

# **7<sup>th</sup> Annual Report**

## **2020-21**



# **Surat Diamond Bourse**

**Promoted by SDB Diamond Bourse**

**CIN: U74140GJ2014NPL081370**

# SDB DIAMOND BOURSE

## CORPORATE INFORMATION

### ❖ BOARD OF DIRECTORS

- 1) Mr. Vallabhbhai Shamjibhai Patel-Director
- 2) Mr. Govindbhai Laljibhai Dholakia
- 3) Mr. Laljibhai Tulsibhai Patel
- 4) Mr. Mathurbhai Madhabhai Savani
- 5) Mr. Manubhai Bholabhai Davariya
- 6) Mr. Jitendra Babulal Shah
- 7) Mr. Rajendrakumar Dalpatlal Shah
- 8) Mrs. Madhuben Rajubhai Vaghani

### **CHIEF EXECUTIVE OFFICER**

Mr. Maheshkumar Arvindbhai Gadhavi

### ❖ COMMITTEE AND ITS FORMATION

<b>Audit Committee</b>	<b>Planning Committee</b>	<b>Committee for Transfer of Membership</b>	<b>CSR Committee</b>
Manubhai Davariya <b>Chairperson</b>	Kishorbhai Koshiya <b>Chairperson</b>	Manubhai Davariya <b>Chairperson</b>	Vallabhbhai Patel <b>Chairperson</b>
Vallabhbhai Patel	Vallabhbhai Patel	Vallabhbhai Patel	Manubhai Davariya
Rajendrakumar Shah	Laljibhai Patel	Dharambhai Patel	Mathurbhai Savani
Jitendra Shah	Asheshbhai Doshi		
Dharambhai Patel	Manekbhai Lathiya		
Asheshbhai Doshi	Ishvarbhai Navadiya		
Kishorbhai Koshiya	Rajeshbhai Shah		
	Dayabhai Jivani		
	Manharbhai Saspara		
	Tulsibhai Monpara		
	Devjibhai Kakadiya		
	Nileshbhai Bodra		
	Maheshbhai Gadhvi		

❖ **BANKERS**

HDFC Bank Limited-Citylight Branch, Surat

State Bank Of India-Begampura Branch, Surat

State Bank Of India-Mumbai Branch

Indusind Bank- Surat Branch

❖ **STATUTORY AUDITOR**

NDJ & Co., Chartered Accountants

T-720, Belgium Tower, Opp. Linear Bus stand, Ring Road, Surat-395 002.

❖ **REGISTERED & SITE OFFICE**

**Regd Office**

67, 1<sup>st</sup> Floor, Tapti Exports, Patel Faliya, Gotalwadi, Katargam, Surat-395004.

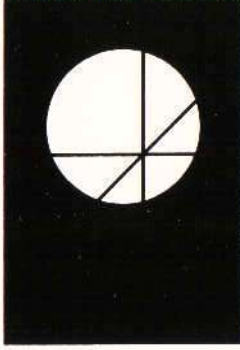
**Site Office**

Plot No. 177/P, DREAM CITY Behind Surat International Exhibition and Convention Centre, Khajod, Surat, Gujarat 395007.



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# SDB

## SURAT DIAMOND BOURSE

Promoted by **SDB DIAMOND BOURSE A Section 8**

Company Registered Under The Companies Act, 2013

CIN No.: U74140GJ2014NPL081370 | GST No.: 24AAVCS2416E1ZD

### AGM NOTICE

Notice is hereby given that the seventh annual general meeting of the members of SDB Diamond Bourse ('SDB' or the 'Company') will be held on Monday, 1<sup>st</sup> November, 2021 at 04:00 PM (IST) through Video Conferencing ('VC')/other Audio Visual Means ('OAVM') facility to transact the following:

#### ORDINARY BUSINESS:

1. **To consider and adopt the Audited Financial Statements** of the Company for the financial year ended 31<sup>st</sup> March 2021, together with the Directors' and Auditors' Reports thereon.
2. **To consider passing of the following resolution as an ordinary resolution:**  
"RESOLVED THAT Mr. Laljibhai Tulsibhai Patel(DIN: 01539972) Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company.
3. **To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:**

#### Re-appointment of Statutory Auditors of the Company:

**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. NDJ & Co., Chartered Accountants having Firm Registration No. 136345W be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for their second term of 2 (two) years from the conclusion of 7<sup>th</sup> Annual General Meeting till the conclusion of 9<sup>th</sup> Annual General Meeting to be held for financial year 2022-23 on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company."

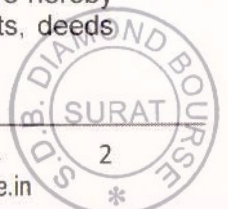
#### SPECIAL BUSINESS:

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

#### Appointment of Mrs. Madhuben Rajubhai Vaghani as a Director

"RESOLVED THAT, Mrs. Madhuben Rajubhai Vaghani (DIN 07471536), who was appointed as an Additional Director with effect from 13<sup>th</sup> March, 2021 on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as Woman Director of the Company.

"RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms/documents and to do all such acts, deeds



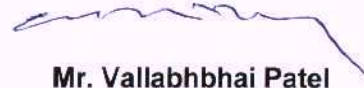
and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

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

“**RESOLVED THAT**, in accordance with the provisions of Section 148 of the Companies Act, 2013, the remuneration of M/s. Nanty Shah & Associates Practicing Cost Accountants, Surat (Firm Registration No. 101268) appointed by the Board of Directors of the Company as the Cost Auditors to conduct audit of the Cost records maintained in respect of all applicable products of the Company, for the Financial Year 2020-21 & 2021-22 at remuneration of as mutually agreed between the auditor and company plus Goods and Service Tax & re-imbusement of out-of-pocket expenses.

**Date:**  
**Place: Surat**

**On behalf of Board of Directors**



**Mr. Vallabhchai Patel**  
**Director**  
**(DIN: 00091715)**

**Registered Office:**

1st Floor, Tapti Exports, Patel Falia, Gotalawadi,  
Katargam, Surat -395004  
CIN: U74140GJ2014NPL081370  
E-mail: [info@sdbbourse.com](mailto:info@sdbbourse.com)



## **NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Act in respect of Item nos. 3, 4 & 5 of the Notice set out above, is annexed hereto.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company.
3. Proxies in order to be effective, should be completed, stamped and signed and must reach the registered office of the company at least forty-eight hours before the time fixed for meeting.
4. Corporate members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act, 2013 are required to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf of the Annual General Meeting.
5. Relevant documents referred to in the accompanying notice and the statements shall be available for inspection by the members at the registered office of the company on all the working days, except Saturdays, during business hours up to the date of the Meeting.
6. Members who are desirous of seeking any information or clarifications on the Annual Accounts of the Company are requested to send written queries to the Company at least 3 days before the date of Annual General Meeting to enable Management to compile the information and present it on time.
7. The Register of Members shall remain close from 25<sup>th</sup> October, 2021 to 1<sup>st</sup> November, 2021 (inclusive of both the days).
8. Equity shares of the Company are under compulsory demat trading by all Investors.
9. Members/ Proxy holders/ Authorized representatives are requested to bring their Attendance slip sent herewith, duly filled-in for attending the Annual General Meeting.
10. The Annual Report 2020-2021, the Notice of the 07th AGM and instructions for e-voting along with the Attendance Slip and Proxy form, are being sent by physical mode to all the members whose communication addresses are registered with the Company.
11. Members may also note that the Notice of the 07th AGM and the Annual Report 2020-2021 will be available on Company's website, [www.https://www.suratdiamondbourse.in](https://www.suratdiamondbourse.in).
12. The shareholder needs to furnish the printed Attendance slip along with a valid identity proof such as the PAN card, passport, Aadhar card or driving license to enter the AGM hall.
13. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 25<sup>th</sup> October, 2021.
14. The route map of the venue of the Annual General Meeting is appended to this Report. The prominent land mark near the venue is Dharmanandan Diamonds, Gotalwadi, Katargam, Surat-395007.

**Date:**  
**Place:** Surat

**On behalf of Board Of Directors**



**Mr. Vallabhchai Patel**  
**Director**  
**(DIN: 00091715)**



**ANNEXURE TO NOTICE:****DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING****(Pursuant to Secretarial Standard 2 issued by the Institute of Company Secretaries of India)**

<b>Name of Director</b>	<b>Mr. Laljibhai Tulsibhai Patel</b>
DIN No.	01539972
Date of Birth	28/11/1955
Qualification	
Expertise in specific functional areas	More than 35 years of experience in the Diamond Industry and he is an Indian diamantarie and philanthropic social activist, who is the Chairman of Dharmanandan Diamonds Pvt. Ltd. and one of the barons of the Indian Diamond Industry.He has been guiding M/s. Dharmanandan Diamonds Pvt. Ltd. for over three & a half decades now and has grown the very company to emerge as one of the largest and globally renowned diamond manufacturers. His vast experience is useful for our Company.
Terms and Conditions of Appointment/Reappointment	As per the resolutions at Item No 2 of the Notice Convening this meeting, Mr. Laljibhai Tulsibhai Patel is liable to retire by rotation at the meeting and eligible for re-appointment.
Remuneration last drawn	NIL
Remuneration proposed	NIL
Date of First Appointment	28/11/2014
Relationship with Directors/ Key Managerial Personnel	N.A.
List of Companies in which directorship is held as on 31 <sup>st</sup> March, 2021	As attached below
Chairman / Member of the Committee of other Company	NIL
No. of Meetings of the Board Attended during the year	8

**List of Companies in which Mr. Laljibhai Tulsibhai Patel holds directorship as on 31<sup>st</sup> March, 2021:**

<b>Sr. No.</b>	<b>Name of the Company</b>	<b>Nature of Interest</b>	<b>Shareholding</b>	<b>Date on which interest arose/ changed</b>
1	DHARMANANDAN DIAMONDS PRIVATE LIMITED	Director	15.49%	31/08/2007
2	SAMAST PATIDAR AAROGYA TRUST	Trustee	-	17/07/2014
3	SAMAST PATIDAR SAMAJ TRUST	Trustee	-	13/09/2008
4	SDB DIAMOND BOURSE	Director	-	28/11/2014
5.	SHREEJI CORPORATION	Member	8.22%	03/02/2009

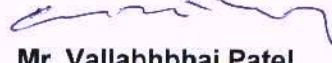




The Board of Directors recommends the proposed resolutions for acceptance by member.

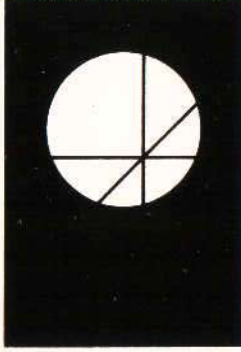
**Date:**  
**Place:** Surat

**On behalf of Board of Directors**



**Mr. Vallabhbai Patel**  
**Director**  
**(DIN: 00091715)**





# SDB

## SURAT DIAMOND BOURSE

Promoted by **SDB DIAMOND BOURSE** A Section 8

Company Registered Under The Companies Act, 2013

CIN No.: U74140GJ2014NPL081370 | GST No.: 24AAVCS2416E1ZD

### EXPLANATORY STATEMENT

**Annexed to the Notice convening the 7<sup>th</sup> Annual General Meeting to be held on Monday, 25<sup>th</sup> October, 2021.**

#### ITEM NO. 3

M/s. NDJ & Co., Chartered Accountants were appointed as the Statutory Auditors in the financial year 2016-17. In accordance with the provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ('the Act'), M/s. NDJ & Co. were appointed as the Statutory Auditors of the Company at the 2nd Annual General Meeting ('AGM') for a term of 5 years i.e. to hold office upto the AGM for the financial year 2020-21. M/s. NDJ & Co. would be completing 5 years as the Statutory Auditors of the Company at this AGM. In accordance with Section 139(2) of the Act and the transitional provisions provided under Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. NDJ & Co. are eligible for re-appointment. Board recommends to re-appointment for another 2 years. i.e. the conclusion of this AGM till the conclusion of AGM for FY 2022-23 of the Company.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof has any concern or interest, financial or otherwise in the resolution at Item No. 3 of this Notice.

#### ITEM NO. 4

Mrs. Madhuben Rajubhai Vaghani was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> March, 2021, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Article of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above Director hold office only upto the date of the ensuing Annual General Meeting of the Company.

Mrs. Madhuben Rajubhai Vaghani is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

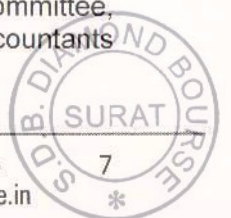
The Board is of the view that the appointment of Mrs. Madhuben Rajubhai Vaghani as Woman Director is desirable and would be beneficial to the Company.

The matter is being placed before the members for their consideration and approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mrs. Madhuben Rajubhai Vaghani herself, is in any way concerned or interested, in the said resolution.

