tea refreshment Expenses	229,624	125,398
9	Telephone exps	50,725	25,055
10	Legal and Professional fees	773,100	27,227
11	Computer Parts Exps	22,725	7,867
12	Commission exps	-	-
13	Electricity exps	173,426	201,302
14	Printing and Stationary	61,969	37,590
15	Repairs and maintainance	89,755	97,932
16	Income tax	86,767	-
17	Other Expenses	221,294	402957
	<b>Total</b>	<b>3,048,768</b>	<b>1,700,046</b>

# GAUTAM GEMS LIMITED

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

PARTICULARS	Year ended 31 March 2020	Year ended 31 March 2019	Year ended 31 March 2018
<b>A. Cash Flow from Operating Activity</b>			
Profit before Taxation and Extra Ordinary Items	7,495,400	2,479,821	1,206,402
Add : Non Cash & Non Operating Expenses			
Depreciation	1,016,067	556,460	549,214
Interest Expenses	26,115	23,736	6,443
Preliminary Expenses Write Off	325,188	325,188	328,888
Operating Profit before Working Capital Changes	8,862,770	3,385,204	2,090,947
Adjustment for;			
(Increase) / Decrease in Inventory	18,362,256	19,064,233	16,996,451
(Increase) / Decrease in Debtors	88,929,710	-8,198,384	-80,731,334
Increase/(Decrease) in Trade Payables	-13,761,566	13,074,081	-53,735,451
(Increase)/ Decrease in Loans & Advances	26,224,000	-26,224,000	0
(Increase) / Decrease in Current Assets	1,515,508	1,026,211	-2,538,029
Increase / (Decrease) in Current Liabilities & Provisions	-724,489	247,828	-2,101,160
Cash Generated from Operation	129,408,189	2,375,173	-120,018,576
Taxes Paid	769,870	769,870	0
Net Cash Flow from Operating Activities	128,638,319	1,605,303	-120,018,576
<b>B. Cash Flow from Investing Activity</b>			
(Increase) / Decrease in Fixed Assets (net)	-49,218	-49,218	-2,550,823
(Increase) / Decrease in Investments & Accrued Interest			0
Net Cash Flow from Investing Activities	-49,218	-49,218	-2,550,823
<b>C. Cash Flow from Financing Activity</b>			
Proceeds from Issue of Shares	0	0	54,811,080
Proceeds from Securities Premium	0	0	70,788,870
Share Issue expense	-15,188	-15,188	-1,100,890
Increase / (Decrease) in Short term Borrowings	-1,467,608	337,656	1,072,955
Increase / (Decrease) in Long term Borrowings	0	0	0
Interest /Bank Expenses	-26,115	-23,736	-6,443

Net Cash Flow from Financing Activities	-1,508,911	298,731	125,565,572
Net Increase / (Decrease) in Cash & Cash Equivalents	127,080,190	1,854,816	2,996,173
Opening Balance of Cash & Cash Equivalents	5,027,469	3,172,653	176,480
Closing Balance of Cash & Cash Equivalents	6,981,276	5,027,469	3,172,653
Net Increase / (Decrease) in Cash & Cash Equivalents	1,953,807	1,854,816	2,996,173

**NOTES :**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as
2. The previous year figures have been regrouped/restated wherever necessary to

**FOR , PARTH SHAH AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FOR, GAUTAM GEMS LIMITED**

**SD**

**(CA PARTH SHAH)  
(PROPRIETOR)  
M No. : 173468  
FRN No. 144251W**

**Gautam Pravinchadra Sheth Nidhi Gautam Sheth  
(Managing Director) Whole time Director  
(DIN:06748854) (DIN:06748877)**