#### ITEM NO. 5

The Board of Directors of the Company ('the Board') at the meeting held on 10<sup>th</sup> September, 2020 and meeting held on 4<sup>th</sup> August, 2021 on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Nanty Shah & Associates, Cost Accountants



(Registration No. 101268) to conduct audit of Cost records made and maintained by the Company pertaining to Construction Industry (products/services) for financial year 2020-2021 & 2021-22.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration of the Cost auditors is required to be ratified by the members of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this resolution.

The Board recommends this resolution for your approval.

**Date:** 14.10.2021

**Place:** Surat

**On behalf of Board Of Directors**

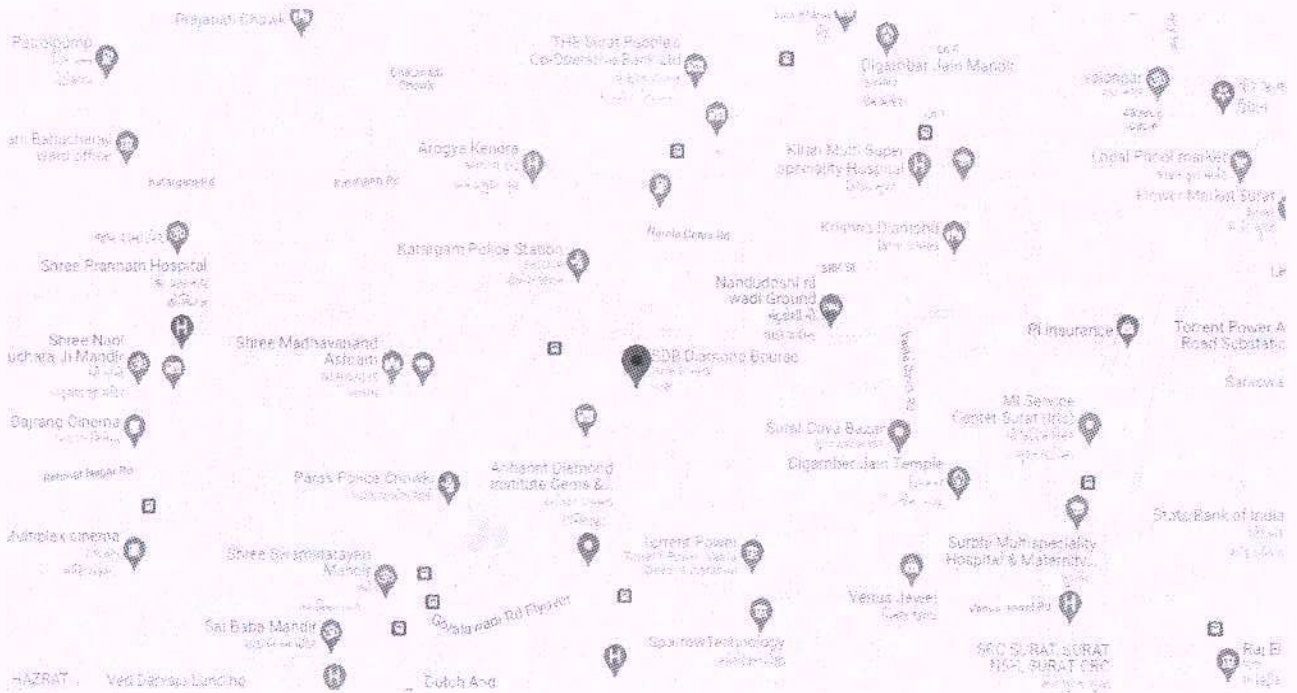


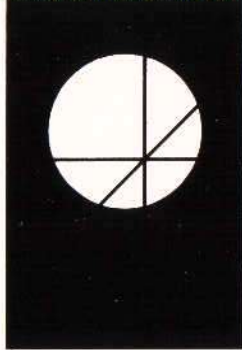
**Mr. Vallabhbhai Patel**  
**Director**  
**(DIN: 00091715)**



# Route Map of Venue of 7th Annual General Meeting of SDB Diamond Bourse

67,1<sup>st</sup> Floor, Tapti Exports, Opp. HVK, Gotalawadi, Katargam, Surat-395004





# SDB

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Company Registered Under The Companies Act, 2013

CIN No.: U74140GJ2014NPL081370 | GST No.: 24AAVCS2416E1ZD

### FORM NO. MGT-11

### PROXY FORM

**[Pursuant to Section 105(6) of The Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]**

<b><u>Name of the Member(s)</u></b>		<b><u>E-mail ID</u></b>	
<b><u>Registered Address</u></b>		<b><u>Membership No.</u></b>	

I/We, being the member(s) of.....Trade Membership of the above named Company, hereby appoint:

(1) Name:.....Address:.....  
E-mail Id:.....Signature....., or failing him/her;

(2) Name:.....Address:.....  
E-mail Id:.....Signature....., or failing him/her;

as my/our proxy to attend and vote for me/us and on my/our behalf at the 7<sup>th</sup> Annual General Meeting of the company, to be held on \_\_\_\_\_ and at any adjournment thereof.

Signed this ..... day of ..... 2021.

Affix  
Revenue  
Stamp

Membership No ..... Signature of first proxy holder.....  
Membership No ..... Signature of second proxy holder.....

**Note:**  
The proxy and the power of Attorney (if any) under which it is signed or a notarized certified copy of that power must be deposited at the registered office of the company at its registered office not less than 48 hours before the date and time for holding the 7<sup>th</sup> Annual General Meeting.





# SDB

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CIN No.: U74140GJ2014NPL081370 | GST No.: 24AAVCS2416E1ZD

### ATTENDANCE SLIP

#### 7<sup>th</sup> Annual General Meeting: 1<sup>st</sup> November, 2021

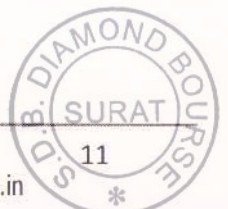
(Please fill this attendance slip and hand it over at the entrance of the hall)

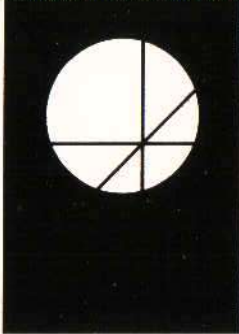
Date	01/11/2021
Time	04:00 PM
Place	SURAT

Name and Signature of the Member/ Proxy present	
Membership No.	

#### **Note:**

Members are requested to produce the above attendance slip, duly signed in accordance with their specimen signatures registered with the Company for admission to the venue. Members/Authorized representative/ proxies may note that the admission to the meeting will be subject to verification/ checks, as may be deemed necessary and they are advised to carry valid proof of identity viz. Voters ID Card/ pan card/ Passport/ Driving License etc.





# SDB

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CIN No.: U74140GJ2014NPL081370 | GST No.: 24AAVCS2416E1ZD

### DIRECTORS' REPORT

To,

The Members,

SDB DIAMOND BOURSE

Your Directors have the pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Statement of Accounts of SDB Diamond Bourse for the year ended on 31st March, 2021.

#### 1) Financial summary:

Particulars	2020-21	2019-20
	(Amount In Rs.)	(Amount In Rs.)
Gross Income	4,05,98,88,920	15,12,78,60,273
Expenses Before Depreciation	4,04,74,17,406	15,12,08,04,997
Surplus/(Deficit) Before Depreciation	1,24,71,514	70,55,276
Less: Depreciation	90,71,613	6,63,59,686
Surplus / (Deficit) After Depreciation Before Extraordinary Item and Taxation	33,99,901	(5,93,04,410)
Less: Extraordinary Item	-	-
<b>Net Income / (Excess of Expenses over Income)</b>	<b>33,99,901</b>	<b>(5,93,04,410)</b>
Amount Transferred to Reserves (If any)	33,99,901	(5,93,04,410)

#### 2) State of the Company's affairs:

SDB Diamond Bourse, a not-for-profit company, within the meaning of section 8 of the Companies Act, 2013, was incorporated in India on 28<sup>th</sup> November, 2014. During the year under review, company has excess of income amounting to ₹33,99,901/-due to compliance of Accounting standard of Revenue recognition read with Guidance note on 'Accounting of Real Estate Transactions' after getting RERA approval as compared to excess of expense amounting to ₹5,93,04,410/-in the previous year.



**Operational Review:****A) Trade Membership Fees Received:**

During the year under review, the Company had additionally given new Trade Membership for office space in the proposed Diamond Bourse at Khajod to 9 individuals or entities engaged directly or indirectly with the Diamond, Gems & Jewellery business due to partial transfer of EOI for office space in the Proposed Diamond Bourse at Khajod by the existing trade members in conformance to the Articles of the Company along with entrance fees of Rs. 1000 (Inclusive of Indirect Taxes) in the nature of Trade members limited by guarantee. The said membership fees being in the nature of corpus funds, it is shown as such.

Particulars	FY 2020-21		FY 2019-20	
	No. of Applications	Amount (Rs.) (Incl. of indirect taxes)	No. of Applications	Amount (Rs.) (Incl. of indirect taxes)
Members as on beginning of the year	3930	39,30,000	3900	39,00,000
Total Applications Received by cash for Trade Membership (EMD Received in FY 2014-15)	-	-	-	-
Total Applications Received by cheque for Trade Membership	9	9,000	30	30,000
Less: Applications Rejected	-	-	-	-
Less: Applications Pending Approval for Trade Membership	-	-	-	-
Applicants granted Trade Membership during the year	9	9,000	30	30,000
Members as at close of the year	3939	39,39,000	3930	39,30,000





**B) Amount received from members for Office Space:**

Amount has been received from 3,898 members (including 9 members added in FY 2020-21 through partial transfer of office space and 8 promoters holding office space) for office space in proposed bourse project. Further, there has been an increase of 8 Non-office holder members in FY 2020-21 due to full transfer of office space to other members. The said advance from members will be utilized for construction of the said bourse over the period of construction.

**C) Utilization of Fund:**

The above advances received from members are and will be utilized for construction of the said Diamond Bourse over the period of construction.

**3) Transfer to Reserves:**

The Company has transferred income of Rs. 33,99,901/-to reserves during the year under review.

**4) Dividend:**

SDB Diamond Bourse is a section 8 company and is not allowed to declare dividend during the year under review; hence this clause is not applicable to the company.

**5) Unclaimed Dividend**

SDB Diamond Bourse is a section 8 company and is not allowed to declare dividend during the year under review; hence this clause is not applicable to the company.

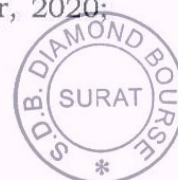
**6) Extract of Annual Return:**

Annual Return Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on the financial year ended March 31, 2021 is placed on the Company's website at [https://www.suratdiamondbourse.in//upload/image/circular/34-20211014\\_Form%20MGT-7%202020-21.pdf](https://www.suratdiamondbourse.in//upload/image/circular/34-20211014_Form%20MGT-7%202020-21.pdf)

**7) Number of meetings of the Board of Directors:**

The notice of Board meeting was given well in advance to all the Directors. The Board met 8 times on 24<sup>th</sup> June, 2020;3<sup>rd</sup> August, 2020;10<sup>th</sup> September, 2020; 28<sup>th</sup> September, 2020; 16<sup>th</sup> October, 2020; 4<sup>th</sup> December, 2020; 28<sup>th</sup> December, 2020; and 13<sup>th</sup> March, 2021 during financial year 2020-21.

**Schedule of the meetings attended by each director:**



Name of Director	Attendance at the last AGM	No. of Board meetings held and attended during tenure								% of attendance
		1	2	3	4	5	6	7	8	
Vallabhbhai Patel	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	100
Laljibhai T. Patel	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	87.5
Govindbhai L. Dholakia	Yes	No	No	No	No	No	Yes	No	No	12.5
Mathurbhai Savani	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	87.5
Rajendra D. Shah	Yes	No	No	No	No	No	No	Yes	Yes	25.0
ManubhaiD avariya	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	87.5
Jitendra B. Shah	No	No	No	No	No	No	Yes	No	Yes	25.0
Madhuben Rajubhai Vaghani	No	No	No	No	No	No	No	No	No	0

### 8) Audit Committee

The Company has an Audit Committee comprising of the following Persons:

Name	Designation	Category
Manubhai Davariya	Chairperson	Independent Director
Vallabhbhai Patel	Member	Director
Rajendrakumar Dalapatlal Shah	Member	Independent Director
Dharambhai Patel	Member	Committee Member
Kishorbhai Koshiya	Member	Committee Member
Asheshbhai Doshi	Member	Committee Member

The Audit Committee assists the Board in the effective discharge of its responsibilities for corporate Governance, financial reporting and internal control. In the discharge of its functions, the committee shall exercise the powers and responsibilities vested on it under the Companies Act, 2013, or any re-enactment thereof. The Board will continue to have the overall responsibility in respect of all

such matters.

The committee has held three Meetings during the Financial Year 2020-2021 i.e. 24<sup>th</sup> June, 2020; 3<sup>rd</sup> August, 2020 and 28<sup>th</sup> February, 2021.

**9) Committee for Transfer of Membership:**

The company has Committee for Transfer of Membership comprising of the following members:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Manubhai Bholabhai Davariya	Chairperson	Independent Director
Vallabhbhai Shamjibhai Patel	Member	Director
Dharambhai Parshottambhai Patel	Member	Committee Member

The Committee has held sixteen meetings during the Financial Year 2020-2021 i.e. 20<sup>th</sup> June, 2020; 1<sup>st</sup> August, 2020; 31<sup>st</sup> August,2020; 26<sup>th</sup> September,2020; 10<sup>th</sup> October,2020; 30<sup>th</sup> October, 2020; 10<sup>th</sup> November, 2020; 30<sup>th</sup> November, 2020, 15<sup>th</sup> December, 2020; 31<sup>st</sup> December, 2020; 18<sup>th</sup> January, 2021, 10<sup>th</sup> February, 2021; 20<sup>th</sup> February, 2021; 1<sup>st</sup> March, 2021; 15<sup>th</sup> March, 2021 and 31<sup>st</sup> March, 2021.

**10) Directors' Responsibility Statement:**

The Company has taken utmost care in its operations, compliance, transparency, financial disclosures and the financial statements have been made to give a true and fair view of the state of affairs of the Company. As required under section 134(5) and 134(3)(c), and based upon the detailed representation, due diligence and inquiry thereof, the directors assure and confirms as under:

- a) In preparation of the accounts for the Financial Year Ended 31<sup>st</sup> March 2021, the applicable accounting standards had been followed and there are no material departures from the same;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the years under review;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and



detecting fraud and other irregularities;

- d) The Annual Accounts for the Financial Year ended 31<sup>st</sup> March, 2021 have been prepared on a going concern basis;
- e) Internal financial controls have been laid down and are operating effectively; and
- f) Proper systems had been devised in compliance with the provision of all the applicable laws and such systems were adequate and operating effectively.

**11) Director's comment on qualified opinion of Auditor's:**

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

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made there under.

**12) Secretarial standards of ICSI:**

The Directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

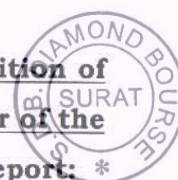
**13) Declaration by Independent Directors:**

The Company is registered under Section 8 of Companies Act, 2013, hence it is not required to appoint Independent Directors. However, the company has voluntarily appointed two Independent directors in the Board and they meet the criteria of the Independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013.

**14) Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;**

The Company is registered under Section 8 of Companies Act, 2013 and hence it is not required to formulate a Nomination and Remuneration Committee and Stakeholders Relationship Committee under Section 178(1) of the Companies Act, 2013.

**15) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: \***



No material changes and commitments affecting financial position of the company had occurred between end of the financial year of the company to which the financial statements relate and date of the report.

**16) Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**17) Change in the nature of business:**

There is no change in the nature of the business of the company.

**18) Conservation of energy, technology absorption and foreign exchange earnings and outgo:**

**A) Conservation of Energy:**

With regard to the particulars as prescribed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, the company is in the process of finding ways of controlling and reducing energy consumption as a commitment to Global Environment; this will cover office facilities, communications and transport.

**B) Technology Absorption, Adoption and Innovation:**

The Company continuously makes efforts towards research and developmental activities and has been constantly active in harnessing and tapping the latest and best technology in the industry.

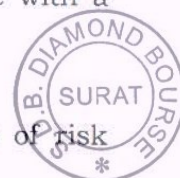
**C) Foreign Exchange Earnings and Outgo:**

During the year under review, no Foreign Exchange Earnings and Outgo was recorded.

**19) Risk Management Policy:**

Risk is an important element of corporate functioning and governance. The company has established the process of identifying, analyzing and treating risks, which could prevent the Company from effectively achieving its objectives. It ensures that all the risks are timely defined and mitigated in accordance with a well-structured risk management process.

Also, Risk Management Policy indicating development & implementation of risk



management matrix and identification there in of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company, is formulated and in place.

**20) Corporate Social Responsibility Policy:**

The Company is having a Corporate Social Responsibility Committee comprising of the following Persons:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Vallabhbhai Patel	Chairperson	Director
Manubhai Davariya	Member	Independent Director
Mathurbhai Savani	Member	Director

Your Company works with a deep sense of social Commitment and contributes generously towards the welfare of the society that it is part of. For SDB Diamond Bourse, business priorities co-exist with social commitments to drive holistic development of people and communities. Company has constituted of CSR Committee and its initiatives are on the focus areas approved by the Board benefitting the community. The objective of our CSR is not just mere spending of amount, but every penny of spending amount has to reach the needy and the Company is endeavoured to ensure full utilization of the allocated CSR budget.

The committee has held two Meetings during the Financial Year 2020-2021 i.e. 1<sup>st</sup> May, 2020 & 29<sup>th</sup>October, 2020.

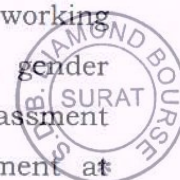
The Annual Report on Corporate Social Responsibilities (CSR) activities is annexed herewith marked Annexure-2 to this report.

**21) Vigil Mechanism Policy:**

In compliance with section 177 of the Companies Act, 2013 and relevant rules, the company has formulated a proficient and effective vigil mechanism policy in order to detect fraudulent activities, if any, in the company and during the year under review no such activities has been detected.

**22) Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

The company is committed to provide safe, conducive and healthy working environment to the women employees without any kind of prejudice, gender discrimination and sexual harassment. The Company considers sexual harassment as a gross misconduct and has a zero tolerance for Sexual Harassment at



workplace. Pursuant to the provisions of “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” and rules made thereunder, the Company has adopted a “Policy on Protection of Women against Sexual Harassment at Work Place” to provide protection to its women employees against sexual harassment at work place. In line with the requirements of the policy the company has setup Internal Complaints Committee (ICC) with majority women Members.

During the financial year 2020-21, no case was reported under the purview of the said Policy.

**23) Particulars of contracts or arrangements with related parties:**

All related party transactions that were entered into during the year under report were on an arm’s length basis and in the ordinary course of business. There are no materially significant related party transactions made by the company during the year which may have potential conflict with the interest of the company. There are no material related party transactions which are not in Ordinary course of business or which are not on arm’s length basis. The details of the related party transactions are provided in Form AOC-2 as an Annexure-3 to this report. Members are requested to refer the same.

**24) Details of Subsidiary/Joint Ventures/Associate Companies & Performance and financial position of each of such companies:**

The Company has no subsidiaries as on March 31, 2021. Hence Form AOC-1 is not attached.

**25) Details of Directors/ Key Managerial Personnel Appointed/ Resigned:**

The constitution of Board of Directors and Top management of the Company were changed during the year under review and till the date of signing this report in the following manner:

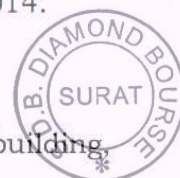
Mrs. Madhuben Rajubhai Vaghani (DIN: 07471536) was appointed as an Additional Director (Non-Executive Woman Director) of the Company in the meeting of Board of Directors held on 13.03.2021.

**26) Deposits:**

The company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**27) Insurance**

All the properties and the Insurable Interest of the company including building,



plants and machinery and stocks wherever necessary and to the extent required have been adequately insured. The company keeps reviewing the insurance amount every year as per requirement.

**28) Particulars of Employees & Disclosure on Managerial Remuneration:**

The information required pursuant to section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable only for listed companies. Hence this clause is not applicable to the company.

None of the employees have drawn remuneration exceeding the limits prescribed under section 197 (12) read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (i.e. Rs. 102Lacs for full year, or Rs. 8.5 Lacs per month for part of financial year). Hence disclosure under this clause is not applicable.

**29) Auditors:**

In line with the provision of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the shareholders in the 07th Annual General Meeting of the Company be and is hereby accorded, to re appoint M/S NDJ & Co., (FRN: 136345W), Chartered Accountant, Surat as the Statutory Auditors of the Company. M/S NDJ & Co., (FRN: 136345W), be and are hereby re-appointed as the statutory Auditors of the Company for a second term of 2 (Two) consecutive years to hold office from the conclusion of this 07th Annual General Meeting till the conclusion of 09th Annual General Meeting to be held for the financial year 2022-2023, at a remuneration to be fixed by the Board of Directors in consultation with them plus applicable GST and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of the audit.

**30) Auditors' Report**

There are no qualifications or adverse remarks, in the Auditors' Report, which require any clarification/explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.





The Auditors' Report for the financial year ended on 31st March, 2021 is forming a part of the Financial Statement 2020-21.

**31) Secretarial Auditor**

Your board has appointed M/s. Jainam N Shah & Co., Practicing Company Secretary, as secretarial Auditor of the company for the financial year 2020-2021. The secretarial report for the financial year 2020-2021 is attached as Annexure-6. Report of secretarial auditor is self-explanatory and need not any further clarification.

**32) Cost Auditor:**

M/s. Nanty Shah & Associates Practicing Cost Accountants, Surat (Firm Registration No. 101268) appointed as a Cost Auditor of the Company for the Financial Year 2020-21 in the Board meeting held on 10<sup>th</sup> September, 2020 after obtaining his willingness and eligibility letter for appointment as Cost Auditor of the Company.

**33) Internal Auditor:**

In compliance with section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rule, 2014, the company is required to appoint internal auditors. Hence the company has appointed M/s. RSM Astute Consultech Private Limited as an internal auditor for FY 2020-21 and has developed a strong Internal Control System to safeguard the assets of the company and to ensure there are no material misstatements.

**34) Internal Financial Control:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

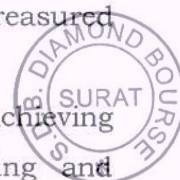
**35) Share Capital:**

No alterations or modifications were made in the share capital of the company.

**36) Enhancing Members Value**

The Company believes that its Members are among its most treasured stakeholders.

Accordingly, the Company's operations are committed to the pursuit of achieving notable operating performance and cost competitiveness, consolidating and



building for expansion, enhancing the productive asset and resource base and subsisting overall corporate reputation. The Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively affect the socio-economic and environmental dimensions and contribute to unceasing growth and development.

**37) Fraud Reporting**

During the financial year under review, no fraud had been reported by Auditors under Section 143(12) of the Companies Act, 2013.

**38) Particulars of loans, guarantees or investments under section 186:**

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments.

**39) Acknowledgements:**

The Board of Directors is pleased to place on record its appreciation for the continued guidance and support received from the Central and State Government Departments, Organizations and Agencies. The Board is thankful to the Members, Auditors, Consultants, Service Providers, Insurers and all its Employees for their unstinted support and contribution.

The Board of Directors conveys their gratitude for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. Further, the Board sincerely conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

The Board also recognizes the contribution of the members by giving continuous support for the growth of the Company and keep trust in Committee members of the company and takes this opportunity to pledge the Company's commitment to serve them better.

*For and on behalf of the Board*

**SDB DIAMOND BOURSE**



**Mr. Vallabhchai Patel**

**Director**

**DIN: 00091715**



**Mr. Laljibhai Patel**

**Director**

**DIN: 01539972**

**Date: 14.10.2021**

**Place: Surat**



## Annexure-1

### AUDIT COMMITTEE

The Audit Committee of the Company comprises of 6 Members. The Committee members are Qualified and have requisite experience in the fields of Finance and Accounts, Banking and Management. The other Directors and Statutory Auditors are invitees to Audit Committee meetings.

The following is the Composition of the Audit Committee as at 31st March, 2021

Name	Designation	Category
Manubhai Davariya	Chairperson	Independent Director
Vallabhbhai Patel	Member	Director
Rajendrakumar Dalapatlal Shah	Member	Independent Director
Dharambhai Patel	Member	Committee Member
Kishorbhai Koshiya	Member	Committee Member
Asheshbhai Doshi	Member	Committee Member

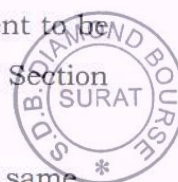
**Note: The Audit Committee was constituted on 29<sup>th</sup> day of September, 2018 by inclusion of above named Independent Directors.**

Note: Mr. Jitendra Babulal Shah one of the member of Audit Committee was not capable to attend the meeting due to his pre-occupation. Hence, The Audit Committee was re-constituted on 10<sup>th</sup> Day of September, 2020 by exclusion of Mr. Jitendra Babubhai Shah and inclusion of two members of Planning Committee named Mr. Kishorbhai Koshiya & Mr. Asheshbhai Doshi as an audit committee member.

The committee has held three meetings during the Financial Year 2020-21 i.e. 24<sup>th</sup> June, 2020; 3<sup>rd</sup> August, 2020 and 28<sup>th</sup> February, 2021.

#### **ROLE OF AUDIT COMMITTEE**

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Approval of payment of statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
- Matters required being included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
- Changes, if any, in accounting policies and practices and reasons for the same



- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to finance statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Management Discussion and Analysis of financial condition and results of operations.
- To look into any other matter that may be referred to it by the Board.
- In addition to the above, the Committee shall have such functions / role / powers as may be specified in the Companies Act, Listing Agreement with Stock Exchanges or any other applicable law.