**Date: 27-07-2020  
Place: Ahmedabd**

## GAUTAM GEMS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2020

**Note : 7 Fixed Asset**

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2020	WDV as on 31.03.2019
<b>A</b>	<b><u>Property, Plant and Equipment</u></b>										
	AC ( Ifb + O General)	356,920	-	-	356,920	124,176	34,912	-	159,088	197,832	232,744
	Car Skoda Fabia	203,119	-	-	203,119	38,592	24,679	-	63,271	139,848	164,527
	Car Toyota Fortuna	1,848,571	-	-	1,848,571	351,228	224,601	-	575,829	1,272,742	1,497,343
	Compuer Software Sarin Machine	1,128,589	-	-	1,128,589	714,848	165,497	-	880,345	248,244	413,741
	Computer	174,448	-	-	174,448	110,496	25,581	-	136,077	38,371	63,952
	Furniture	465,322	-	-	465,322	88,412	37,691	-	126,103	339,219	376,910
	Machinery (Ghanti)	105,000	-	-	105,000	13,292	13,756	-	27,048	77,952	91,708
	Machinery (Russian Brutter)	189,000	-	-	189,000	23,928	24,761	-	48,689	140,311	165,072
	Metalar Weight (Kanti)	5,965	-	-	5,965	1,134	725	-	1,859	4,106	4,831
	Microscope	466,592	-	-	466,592	59,070	61,128	-	120,198	346,394	407,522
	Mobile Phone Instrument	13,677	-	-	13,677	5,198	1,272	-	6,470	7,207	8,479
	Printer Canon 4350 D	5,756	-	-	5,756	2,188	535	-	2,723	3,033	3,568
	Printer HP4500	2,639	-	-	2,639	1,672	145	-	1,817	822	967
	Safe (Godrej)	25,827	-	-	25,827	3,272	2,256	-	5,528	20,299	22,555
	Sarin Diamark Z Machine	2,266,759	-	-	2,266,759	286,972	296,968	-	583,940	1,682,819	1,979,787
	Sarin Dia Mention (Hardware)	246,428	-	-	246,428	156,088	13,551	-	169,639	76,789	90,340
	Sarin I Machine	661,742	-	-	661,742	83,776	86,695	-	170,471	491,271	577,966
	T V	6,489	-	-	6,489	2,466	603	-	3,069	3,420	4,023
	Vehecal-2 Wheeler	5,855	-	-	5,855	1,112	711	-	1,823	4,032	4,743
											-
B	Immovable Properties	0	-	-	-	0	0	-	-	-	-
C	Capital work in Progress	0	-	-	-	0	0	-	-	-	-
											-
	<b>TOTAL</b>	<b>8,178,698</b>	<b>-</b>	<b>-</b>	<b>8,178,698</b>	<b>2,067,920</b>	<b>1,016,067</b>	<b>-</b>	<b>3,083,987</b>	<b>5,094,711</b>	<b>6,110,778</b>

# **GAUTAM GEMS LIMITED**

## **(FORMERLY KNOWN AS GAUTAM GEMS PRIVATE LIMITED)**

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

#### **Note : 17**

#### **NOTES ON ACCOUNTS**

1. Previous year's figures are regrouped/rearranged wherever necessary.
2. All the Opening Balances are taken as per previous year audit report.
3. Contingent liability in respect of claims against the company not acknowledged as debts against which the company has counter claims aggregating to Rs. is Nil.
4. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated in the Balance sheet, if realized in the ordinary course of business.
5. Information pursuant to paragraph 2, 3, 4, 5 of Part II of the schedule III is given as under so far as it applies to the company

#### **a) Payment to Statutory Auditors**

	Current Year	Previous Year
1. Audit Fees	Rs35,000/-	Rs.30000/-

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

**FOR, PARTH SHAH AND ASSOCIATES. FOR AND ON BEHALF OF THE BOARD  
CHARTERED ACCOUNTANTS**

**Gautam PravinChandra Seth      Kanchanben Seth**  
**(Managing Director)                      (Director)**

**PARTH SHAH**  
**(Proprietor)**  
**FRN NO:-144251W**  
**M.NO.: 173468**

**Place: Ahmedabad**  
**Date: 27.07.2020**

**Place: Ahmedabad**  
**Date: 27.07.2020**

## **Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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

### **B. REVENUE RECOGNITION**

Sales are recorded exclusive of Taxes and when risk is transferred to customer.

### **C. RETIREMENT BENEFITS**

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

### **D. REVENUE RECOGNITION**

- Revenue in respect of dividend and gain on sales of shares is recognized as and when the same is materialized.

### **E. INVESTMENTS**

- Long Investments are carried at cost less provision for permanent diminution if any in the value of such investment. There were no such investments during the year.

### **F. BORROWING COSTS**

- Borrowing costs are charged to the Profit and Loss A/c in the year in which they are incurred. There was no such cost during the year.