**Reviewing the following information:**


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



internal auditor / internal auditor(s)

*For and on behalf of the Board*

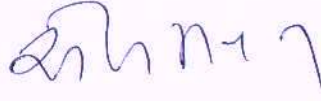
**SDB DIAMOND BOURSE**



**Mr. Vallabhchai Patel**

**Director**

**DIN: 00091715**



**Mr. Laljibhai Patel**

**Director**

**DIN: 01539972**

**Date: 14.10.2021**

**Place: Surat**



<b>Annexure-2</b>
<b>Annual Report on Corporate Social Responsibility Activities</b>
<b>as on financial year ended on 31.03.2021</b>

## **1. Brief outline on CSR policy of the Company:**

Your Company works with a deep sense of social Commitment and contributes generously towards the welfare of the society that it is part of SDB Diamond Bourse considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of the society. Company has constituted of CSR Committee and its initiatives are on the focus areas approved by the Board benefitting the community. The objective of our CSR is not just mere spending of amount, but every penny of spending amount has to reach the needy and the Company is endeavored to ensure full utilization of the allocated CSR budget.

The Corporate Social Responsibility committee (CSR committee) has formulated and recommended to the Board, draft corporate social responsibility (CSR) policy indicating the activities to be undertaken by the Company, which has been approved by the Board.

The Company has identified the following focus area:

- Education: Access to quality education, training and skill enhancement.
- Charitable Donation and education grants for serving the underserved sections of the society;
- Extending Support to various NGOs & charitable trust through monetary grants for education and livelihood of underprivileged children and women;
- Environment protection measures, conservation of natural resources and animal welfare.
- Reducing child mortality and improving maternal health, health care
- Combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases

The Company would also undertake other need based initiatives in compliance with Schedule VII to the Act.

The Company undertakes the activities either directly or extending support to various charitable trust and NGOs through monetary grants.

## **2. Composition of the CSR Committee:**

The CSR Committee so constituted formulated Policy on Corporate Social Responsibility (CSR Policy) on 13/07/2017 and the Board of Directors of the Company ('Board') has approved the same as per recommendation of CSR Committee.



<b>Name</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Vallabhbhai Patel	Chairperson	Director
Manubhai Davariya	Member	Independent Director
Mathurbhai Savani	Member	Director

3. Web-link where Composition of CSR committee, CSR policy and CSR projects approved by the board of Directors of the company are disclosed on the website of the company:

[https://www.suratdiamondbourse.in//upload/image/circular/33-20190221\\_CSRPolicy\\_SDB.pdf](https://www.suratdiamondbourse.in//upload/image/circular/33-20190221_CSRPolicy_SDB.pdf)

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**
5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

<b>Sr. No.</b>	<b>Financial year</b>	<b>Amount available for set-off from preceding financial years (in `)</b>	<b>Amount required to be set-off for the financial year, if any (in `)</b>
1	2017-2018	NIL	NIL
2	2018-2019	NIL	NIL
3	2019-2020	NIL	NIL

6. **Average net profit of the Company as per Section 135(5) i.e. for last three financial years:Rs. 9,20,59,512/-**

7. (a) Two percent of average net profit of the Company as per Section 135(5) i.e. for last three financial years: Rs. 18,41,190/-

(b) Surplus arising out of the CSR projects or Programmes or activities of the previous financial years: NIL

(c) Amount required to be set-off for the financial year, if any: NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c): Rs. 18,41,190/-



8. (a) CSR amount spent or unspent for the financial year:

Amount unspent (in Rs.)

Total Amount Spent for the Financial Year (in `)	Total Amount transferred to Unspent CSR Account as per Section 135(6)	Date of Transfer	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	Name of Fund	Amount	Date of Transfer
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(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11
Sr. No.	Name of Project	Item from the list of activities in schedule VII of the act	Local are a yes /no	Location of project	Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the financial year	Amount transferred to CSR account for the project as per Section 135(6)	Mode of implementation - Direct (yes/No)	Mode of implementation - through implementation agency

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(c) Details of CSR amount spent against other than ongoing projects for the



**financial year:**

1	2	3	4	5	6	7	8	9	10			
Sr. No.	Name of Project	Item from the list of activities in scheduled VII of the act	Local are yes /no	Location of the project	State	Dist.	Amount allocated for the project (in Rs.)	Amount spent in the current financial year	Amount transferred to unspe nt CSR account for the project as per Section 135(6)	Mode of implementation through implementation agency - Direct (yes /No)	Na me regi. No.	CSR No.
1	Distrib ute ration kit to migran t worker s	Promo ting Healt h Care	Yes	Gujar at	Surat	21,46,345 /-	21,46,345 /-	NIL	Yes	NA	NA	NA
2	Smt. Kanku ben Dunga rbhai Daliya Charit able Trust	Promo ting Educa tion	Yes	Gujar at	Surat	10,00,000 /-	10,00,000 /-	NIL	Yes	NA	NA	NA
3	Shri Sardar Patel	Promo ting Healt h	Yes	Gujar at	Surat	29,51,000 /-	29,51,000 /-	NIL	Yes	NA	NA	NA



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ation

**(d) Amount spent in Administrative Overheads: NIL**

**(e) Amount spent on Impact Assessment, if applicable: NIL**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 60,97,345/-**

**(g) Excess amount for set-off, if any: 87,333**

Sr. No	Particular	Amount in Rs.
1	Two percent of average net profit of the Company as per Section 135(5) (accumulated unspent amount)	Rs. 60,10,012/-
2	Total amount spent for the Financial Year	Rs. 60,97,345/-
3	Excess amount spent for the financial year [(ii)-(i)]	Rs. 87,333/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set-off in succeeding financial years [(iii)-(iv)]	Rs. 87,333/-

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs)	Amount spent in the Financial Year (in `)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any	Amount remaining to be spent in succeeding financial years (in `)	Name of the Fund	Amount (in Rs.)	Date of Transfer
1								
2								
3								

Not Applicable

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**



Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in the reporting Financial Year (In Rs.)	Cumulative amount spent at the end of reporting Financial Year (In Rs.)	Status of the project - Completed / Ongoing
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1  
2  
3

Not Applicable

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable**

*For and on behalf of the Board*

**SDB DIAMOND BOURSE**



**Mr. Vallabhchai Patel**  
**Director**  
**DIN: 00091715**



**Mr. Laljibhai Patel**  
**Director**  
**DIN: 01539972**

**Date: 14.10.2021**  
**Place: Surat**



**Annexure-3****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 arm's length transactions 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 and nature of relationship	<b>NIL</b>
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	date(s) 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 material contracts or arrangement or transactions at Arm's length basis**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Venus Jewel (Mr. Sevantilal Premchand Shah- Nominee of M/s. Venus Jeweland Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 1,98,49,760/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Dharmanandan Diamonds Private Limited(Mr. Laljibhai Tulsibhai Patel- Director in Above mentioned company and SDB Diamond Bourse
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution& for Delayed Payment Charges
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 7,60,64,494/- for Additional Member's Contribution Rs. 82,323/- for Delayed Payment Charges
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	HVK International Private Limited(Mr. Nagjibhai Mohanbhai Sakariya- Director in Above mentioned company and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 1,74,09,000/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Tapti Exports (Mr. Dharambhai Patel- Nominee of M/s. Tapti Exports and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution & Leave and License agreement
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 45,54,667/- for Additional Member's Contribution Rs. 9,35,000/- for Rent Paid
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Shree Ramkrishna Exports Private Limited (Mr. Govindbhai Laljibhai Dholakia- Director in above mentioned company and SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution & for Delayed Payment Charges
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 10,98,40,640/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Kapu Gems LLP (Mr. Diyalbhai Kalabhai Vaghani-Nominee of M/s. Kapu Gems LLP and Promoter of SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 3,03,77,433/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Kiran Gems Private Limited (Mr. Vallabhbhai Samjibhai Patel - Director in above mentioned company and SDB Diamond Bourse)
b)	Nature of contracts/arrangements/transactions	Additional Member's Contribution
c)	Duration of the contracts/arrangements/transactions	For the Year 2019-20
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 15,86,45,984/- for Additional Member's Contribution
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	Maheshkumar Arvindbhai Gadhavi
b)	Nature of contracts/arrangements/transactions	Employee Benefits Paid
c)	Duration of the contracts/arrangements/transactions	For the Year 2020-21
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 17,37,026/- for Employees Benefit
e)	Date(s) of approval by the Board, if any:	24.06.2020
f)	Amount paid as advances, if any	-

*For and on behalf of the Board*

**SDB DIAMOND BOURSE**

*Mr. Vallabhbhai Patel*

**Director**

**DIN: 00091715**

*Mr. Laljibhai Patel*

**Director**

**DIN: 01539972**

**Date: 14.10.2021**

**Place: Surat**





**Annexure-4**

**DETAILS OF MEMBERS, DEBENTURE HOLDERS AND OTHER SECURITY  
HOLDERS AS ON 31/03/2021**

<b>SR. No.</b>	<b>L.F No.</b>	<b>Shareholder's Name</b>	<b>Father/Husband Name</b>	<b>Joint Holder's Name</b>	<b>Type of Share</b>	<b>No. of Share held</b>	<b>Amount of Share</b>	<b>% Holding</b>
1	1	Shri. Ashit Vasantlal Mehta (Nominee of Surat Rough Diamond Sourcing (India) Ltd.)	N.A	-	Equity	1	100	12.50%
2	2	Shri. Dharambhai Patel (Nominee of Tapti Exports)	N.A	-	Equity	1	100	12.50%
3	3	Shri. Nagjibhai Mohanbhai Sakariya(Nominee of HVK International Private Limited)	N.A	-	Equity	1	100	12.5
4	4	Shri. LaljibhaiTulsibhai Patel (Nominee of Dharmanandan Diamonds Private Limited)	N.A	-	Equity	1	100	12.50%
5	5	Shri. Diyalbhai Kalabhai Vaghani (Nominee of Kapu Gems LLP)	N.A	-	Equity	1	100	12.50%
6	6	Shri. Govindbhai Laljibhai Dholakia(Nominee of Shree Ramkrishna Exports Private Limited)	N.A	-	Equity	1	100	12.50%



SR. No.	L.F No.	Shareholder's Name	Father/Husband Name	Joint Holder's Name	Type of Share	No. of Share held	Amount of Share	% Hoiding
7	7	Shri. Vallabhbhai Shamjibhai Patel (Nominee of Kiran Gems Private Limited)	N.A	-	Equity	1	100	12.50%
8	8	Shri. Sevantilal Premchand Shah (Nominee of Venus Jewel)	N.A	-	Equity	1	100	12.50%
<b>TOTAL</b>					<b>Equity</b>	<b>8</b>	<b>800</b>	<b>100%</b>

For and on behalf of the Board

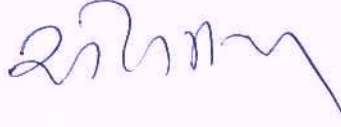
**SDB DIAMOND BOURSE**



**Mr. Vallabhbhai Patel**

**Director**

**DIN: 00091715**



**Mr. Laljibhai Patel**

**Director**

**DIN: 01539972**

**Date: 14.10.2021**

**Place: Surat**



**Annexure-5**

**SIGNATORY DETAILS OF DIRECTORS AND KMP AS ON THE DATE OF SIGNING OF THE DIRECTOR'S REPORT:**

**Total No. of Directors and KMP: 8**

No	Name	Designation	DIN\ PAN
1	Vallabhbhai Shamjibhai Patel	Director	00091715
2	Govindbhai Laljibhai Dholakia	Director	00524146
3	Laljibhai Tulsibhai Patel	Director	01539972
4	Mathurbhai Madhabhai Savani	Director	03032750
5	Manubhai Bholabhai Davariya	Director	05330035
6	Jitendra Babulal Shah	Director	07008037
7	Rajendrakumar Dalpatlal Shah	Director	07269107
8	Madhuben Rajubhai Vaghani	Additional Director	07471536
9	Maheshkumar Arvindbhai Gadhavi	CEO(KMP)	ALSPG9786E

*For and on behalf of the Board*

**SDB DIAMOND BOURSE**



**Mr. Vallabhbhai Patel**

**Director**

**DIN: 00091715**



**Mr. Laljibhai Patel**

**Director**

**DIN: 01539972**

**Date: 14.10.2021**

**Place: Surat**



**INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

To,  
The Members,  
**SDB DIAMOND BOURSE,**  
Surat.

**OPINION:**

We have audited the accompanying financial statements of **SDB DIAMOND BOURSE** (a company limited by guarantee and having share capital), registered under section 8 of Companies Act, 2013 ("the company"), which comprises the Balance Sheet as at March 31, 2021, the Statement of Income and Expenditure, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 March 31, 2021, its excess of expense over income and the Cash Flows for the year ended on that date.

**BASIS OF OPINION:**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

**KEY AUDIT MATTERS:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, are not applicable to the company as it is a company limited by guarantee and having share capital registered under section 8 of Companies Act, 2013.

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON:**

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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



## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS:**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

1. Since the company is a company licensed to operate under Section 8 of the Companies Act, 2013, the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act is, at present, not applicable to the company.
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 Income and expenditure and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid 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 at March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as at March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its manager during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer contingent liabilities & capital commitments note to the financial statements).



- (ii) The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) The company is registered under section 8 of Companies Act, 2013 and therefore, this clause is not applicable.



For NDJ & Co.  
Chartered Accountants  
Firm Reg. No.: 136345W

(CA. Shirish Shah)  
Partner

M. No.: 035742

UDIN: 21035742 AAAAEW6301

Date : 14-10-2021  
Place : Surat

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SDB DIAMOND BOURSE**

**(REFERRED TO IN PARAGRAPH 2 (F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF SDB DIAMOND BOURSE OF EVEN DATE)**

**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 SDB Diamond Bourse ("the company") as of March 31, 2021 in conjunction with our audit of statement financial statements of the company for the year ended on that date.

**MANAGEMENT'S RESPONSIBILITY FOR THE INTERNAL FINANCIAL CONTROLS:**

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

**AUDITOR'S RESPONSIBILITY:**

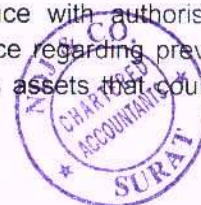
Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. 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 were 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 auditor's 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 the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SDB DIAMOND BOURSE**

**(REFERRED TO IN PARAGRAPH 2 (F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF SDB DIAMOND BOURSE OF EVEN DATE)**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

**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:**

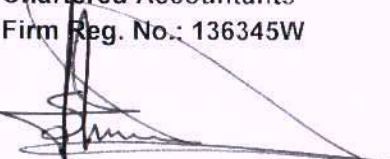
In our opinion and according to information and explanation given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date : 14-10-2021

Place : Surat



For NDJ & Co.  
Chartered Accountants  
Firm Reg. No.: 136345W

  
(CA. Shirish Shah)  
Partner

M. No.: 035742

UDIN: 21035742-AAAAEW6309

SDB DIAMOND BOURSE  
(CIN: U74140GJ2014NPL081370)

BALANCE SHEET AS AT MARCH 31, 2021

Sr. No.	Particulars	Note	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b>Shareholders' Funds</b>			
(a)	Share Capital	2	800	800
(b)	Member's Corpus Fund	3	34,47,259	34,39,259
(c)	Reserves and Surplus	4	35,53,31,842	35,19,31,941
			<b>35,87,79,901</b>	<b>35,53,72,000</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
(a)	Other Non-Current Liabilities	5	2,82,47,09,820	2,35,82,41,709
<b>3</b>	<b>Current Liabilities</b>			
(a)	Short Term Borrowings	6	-	90,67,98,530
(b)	Trade Payable	7		
	(A) total dues of micro enterprises and small enterprises		1,97,795	7,396
	(B) total dues of creditors other than micro enterprises and small enterprises		1,28,83,01,849	27,71,545
(c)	Other Current Liabilities	8	3,27,62,84,587	3,60,82,33,640
			<b>7,38,94,94,051</b>	<b>6,87,60,52,820</b>
	<b>Total</b>		<b>7,74,82,73,952</b>	<b>7,23,14,24,820</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b>Non-Current Assets</b>			
(a)	Property, Plant & Equipments			
	(i) Tangible Assets	9	58,47,41,183	44,34,68,041
	(ii) Intangible Assets	10	38,607	43,903
(b)	Non-Current Investments	11	-	11,01,85,709
(c)	Other Non-Current Assets	12	2,87,50,82,646	2,48,29,65,206
			<b>3,45,98,62,436</b>	<b>3,03,66,62,859</b>
<b>2</b>	<b>Current Assets</b>			
(a)	Construction Work-In-Process	13	1,45,72,62,498	73,40,44,745
(b)	Cash & Cash Equivalents	14	2,15,19,73,134	2,37,05,69,307
(c)	Short-Term Loans & Advances	15	67,91,75,884	1,09,01,47,909
			<b>4,28,84,11,516</b>	<b>4,19,47,61,961</b>
	<b>Total</b>		<b>7,74,82,73,952</b>	<b>7,23,14,24,820</b>

The accompanying notes are forming integral part of the financial statements.

This is the balance sheet referred in our report of even date.

For, NDJ & Co.  
Chartered Accountants  
Firm Reg. No.: 136345W

(CA. Shrish Shah)  
Partner  
M. No.: 035742  
Date: 14-10-2021  
Place: Surat



For & on behalf of the Board of Directors  
SDB Diamond Bourse

*(Signature)*

(Vallabhbai Patel) (Laljibhai Patel)  
Director Director  
DIN : 00091715 DIN : 01539972

*(Signature)*  
(Maheshkumar Gadhave)  
Chief Executive Officer

Date: 14-10-2021  
Place: Surat

**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED ON MARCH 31, 2021**

Sr. No.	Particulars	Note	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
I	Income from Activities	16	3,88,12,95,163	14,92,81,54,937
II	Other Income	17	17,85,93,757	19,97,05,336
III	<b>Total Income</b>		<b>4,05,98,88,920</b>	<b>15,12,78,60,273</b>
IV	<b>Expenses</b>			
	Direct Expenses	18	4,02,24,48,139	15,03,32,74,786
	Employee Benefit Expenses	19	83,28,818	91,57,549
	Finance Cost	20	37,59,320	6,85,41,917
	Depreciation & Amortization Expenses	9 & 10	90,71,613	6,63,59,686
	Other Expenses	21	1,28,81,129	98,30,745
	<b>Total Expense</b>		<b>4,05,64,89,019</b>	<b>15,18,71,64,683</b>
V	<b>Excess of Income before Extraordinary Item &amp; Tax (III-IV)</b>		<b>33,99,901</b>	<b>(5,93,04,410)</b>
VI	<b>Exceptional Item:</b> Prior Period Items		-	-
VII	<b>Excess of Income before Tax (V-VI)</b>		<b>33,99,901</b>	<b>(5,93,04,410)</b>
VIII	<b>Tax expense:</b> (1) Current Tax (2) Deferred Tax		- -	- -
IX	<b>Excess of Income/(Excess of Expenses) for the year (VII-VIII)</b>		<b>33,99,901</b>	<b>(5,93,04,410)</b>

The accompanying notes are forming integral part of the financial statements.

This is the statement of profit & loss referred in our report of even date.

For, NDJ & Co.  
Chartered Accountants  
Firm Reg. No.: 136345W

(CA. Shirish Shah)  
Partner  
M. No.: 035742  
Date: 14-10-2021  
Place: Surat



For & on behalf of the Board of Directors  
SDB Diamond Bourse

*(Handwritten signature)*

(Vallabhbhai Patel)  
Director  
DIN : 00091715

(Laljibhai Patel)  
Director  
DIN : 01539972

(Maheshkumar Gadhavi)  
Chief Executive Officer

Date: 14-10-2021  
Place: Surat

**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

Sr. No.	Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
<b>1</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net profit before taxation	33,99,901	(5,93,04,410)
	<b>Adjustments for Non Cash and non operating Items</b>		
	Depreciation and Amortization Expenses	90,71,613	6,63,59,686
	Transfer of Land cost	-	5,63,78,64,416
	Interest Received	(12,91,12,844)	(11,31,62,643)
	Interest Paid	37,59,320	6,76,08,753
	<b>Operating profit before working capital changes</b>	<b>(11,28,82,010)</b>	<b>5,59,93,65,802</b>
	<b>Change in working Capital</b>		
	(Increase)/ decrease in Short Term Loans & Advances	42,69,72,637	(5,96,87,117)
	Increase/ (Decrease) in Trade Payables	1,28,57,20,703	(31,87,276)
	Increase/ (Decrease) in Other Non -Current Liabilities	46,64,68,111	1,27,51,69,228
	Increase/ (Decrease) in Other Current Liabilities	(33,19,49,053)	(8,25,42,64,649)
	<b>Cash Generated from Operations before tax</b>	<b>1,73,43,30,388</b>	<b>(1,44,26,04,012)</b>
	Taxes Paid	(1,60,00,612)	(4,89,86,458)
	<b>Cash Generated from Operations after tax (A)</b>	<b>1,71,83,29,776</b>	<b>(1,49,15,90,470)</b>
<b>2</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Property, Plant & Equipments	-	(35,443)
	Addition To Construction Work-In-Process	(87,35,57,212)	3,95,82,60,518
	Increase/ (Decrease) in Non-Current Investments	11,01,85,709	1,08,01,19,131
	Increase/ (Decrease) in Other Non-Current Assets	(39,21,17,440)	(2,21,29,43,422)
	Interest Received	12,91,12,844	11,31,62,643
	<b>Cash Generated from Investing Activities (B)</b>	<b>(1,02,63,76,099)</b>	<b>2,93,85,63,427</b>
<b>3</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Contribution received towards Entrance Fees	8,000	30,000
	Interest Paid	(37,59,320)	(6,76,08,753)
	Proceeds from / (Repayment of) Short Term Borrowings	(90,67,98,530)	(30,65,40,459)
	<b>Cash Generated from Financing Activities (C)</b>	<b>(91,05,49,850)</b>	<b>(37,41,19,212)</b>
	<b>NET INCREASE/ DECREASE IN CASH (D=A+B+C)</b>	<b>(21,85,96,173)</b>	<b>1,07,28,53,745</b>
	<b>CASH AND CASH EQUIVALENTS</b>		
	Opening Balance	2,37,05,69,307	1,29,77,15,562
	Closing Balance	2,15,19,73,134	2,37,05,69,307
	<b>Net Increase/ Decrease in Cash as above</b>	<b>(21,85,96,173)</b>	<b>1,07,28,53,745</b>

The accompanying notes are forming integral part of the financial statements.

This is the cash flow statement referred in our report of even date.

For, NDJ & Co.  
Chartered Accountants  
Firm Reg No.: 136345W

(CA. Shirish Shah)  
Partner  
M. No.: 035742  
Date : 14-10-2021  
Place : Surat



For & on behalf of the Board of Directors  
SDB Diamond Bourse

(Vallabhbai Patel) (Laljibhai Patel)  
Director Director  
DIN : 00091715 DIN : 01539972

(Maheshkumar Gadhavi)  
Chief Executive Officer  
Date : 14-10-2021  
Place : Surat

**SDB DIAMOND BOURSE**  
**(CIN: U74140GJ2014NPL081370)**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**1 CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES:**

**I CORPORATE INFORMATION:**

SDB DIAMOND BOURSE is a company incorporated under section 8 of the Companies Act, 2013 as a company limited by guarantee and having share capital. The company was incorporated on November 28, 2014. The main object of the Company is to encourage the Diamonds, Gems & Jewellery trade and industry by establishing a Diamond Bourse.

The company is developing a 30,74,652 Sq.ft.(office space) Diamond Bourse under the name of 'Surat Diamond Bourse' in DREAM city, Khajod, Surat for the benefit of its members. The said project has received RERA vide ref. no.PR/GJ/SURAT CITY/Others/CAA05247/100419 dated April 10, 2019.

The company is registered u/s 12A of Income Tax Act, 1961 under certificate no. 1573/16-17/T-682/12AA with effect from March 21, 2016.

**II SIGNIFICANT ACCOUNTING POLICIES:**

**II. 1 Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention following the going concern concept and on accrual basis of accounting except otherwise mentioned in Point No.5, in conformity with the accounting principles generally accepted in India and comply with the accounting standard referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rule, 2014

The company is incorporated under section 8 of the Companies Act, 2013 as a Company Limited by Guarantee and having Share Capital, as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standard as applicable to the Company registered under section 8 of the Companies Act, 2013.

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

All the figures in the report have been rounded off to the nearest multiple of one rupee and previous years' figures have been regrouped, rearranged, restated & reclassified to compare with that of the current years' figures.

**II. 2 Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and reported amounts of revenue and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which results are known to materialize.

The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 in carrying amount of trade receivable and inventories. In Developing the assumptions and estimate relating to the uncertainties at the Balance sheet date in relation to the recoverable amounts of these assets, the management has considered the global economic conditions prevailing as at the date of approval of the financial statement and has used the internal and external sources of information to the extent determined by it as relevant. The Actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.



**SDB DIAMOND BOURSE**  
**(CIN: U74140GJ2014NPL081370)**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**1 CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES:**

**II. 3 Net Profit or Loss for the period, Prior Period Items and Change in accounting Policies**

The net profit or loss for the period comprises profit or loss from ordinary activities and extraordinary items. Extraordinary items are disclosed on the face of the statement of profit and loss only if observed/happened in the current financial year.

Prior Period Items are disclosed on the face of the statement of income and expenditure only if observed/happened in the current financial year. Nature of such items is disclosed by way of notes to the financial statements.

Change in accounting policies is disclosed by way of notes to the financial statements only if observed/happened in the current financial year.

**II. 4 Construction Work-in-Process:**

Costs and expenditures incurred directly for the purpose of construction of the proposed bourse have been stated as 'Construction work-in-Process' under Current Assets after recognizing the same on percentage completion method in Income & Expenditure account for allotted offices.

**II. 5 Revenue Recognition**

Revenue from the real estate transactions are recognised when in line with AS-9 - "Revenue Recognition" read with Guidance note on 'Accounting of Real Estate transactions'.

Delayed Payment charges on outstanding instalments from members is accounted on receipt basis given the significant uncertainty as to its measurability or collectability.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Income, not specifically referred to otherwise, are accounted on accrual basis.

Expenses, not specifically referred to otherwise, considered payable are accounted on accrual basis.

**Impact of COVID-19 on Revenue Recognition:**

The company has concluded that the impact of Covid-19 is not material based on evaluation by the management. The company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods given the nature and duration of Covid-19.

**II. 6 Property, Plant & Equipments**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other current/non-current assets, as the case may be. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Income and Expenditure when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale of the asset and the resultant gains or losses are recognized in the Statement of Income and Expenditure.

The company depreciates property, plant and equipment over their estimated useful lives as stated in Schedule II of the Companies Act, 2013 using the written down value method. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. In accordance with Schedule II, the Property, Plant & Equipments are shown at Residual Value where the life of assets exhausted as at end of the financial year.



**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**1 CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES:**

**II. 7 Investments**

Investments are classified into non-current investments and current investments based on intent of managements at the time of making the investments which are intended to be held for more than one year are classified as non-current and those which are intended to be held for less one year are classified as current investments.

Long term investments are carried at cost less diminution in value wherever the decline is other than a temporary decline. Current investments are valued at the lower of cost or fair value. Cost of investments includes attributable acquisition charges such as brokerage, fees and duties.

**II. 8 Employees' Benefits**

Defined Contribution Plan:

The company considers "Government Provident Fund" as Defined Contribution Plan and the contributions as required by the statute are charged to the Statement of Income and Expenditure as incurred for eligible employees.

Defined Benefit Plan:

Currently, the Company is not required to provide any other long-term employee benefits.

Short Term Employee Benefits:

The undiscounted amount of short-term employee benefits that are expected to be paid in exchange for services rendered by an employee is recognized during the period/year when the employee renders the services.

**II. 9 Borrowing costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost are charged to the Statement of Income & Expenditure.

**II. 10 Segment Reporting**

Business Segment:

The Business Segment has been considered as the primary segment. The Company's primary business segment are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system. The company's primary business comprises of encouragement of Diamonds, Gems & Jewellery trade and industry by establishing a Diamond Bourse. Since, it is the only reportable segment as envisaged in Accounting Standard 17 'Segment Reporting', no separate information / disclosure is required to be made in the financial statements of the company.

Geographical Segment:

The company operates in one Geographical Segment namely "within India" and hence, no separate disclosure is required.

**II. 11 Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the Lessee, are recognized as operating leases. Cost of Lease is recognised on the basis of Booked offices space, Un-booked office space and space utilised by the company for own use.

- Lease rentals proportionate to un-booked office space upto the balance sheet date and space utilized by the Company is amortised over the period of lease in the statement of income and expenditure as per the tenure of lease agreement.
- Leasehold land cost proportionate to the offices booked upto the balance sheet date is recognized in the statement of profit and loss.

Impact of COVID-19 on Leases:

The company has entered with lessors towards properties used as office premises. The company assumes no significant changes in terms of those leases due to the COVID-19.



**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**1 CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES:**

**II. 12 Earning Per Share**

The Company is a Non-Profit Organisation, limited by guarantee and is registered under section 8 of the Companies Act, 2013. The earnings of the Company will be utilised for welfare of the Company and its members and are non-distributable to its shareholders. Thus, earnings per share are not a relevant parameter for the Company.

**II. 13 Taxation**

Current Tax:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates.

However, The company is incorporated under section 8 of the Companies Act, 2013. The company is also registered under section 12A and claiming exemption under section 11 of the Income Tax Act, 1961. The company has been complying with relevant provisions of the income tax Act, 1961 and accordingly, the company is not liable to pay income tax and no provision for income tax is made.

Deferred Tax:

Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

However, The company is incorporated under section 8 of the Companies Act, 2013. The company is also registered under section 12A and claiming exemption under section 11 of the Income Tax Act, 1961. The company has been complying with relevant provisions of the income tax Act, 1961. Since there is no liability towards payment of tax, no temporary difference arises which requires reversal to account for deferred tax.

**II. 14 Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets are amortized over their respective individual estimated useful lives as stated in Schedule II of the Companies Act, 2013 using Written Down Value method, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

Gain or losses arising from the retirement or disposal of a Intangible Assets are determined as the difference between the net disposal proceeds and the carrying amount of assets and recognised as income or expense in the Statement of Income and Expenditure.

**II. 15 Impairment of Assets**

The Management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.





NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

1 CORPORATE INFORMATION & SIGNIFICANT ACCOUNTING POLICIES:

II. 15 Impairment of Assets (Continued)

In assessing the recoverability of company's assets such as Tangible assets, Intangible assets, Investments, Loan, Installments receivable from Members etc. The company has considered internal and external information up to the date of approval of these financial statements. The company has performed sensitivity analysis on the assumptions based on the internal and external information / indicators of future economic conditions and expects to recover the carrying amount of the assets.

II. 16 Provisions, Contingent Liabilities And Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date.

Contingent liability is disclosed as notes to financial statements where no reliable estimate can be made. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**2 SHARE CAPITAL**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
<b>Authorised Share Capital:</b> 10,000 (Previous Year - 10,000) Equity Shares of Rs. 100/- each	10,00,000	10,00,000
<b>Issued, Subscribed and Paid up Share Capital:</b> 8 (Previous Year - 8) Equity Shares of Rs.100/- each fully paid-up	800	800
<b>Total</b>	<b>800</b>	<b>800</b>

**(A) Details of reconciliation of the number of shares outstanding:**

Particulars	FY 2020-21		FY 2019-20	
	In Nos	Amount (In Rs.)	In Nos	Amount (In Rs.)
Opening Share Capital	8	800	8	800
Issued during the year	-	-	-	-
<b>Closing Share Capital</b>	<b>8</b>	<b>800</b>	<b>8</b>	<b>800</b>

**(B) Terms / rights attached to Equity shares:**

The Company has only one class of equity shares having a par value of Rs.100 per share. Each holder of equity shares is entitled to one vote per share. If upon winding-up or dissolution of the Company, there remains, after the satisfaction of all its debts and liabilities and subject to the rights of occupancy over Stipulated Premises as provided herein, any property whatsoever, the same shall not be paid to or distributed amongst the Members of the Company but shall be given or transferred to some other Association or Associations or Company or Companies having objects similar to the objects of this Company, to be determined by the Members of the Company at or before the time of dissolution or in default thereof.

**(C) Details of shares in the company held by each shareholder holding more than 5 percent:**

Name of Shareholders	FY 2020-21		FY 2019-20	
	In Nos	In %	In Nos	In %
<b>Equity shares:</b>				
Shri Ashit Vasantlal Mehta (Nominee of Surat Rough Diamond Sourcing (India) Ltd)	1	12.50%	1	12.50%
Shri Dharambhai Patel (Nominee of Tapti Exports)	1	12.50%	1	12.50%
Shri Nagjibhai Mohanbhai Sakariya (Nominee of HVK International Pvt Ltd)	1	12.50%	1	12.50%
Shri Laljibhai Tulsibhai Patel (Nominee of Dharmanandan Diamonds Pvt Ltd)	1	12.50%	1	12.50%
Shri Diyalbhai Kalabhai Vaghani (Nominee of Kapu Gems LLP)	1	12.50%	1	12.50%
Shri Govindbhai Laljibhai Dholakia (Nominee of Shree Ramkrishna Exports Pvt Ltd)	1	12.50%	1	12.50%
Shri Vallabhbbhai Shamjibhai Patel (Nominee of Kiran Gems Pvt Ltd)	1	12.50%	1	12.50%
Shri Sevantilal Premchand Shah (Nominee of Venus Jewel)	1	12.50%	1	12.50%
<b>Total</b>	<b>8</b>	<b>100.00%</b>	<b>8</b>	<b>100.00%</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**3 MEMBER'S CORPUS FUND**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Opening Balance	34,39,259	34,09,259
(+) Entrance Fees received during the year	8,000	30,000
(-) Amount transferred to Advance received from members for Office Space	-	-
<b>Total</b>	<b>34,47,259</b>	<b>34,39,259</b>

**(A) Details of reconciliation of the number of Members:**

Particulars	FY 2020-21			FY 2019-20		
	In Nos	Amount (excluding Indirect tax) (In Rs.)	Amount (including Indirect tax) (In Rs.)	In Nos	Amount (excluding Indirect tax) (In Rs.)	Amount (including Indirect tax) (In Rs.)
Subscribers to MOA-AOA	8	-	-	8	-	-
Opening No. of Trade Members (A)	3,930	34,39,259	39,30,000	3,900	34,09,259	39,00,000
(+) New Trade Members Limited by Guarantee (B)	9	8,000	8,000	30	30,000	30,000
<b>Members as at the end of the year</b>	<b>3,939</b>	<b>34,47,259</b>	<b>39,38,000</b>	<b>3,930</b>	<b>34,39,259</b>	<b>39,30,000</b>

**(B) Terms / rights attached to Trade members Limited by Guarantee:**

The company is Limited by Guarantee and having Share Capital. The Trade Members are the class of members whose liability is limited by guarantee. Every Trade Member including subscribers to MOA-AOA limited by guarantee undertakes to contribute to the assets of the company in the event of its winding up, such amount as may be required, not exceeding a sum of Rs. 5,000, as per the Article of Association of the company.

**4 RESERVES AND SURPLUS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Opening Balance of Surplus/ (Deficit) of Income & Expenditure	35,19,31,941	41,12,36,351
(+) Excess of Income/(Excess of Expenditure) for the year	33,99,901	(5,93,04,410)
<b>Amount available for Appropriation</b>	<b>35,53,31,842</b>	<b>35,19,31,941</b>
(-) Appropriations (If any)	-	-
<b>Total</b>	<b>35,53,31,842</b>	<b>35,19,31,941</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

**5 OTHER NON-CURRENT LIABILITIES**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Retention Money Payable to Contractors	31,78,48,320	22,87,57,209
Security Deposits from Members for Parking	2,50,68,61,500	2,12,94,84,500
<b>Total</b>	<b>2,82,47,09,820</b>	<b>2,35,82,41,709</b>

**6 SHORT TERM BORROWINGS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Overdraft Against Term Deposits with State Bank of India	-	90,67,98,530
<b>Total</b>	-	<b>90,67,98,530</b>

**Note:**

Overdraft Against Term Deposits with State Bank of India is repayable on demand bearing interest rate of 7.25% p.a.

**7 TRADE PAYABLE**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
<b><u>Dues of micro enterprises &amp; small enterprises*:</u></b>		
Dues of micro enterprises & small enterprises less than 45 days	1,97,795	7,396
Dues of micro enterprises & small enterprises more than 45 days	-	-
<b>Total dues of micro enterprises &amp; small enterprises (A)</b>	<b>1,97,795</b>	<b>7,396</b>
<b><u>Dues of creditors other than micro enterprises &amp; small enterprises:</u></b>		
Trade Payables	1,28,83,01,849	27,71,545
<b>Total dues of other than micro enterprises &amp; small enterprises (B)</b>	<b>1,28,83,01,849</b>	<b>27,71,545</b>
<b>Total (A+B)</b>	<b>1,28,84,99,644</b>	<b>27,78,941</b>

**Disclosure pursuant to Micro, small and medium enterprise Act, 2006:**

The company has established process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises provided here are based on the details provided by the management with regards to registration status of its creditors as MSME or otherwise. Further, as per the representation given by the management that the payment terms as agreed with the vendors takes care of the same in the rates and hence have not received any claims for interest from any supplier as at balance sheet date.

**8 OTHER CURRENT LIABILITIES**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Advance received from members for office space <sup>(Refer Note)</sup>	3,25,99,20,091	3,59,35,84,395
<b>Other Payables</b>		
- Provision for Expenses	9,70,953	3,07,626
- Statutory Liability Payable	1,53,93,543	1,43,41,619
<b>Total</b>	<b>3,27,62,84,587</b>	<b>3,60,82,33,640</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**9 TANGIBLE ASSETS**

Sr. No.	Particulars	Useful Life In Years	Gross Cost			Accumulated Depreciation/Amortisation				Carrying value		
			As at 01-04-2020	Addition during the year	Adjustment/ Deletion during the year (Refer Note)	As at 31-03-2021	As at 01-04-2020	For the year	Adjustment/ Deletion during the year (Refer Note)	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020
1	Leasehold Land	97	63,18,29,952	-	(15,03,39,459)	78,21,69,411	19,13,54,807	80,38,174	-	19,93,92,981	58,27,76,430	44,04,75,145
2	Computer Systems	3	8,99,812	-	-	8,99,812	8,14,202	30,413	-	8,44,615	55,197	85,610
3	Furniture & Fixtures	10	31,34,132	-	-	31,34,132	15,34,350	4,14,183	-	19,48,533	11,85,599	15,99,782
4	Furniture & Fixtures (in rented premises)	5	68,15,037	-	-	68,15,037	60,96,956	3,23,639	-	64,20,595	3,94,442	7,18,081
5	Office Equipments	5	30,42,683	-	-	30,42,683	24,81,557	2,52,582	-	27,34,139	3,08,544	5,61,126
6	Vehicles	10	59,691	-	-	59,691	31,394	7,326	-	38,720	20,971	28,297
	<b>Total</b>		<b>64,57,81,307</b>	<b>-</b>	<b>(15,03,39,459)</b>	<b>79,61,20,766</b>	<b>20,23,13,266</b>	<b>90,66,317</b>	<b>-</b>	<b>21,13,79,583</b>	<b>58,47,41,183</b>	<b>44,34,68,041</b>
	<b>Previous Year's Figures</b>		<b>6,28,36,10,280</b>	<b>35,443</b>	<b>5,63,78,64,416</b>	<b>64,57,81,307</b>	<b>13,59,89,603</b>	<b>6,63,23,663</b>	<b>-</b>	<b>20,23,13,266</b>	<b>44,34,68,041</b>	<b>6,14,76,20,677</b>

**Note:**

- (i) The Leasehold land is for 97 years and has been amortized based on the period of lease. The proportionate value of land for booked area (WDV as at March 31, 2019 less amortisation during the year) has been transferred to Income and Expenditure Account.
- (ii) The company has taken furnished premises on rent for a period of five years. Accordingly, the useful life of furniture & fixtures purchased for the said rented premises is taken as five years.

**10 INTANGIBLE ASSETS**

Sr. No.	Particulars	Useful Life In Years	Gross Cost			Amortisation			Carrying value			
			As at 01-04-2020	Addition during the year	Deletion during the year	As at 31-03-2021	As at 01-04-2020	For the year	Deletion during the year	As at 31-03-2021	As at 31-03-2021	As at 31-03-2020
1	Software License	5	7,62,210	-	-	7,62,210	7,18,307	5,296	-	7,23,603	38,607	43,903
	<b>Total</b>		<b>7,62,210</b>	<b>-</b>	<b>-</b>	<b>7,62,210</b>	<b>7,18,307</b>	<b>5,296</b>	<b>-</b>	<b>7,23,603</b>	<b>38,607</b>	<b>43,903</b>
	<b>Previous Year's Figures</b>		<b>7,62,210</b>	<b>-</b>	<b>-</b>	<b>7,62,210</b>	<b>6,82,284</b>	<b>36,023</b>	<b>-</b>	<b>7,18,307</b>	<b>43,903</b>	<b>79,926</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**11 NON-CURRENT INVESTMENTS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
<u>Investment in Unquoted Investments</u>		
Term Deposits With HDFC	-	11,00,00,000
Accrued Interest on Term Deposits	-	1,85,709
<b>Total</b>	<b>-</b>	<b>11,01,85,709</b>

**Note:**

Term Deposits are having maturity of more than 12 months.

**12 OTHER NON-CURRENT ASSETS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Installments Receivable From Members	2,85,52,21,892	2,46,31,04,452
Service Tax Refundable (Refer Note)	1,98,60,754	1,98,60,754
<b>Total</b>	<b>2,87,50,82,646</b>	<b>2,48,29,65,206</b>

**Note:**

Refer Note 22 regarding contingent liabilities with regards to Service Tax Refundable

**13 CONSTRUCTION WORK IN PROGRESS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Opening Balance (A)	73,40,44,745	4,69,23,05,263
Addition during the year (B)	4,89,60,05,351	5,43,71,49,852
Transferred to statement of Income and Expenditure (C)	(4,17,27,87,598)	(9,39,54,10,370)
Construction Work-In-Progress	1,45,72,62,498	73,40,44,745
<b>Closing Balance (A)+(B)-(C)</b>	<b>1,45,72,62,498</b>	<b>73,40,44,745</b>

**14 CASH AND CASH EQUIVALENTS**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Cash on Hand	32,303	1,22,394
Balance with Banks	63,68,45,494	1,79,62,365
Term Deposits with Banks	1,51,50,95,337	2,35,24,84,548
<b>Total</b>	<b>2,15,19,73,134</b>	<b>2,37,05,69,307</b>

**Note:**

Cash comprises cash on hand and demand deposits with banks which are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Term deposits (including accrued interest thereon) are having maturity of less than 12 months from Balance Sheet date.

**15 SHORT TERM LOANS & ADVANCES**

Particulars	As at 31-03-2021 (In Rs.)	As at 31-03-2020 (In Rs.)
Advance (Net of Liability) to PSP Projects Ltd.	-	86,36,90,421
Advance to Other Creditors	2,96,033	21,739
Balance with Statutory Authorities	61,72,74,009	22,37,40,431
Prepaid Expenses	1,12,350	75,088
Security Deposits (Receivable on Demand)	6,14,93,492	26,20,250
<b>Total</b>	<b>67,91,75,884</b>	<b>1,09,01,47,909</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**16 INCOME FROM ACTIVITIES**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Revenue on Construction	3,88,12,95,163	14,92,81,54,937
<b>Total</b>	<b>3,88,12,95,163</b>	<b>14,92,81,54,937</b>

(Refer Note 1 regarding Revenue on Construction Activities)

**17 OTHER INCOME**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Interest Income	12,91,12,844	11,31,62,643
Delayed Payment Charges	4,94,59,803	8,64,30,057
Miscellaneous Income	21,110	1,12,636
<b>Total</b>	<b>17,85,93,757</b>	<b>19,97,05,336</b>

Note: Due to procedural limitations on account of Covid-19, and non-receipt of confirmations / statements / details from some banks, certain portion of interest on fixed deposits accruing during FY 2019-20 are now recognized on receipt basis in FY 2020-21.

**18 DIRECT EXPENSES**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Leasehold Land	(15,03,39,459)	5,63,78,64,416
Construction Work In Progress	4,17,27,87,598	9,39,54,10,370
<b>Total</b>	<b>4,02,24,48,139</b>	<b>15,03,32,74,786</b>

(Refer Note 23 regarding recognition of construction cost)

**19 EMPLOYEE BENEFIT EXPENSES**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Salary, Wages & Allowances	80,84,941	88,83,500
Contribution to Statutory Funds	2,43,877	2,74,049
<b>Total</b>	<b>83,28,818</b>	<b>91,57,549</b>

**20 FINANCE COST**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Interest on Overdraft	37,59,320	6,68,53,074
Interest on Loan Against Term Deposits	-	7,55,679
Bank Guarantee Commission	-	9,33,164
<b>Total</b>	<b>37,59,320</b>	<b>6,85,41,917</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021

**21 OTHER EXPENSES**

Particulars	For the year ended on 31-03-2021 (In Rs.)	For the year ended on 31-03-2020 (In Rs.)
Administrative & General Expenses	21,09,950	32,05,896
Advertisement Expense	15,882	10,351
CSR Expenditure <small>(Refer Note)</small>	60,97,345	-
Electricity Expense	1,15,490	2,06,560
Legal & Professional Expenses	26,36,278	26,64,193
Office Rent Expenses	9,35,000	7,95,000
Payment To Auditor - As an auditor	2,40,000	2,26,250
Rates & Taxes	20,477	24,271
Repairs & Maintenance (Building)	2,83,917	6,31,103
Service Connection Charges	3,20,467	5,09,000
Stationery & Printing Expense	1,06,323	15,58,122
<b>Total</b>	<b>1,28,81,129</b>	<b>98,30,745</b>





**SDB DIAMOND BOURSE**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**22 CONTINGENT LIABILITIES & CAPITAL COMMITMENTS:**

I As certified by the directors, there is no contingent liability except as mentioned below:

(i) Following service tax matter is pending before the Gujarat High Court on account of disputed dues with respect to Service Tax:

Period to which it relates	Disputed dues of Service Tax (In Rs.)	Amount Deposited/ Paid under protest (In Rs.)
FY 2016-17	1,98,60,754	1,98,60,754

The Company has paid service tax "under protest" in FY 2016-17 on demand raised by service tax department. Further, Company has determined its liability towards service tax and has filed declaration in FY 2017-18 with advance ruling authority regarding the same claiming refund of excess payment made. The department has since confirmed its order against the Company for which the company has approached the Honourable Gujarat High Court for relief. The proceedings and decision regarding the same are pending before the High Court as also before the authority of advance ruling. The management is confident that position is likely to be upheld and the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

(ii) Outstanding Bank guarantee given to State Environment Impact Assessment secured against the pledge of fixed deposits with the banks under lien are as follows:

Bank	Amount of Guarantee (In Rs.)	Security to Bank
HDFC Bank Ltd.	11,00,00,000	100% Fixed Deposits against amount of bank Gurantee

II As certified by the directors, there is no capital commitments except as mentioned below:

(i) The company has entered into construction agrrement wih PSP Projects Ltd. for the contrstruion of "Surat Diaomnd Bourse" at Dream City, Khajod, Surat. Estimated Unexecuted Contracts amount as at balance sheet date are below:

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
Estimated Amount of Unexecuted Contracts for Construction Activities	6,36,61,52,803	6,74,24,38,451

**23 RECOGNITION OF ADVANCE RECEIVED FROM MEMBERS AFTER ALLOTMENT OF OFFICES:**

There was allotment of office numbers to members through the procedure agreed by all members during FY 2019-20 after receipt of RERA Approval. Therefore, all the instalments called for till the balance sheet date are recognised on accrual basis as and when agreement for sale had been executed during the year. During the year, agreement for sale of only 22% members were entered which were accounted on accrual basis.

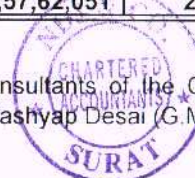
As the management has permitted all members to enter agreement for sale for office space and members can avail loans based on that and as there is no uncertainty in completion of project, at the year-end entire contribution called for till March 31, 2021 from all members has been accounted on accrual basis based on the actual area of office allotted to respective members. Percentage Completion of Project has been identified based on following working:

**Details of Capital Commitment and Construction Cost recognition as per Percentage completion Method:**

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
Percentage Completion till the date of report	78.75%	50%
Opening Balance of Capital Work in Progress	73,40,44,745	4,69,23,05,263
Addition to Construction Work In Progress during the year	4,89,77,65,458	5,43,71,49,852
Expense Recongised in FY 2019-20	9,39,54,10,370	-
Total Constraction Cost incurred as at balance sheet date	15,02,72,20,573	10,12,94,55,115
Additional Expected Cost to be incurred till Project Completion	6,29,85,41,478	9,90,27,89,808
<b>Total Estimated Construction Cost of the Project</b>	<b>21,32,57,62,051</b>	<b>20,03,22,44,923</b>

Note:

Percentage of construction work completed is certified by the Project Management Consultants of the Company – Ms. Masters Management Consultants (I) Pvt. Ltd., duly signed by its authorized signatory Mr. Kashyap Desai (G.M.-Projects).



**SDB DIAMOND BOURSE**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**24 TRADE MEMBERSHIP OF COMPANY:**

During the year under review, the Company had additionally given new Trade Membership for Office Space in the proposed Diamond Bourse at Khajod to 9 individuals or entities engaged directly or indirectly with the Diamonds, Gems & Jewellery business due to partial transfer of expression of interest for office space in the proposed Diamond Bourse at Khajod by the existing trade members in conformance to the Articles of the Company along with entrance fees of Rs. 1,000 (inclusive of Indirect Taxes) in the nature of Trade members limited by guarantee. The said membership fees being in the nature of corpus funds, is shown as such:

Trade Membership Details for FY 2020-21	No. of Applications	Amount (In Rs.) inclusive of applicable indirect taxes
Members as on beginning of the year	3,930	39,30,000
Applicants granted Trade Membership during the year	9	9,000
<b>Members as at balance sheet date</b>	<b>3,939</b>	<b>39,39,000</b>
(-) Non-office holder members	49	49,000
<b>Office Holder Members</b>	<b>3,890</b>	<b>38,90,000</b>

**Note:**

Instalments have been received from 3,898 members (including 9 members added in FY 2020-21 through partial transfer of office space and 8 promoters holding office space) for office space in proposed bourse project. Further, there has been an increase of 8 Non-office holder members in FY 2020-21 due to full transfer of office space to other members. The said advance from members will be utilised for construction of the said bourse over the period of construction.

Trade Membership Details for FY 2019-20	No. of Applications	Amount (In Rs.) inclusive of applicable indirect taxes
Members as on beginning of the year	3,900	39,00,000
Applicants granted Trade Membership during the year	30	30,000
<b>Members as at balance sheet date</b>	<b>3,930</b>	<b>39,30,000</b>
(-) Non-office holder members	41	41,000
<b>Office Holder Members</b>	<b>3,889</b>	<b>38,89,000</b>

**Note:**

Instalments have been received from 3,897 members (including 30 members added in FY 2019-20 through partial transfer of office space and 8 promoters holding office space) for office space in proposed bourse project. Further, there has been an increase of 6 Non-office holder members in FY 2019-20 due to full transfer of office space to other members. The said advance from members will be utilised for construction of the said bourse over the period of construction.

**25 RELATED PARTY DISCLOSURE:**

**List of related party:**

Relationship	Name of related party
Director - Key Management Personnel	Govindbhai Laljibhai Dholakia Rajendrakumar Dalpatlal Shah Vallabhbhai Shamjibhai Patel Laljibhai Tulsibhai Patel Mathurbhai Madhabhai Savani Jitendrabhai Babubhai Shah Madhuben Rajubhai Vaghani Manubhai Bholabhai Davariya
Enterprises who are in a position to significantly influence the enterprise	Surat Rough Diamond Sourcing (India) Ltd Tapti Exports HVK International Pvt Ltd Dharmanandan Diamonds Pvt Ltd Kapu Gems LLP Shree Ramkrishna Exports Pvt Ltd



**SDB DIAMOND BOURSE**  
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**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

**25 RELATED PARTY DISCLOSURE (Continued):**

Enterprises who are in a position to significantly influence the enterprise	Kiran Gems Pvt Ltd Venus Jewel Davariya Brothers Pvt Ltd
Chief Executive Officer - Key Management Personnel	Maheshkumar Arvindbhai Gadhavi

**Note:**

- (i) The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) -18 "Related Party Disclosures" and the same have been relied upon by the auditors.
- (ii) The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

**Transactions during the period with related parties:**

Nature of Transactions	Related Parties	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
Member's contribution /Deposit Received	Venus Jewel	1,98,49,760	11,42,07,520
	Dharmanandan Diamonds Pvt Ltd	7,60,64,494	18,55,11,500
	HVK International Pvt Ltd	1,74,09,000	4,71,40,875
	Tapti Exports	45,54,667	1,20,54,000
	Shree Ramkrishna Exports Pvt Ltd	10,98,40,640	28,93,76,640
	Kapu Gems LLP	3,03,77,433	7,44,63,200
	Kiran Gems Pvt Ltd.	15,86,45,984	40,18,37,343
	Davariya Brothers Pvt Ltd	-	55,44,000
Delayed Payment Charges received	Venus Jewel	-	15,10,986
	Dharmanandan Diamonds Pvt Ltd	82,323	-
	HVK International Pvt Ltd	-	7,60,596
	Shree Ramkrishna Exports Pvt Ltd	-	5,50,083
	Kiran Gems Pvt Ltd.	-	2,72,024
Office Rent Expense	Tapti Exports	9,35,000	7,95,000
Employee Benefits	Maheshkumar Gadhavi	17,37,026	19,20,000

**26 CORPORATE SOCIAL RESPONSIBILITY (CSR):**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and manipulation, promoting education, art and culture, health care, destitute care and rehabilitation, environment sustainability, disaster relief, COVID – 19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilize through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
Carry forward unspent amount of Previous Years	41,68,822	11,52,714
Gross Amount required to be spent by the company during the year	18,41,190	30,16,108
Spent During the Year	60,97,345	-
Yet to be spent/Excess spent as at balance sheet	<b>(87,333)</b>	<b>41,68,822</b>

- 27 In the opinion of the Board and to the best of their knowledge & belief, the assets other than Property, Plant and Equipment and non-current investments are approximately of the value stated, if realized in the ordinary course of business, which is at least equal to the amount at which they are stated in the balance sheet. The provisions for all determined liabilities are adequate and not in excess of the amount reasonably required.



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2021**

- 28 Balances of certain trade receivables, trade payables and loans and advances are subject to confirmation / reconciliation, if any. The management has considered various known internal and external information available i.e. subsequent receipts/payments, invoices, debit note/credit notes etc. up to the date of approval of financial statements. Accordingly, The Management does not expect any material difference affecting the financial statements on such reconciliation / adjustments.
- 29 In the opinion of the Board and to the best of their knowledge & belief, the compliance related to GST provisions was properly complied, to the extent applicable to the company for the year under audit. Difference, if any, between the figures as per books of account and the GST Returns, are reconciled and will be corrected in next period GST returns and in Annual Returns. The said differences do not have any material impact on the financial statements regarding classification, tax liability and other requirement of the GST Provisions.

**SIGNATURE TO NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS**

As per our report of even date  
For, NDJ & Co.  
Chartered Accountants  
Firm Reg. No.: 136345W

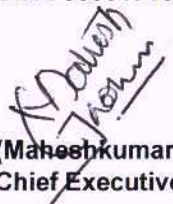
  
(CA. Shilish Shah)  
Partner  
M. No.: 035742  
Date : 14-10-2021  
Place : Surat



For & on behalf of the Board of Directors  
SDB Diamond Bourse

  
(Vallabhbhai Patel)  
Director  
DIN : 00091715

  
(Laljibhai Patel)  
Director  
DIN : 01539972

  
(Mahesh Kumar Gadhave)  
Chief Executive Officer

Date : 14-10-2021  
Place : Surat

**GROUPINGS TO NOTES FORMING INTEGRAL  
PART OF FINANCIAL STATEMENTS**

**SDB DIAMOND BOURSE**

**FOR THE YEAR ENDED ON MARCH 31, 2021**

SDB DIAMOND BOURSE  
(CIN: U74140GJ2014NPL081370)

**GROUPING TO NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
ON MARCH 31, 2021**

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
<b>Retention Money (Contractors)</b>		
PSP Projects Pvt Ltd (Retention Money)	31,63,63,077	22,79,18,165
Techno Quest (Retention Money)	8,67,676	5,91,536
S I Engineering (Retention Money)	6,17,567	2,47,508
<b>Total</b>	<b>31,78,48,320</b>	<b>22,87,57,209</b>
<b>Dues of micro enterprises &amp; small enterprises less than 45 Days</b>		
Lemon Consultech	5,525	-
NDJ & Co	1,10,500	-
RSM Astute Counsultech Pvt Ltd	81,770	7,396
<b>Total</b>	<b>1,97,795</b>	<b>7,396</b>
<b>Dues of micro enterprises &amp; small enterprises more than 45 Days</b>		
<b>Total</b>	-	-
<b>Trade Payables (Non-MSME)</b>		
Gleeds Hooloomann Consulting (I) Pvt. Ltd.	-	9,47,992
Leaf Design Pvt Ltd	-	2,83,200
Nishtha News Paper Agency	-	7,727
Tapti Exports (Rent)	-	91,800
Techno Quest	-	11,96,656
Transportation And Traffic Engineering Consultants	-	2,33,280
Tridev Security Service	-	10,890
BSNL (Bharat Sanchar Nigam Ltd.)	1,367	-
Bundelkhand Security Services	21,835	-
Everest Electricals	2,96,563	-
Facet Facade Consultancy	91,332	-
Gleeds Hooloomann Consulting (I) Pvt. Ltd.	5,24,352	-
IPDM Services (INDIA) Pvt Ltd	2,44,262	-
Jayesh G Gohel (Printing)	4,200	-
Joshi Global Express	363	-
Kiran Multisuper Specilaity Hospital & Research Center	16,150	-
KSA Lighting Designers	2,26,525	-
Maha Infotech Pvt Ltd (MIPL)	2,60,833	-
Mansa Enterprise	8,496	-
Masters management Consultants (India) Pvt Ltd	28,44,484	-
Morphogenesis	15,90,802	-
Nishtha News Paper Agency	7,727	-
Pavan Marketing	2,380	-
Pro Care	1,22,655	-
PSP Projects Ltd	1,28,10,99,932	-
Shree Anish Ghelabhai Oad.	1,65,861	-
Spacecreators	1,10,500	-
Studio13 Management Consultants	88,400	-
Tapti Exports (Rent)	93,925	-
Techno Quest	4,67,988	-
Tridev Security Service	10,917	-
<b>Total</b>	<b>1,28,83,01,849</b>	<b>27,71,545</b>
<b>Trade Payable for Fixed Assets (Non-MSME)</b>		
New Concept	-	-
<b>Total</b>	-	-
<b>Advance received from members for office space</b>		
Excess Installment Received from members	2,73,68,230	3,11,38,893
Member's contribution not recognised as per percentage completion method	7,11,38,47,023	3,56,24,45,502
(-) Revenue Recognised for FY 2020-21	(3,88,12,95,163)	-
<b>Total</b>	<b>3,25,99,20,091</b>	<b>3,59,35,84,395</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**GROUPING TO NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
ON MARCH 31, 2021**

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
<b>Provision for Expenses</b>		
Audit Fees Payable	2,40,000	2,40,000
Electricity Expense Payable	17,400	22,980
Salary Payable	7,13,553	44,646
<b>Total</b>	<b>9,70,953</b>	<b>3,07,626</b>
<b>Statutory Liability Payable</b>		
EPF Payable	37,653	27,208
LWF Payable	414	-
ESIC Payable	7,350	5,807
Employee Professional Tax Payable	4,100	3,630
TDS Payable on Professional	3,99,198	6,22,370
TDS Payable on Contractor	1,49,38,453	1,35,45,800
TDS Payable on Rent	6,375	8,500
TDS Payable on Salary	-	1,28,304
<b>Total</b>	<b>1,53,93,543</b>	<b>1,43,41,619</b>
<b>Balances with Banks (Savings &amp; Current Account)</b>		
HDFC Bank (E-Net A/c)	3,749	10,271
HDFC Bank (RERA A/c)	91,36,456	1,23,49,429
Indusind Bank Ltd SB A/c (159928112014)	62,75,88,622	-
State Bank of India (Mumbai)	40,710	-
State Bank of India (Surat)	75,957	56,02,665
<b>Total</b>	<b>63,68,45,494</b>	<b>1,79,62,365</b>
<b>Cash &amp; Cash Equivalents - Term Deposits with Banks</b>		
Term Deposits With SBI	30,02,00,000	1,08,65,11,310
Term Deposits With HDFC	1,20,79,52,503	1,19,10,00,000
Accrued Interest on Term Deposits	69,42,834	7,49,73,238
<b>Total</b>	<b>1,51,50,95,337</b>	<b>2,35,24,84,548</b>
<b>Advance to Creditors</b>		
BSNL	-	94
Sign Technic Industries Pvt.Ltd.	2,96,033	-
Shree Anish Ghelabhai Oad	-	21,645
<b>Total</b>	<b>2,96,033</b>	<b>21,739</b>
<b>Balance with Statutory Authority - TDS Receivable</b>		
TDS Receivable (AY 2017-18)	23,41,291	23,41,291
TDS Receivable (AY 2018-19)	2,67,73,364	2,67,73,364
TDS Receivable (AY 2019-20)	1,59,22,805	2,88,73,139
TDS Receivable (AY 2020-21)	6,59,78,149	6,07,60,096
TCS Receivable (AY 2021-22)	12,910	-
TDS Receivable (AY 2021-22)	2,37,19,983	-
<b>Sub Total</b>	<b>13,47,48,502</b>	<b>11,87,47,890</b>
<b>Balance with Statutory Authority - GST Receivable</b>		
CGST RCM Payable	(8,280)	-
CGST Credit (pending to be claimed)	46,215	15,31,22,048
CGST Credit (ECL)	24,13,22,181	-
CGST Mumbai	-	5,01,762
CGST Payable	(7,56,353)	-
GST Payable on accrual	-	(20,33,32,052)
IGST Credit (pending to be claimed)	8,12,844	14,96,653
IGST Credit (ECL)	5,05,136	-
IGST Mumbai	-	1,800
SGST RCM Payable	(8,280)	-
SGST Credit (pending to be claimed)	46,215	15,31,22,049
SGST Credit (ECL)	24,13,22,181	-
SGST Mumbai	-	80,282
SGST Payable	(7,56,352)	-
<b>Sub Total</b>	<b>48,25,25,507</b>	<b>10,49,92,541</b>
<b>Total</b>	<b>61,72,74,009</b>	<b>22,37,40,431</b>



**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**GROUPING TO NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
ON MARCH 31, 2021**

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
<b>Short Term Security Deposits</b>		
Tapti Exports	8,00,000	8,00,000
BSNL	1,500	1,500
You Broadband	750	750
VAT Deposit	-	20,000
SMC Plantation Deposit	17,98,000	17,98,000
Security Deposit (DGVCL)	5,88,93,242	-
<b>Total</b>	<b>6,14,93,492</b>	<b>26,20,250</b>
<b>Construction Work In Process</b>		
Architect Fees	4,76,27,241	16,69,63,119
Construction	5,37,67,29,100	9,33,25,10,192
Construction cess	9,25,459	1,09,06,347
Construction Premium	2,71,749	37,50,000
Consultancy Fees	1,40,90,362	5,05,23,901
FSI Premium	7,42,41,335	16,19,23,668
Government	12,25,000	-
PMC Consultancy	3,50,37,764	7,43,33,142
Interest on installment of Land	43,39,346	5,98,82,162
Service Connection Charges	5,19,62,738	-
Scrutiny Fee	7,00,215	96,62,623
SDB Project (Model)	1,46,817	20,26,000
Service Tax on Advance from