### **G. CONTINGENT LIABILITIES**

- As certified by the Management, there is no contingent liability on the company and all known and estimated liabilities have been provided for in the books of accounts.

### **H. APPLICABILITY OF AS-22**

- Provision for the deferred tax has been created on timing difference. During the year there was no such timing difference.

### **I. FOREIGN CURRENCY TRANSACTIONS**

- There are no such foreign currency transactions during the year.

## **J. C I F VALUE OF IMPORT RAW MATERIALS**

- NIL

## **K. EXPENDITURE IN FOREIGN CURRENCY**

- NIL

## **L. PROPERTY, PLANT AND EQUIPMENT**

- Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

## **M. DEPRECIATION**

- depreciation is provided on Straight line method as per companies Act 2013

## **N. APPLICABILITY OF AS - 18**

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

Following transactions were carried out with related parties in the ordinary course of business:

Related Party Transactions	Key Management Personnel & Relatives	Others
Remuneration	Gautam P Sheth - Director	3,00,000/-
Remuneration	Nidhi G Sheth- Director	2,00,000/-
Loan From Director	Kanchanben P Sheth	6,00,000/-
Loan From Director	Nidhi G Sheth- Director	7,23,594/-
Loan From Director	Gautam P Sheth - Director	4,37,58,516/-

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

(a) Profit after tax	Rs. 5735959/-
(b) No. of Equity Share	5491108
(c) Nominal value of share	Rs. 10 per share
(d) EPS	1.04/-

**FOR, PARTH SHAH AND ASSOCIATES.  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD**

**PARTH SHAH  
(Proprietor  
FRN NO:-144251W  
M.NO.: 173468**

**Gautam PravinChandra Seth  
(Managing Director)**

**Kanchanben Seth  
(Director)**

**Place: Ahmedabad  
Date: 27.07.2020**

**Place: Ahmedabad  
Date: 27.07.2020**



Gautam Gems Ltd

**GAUTAM GEMS LIMITED**  
**(CIN: L36911GJ2014PLC078802)**

**Regi office: 3rd Floor, Office-301, Sumukh Super Compund, Vasta Devadi Road, Surat-395004**

**Email: complianceggl@gmail.com**

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7th Annual General Meeting – Monday, 31st August, 2020

**ATTENDANCE SLIP**

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

I, hereby record my presence at the Annual General Meeting of the Company to be held on Monday, 31st August, 2020 at 2.00 PM at 3rd Floor, Office – 301, Sumukh Super Compund, Vasta Devadi Road, Surat-395004, Gujarat

\_\_\_\_\_  
Signature of the Member

**Notes:**

A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.

B. Member/Proxy who wishes to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.

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



Gautam Gems Ltd

**GAUTAM GEMS LIMITED**  
(CIN: L36911GJ2014PLC078802)

**Regi office: 3rd Floor, Office-301, Sumukh Super Compund, Vasta Devadi Road, Surat-395004**

**Email: complianceggl@gmail.com**

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**Form MGT-11 PROXY FORM**

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

**7th Annual General Meeting – Monday, 31st August, 2020**

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

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

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

I/We, being member(S) of Gautam Gems Limited, holding \_\_\_\_\_ share of the company,  
hereby appoint

Name \_\_\_\_\_

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

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_

Or failing him/her

As my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the 7th Annual General Meeting of the Company to be held on – Monday, 31st August, 2020 at 2.00 PM at 3rd Floor, Office – 301, Sumukh Super Compund, Vasta Devadi Road, Surat – 395004, Gujarat. And/or at any adjournment thereof in respect of such resolutions as are indicated below.



# Grautam Gems Ltd

Resolution no.	Resolution	Voting	
		For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt Audited Financial Statement of the Company for the financial year ended on March 31st, 2020 together with Report of Board of Directors and Auditors' Report thereon.		
2.	To appoint a Director in place of Mrs. Nidhi G Sheth, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re- appointment.		
<b>Special Business</b>			
3.	To Increase Authorised Share Capital of the company		
4.	Alteration in the Capital Clause of Memorandum of Association		
5.	To issue Bonus Shares		

Signed this..... day of..... 20....  
Signature of shareholder  
holder(s)

Signature of Proxy

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.



Grautam Greems Ltd

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING**

**Registered office: 3rd Floor, Office-301, Sumukh Super Compound, Vasta Devadi Road, Surat-395004**

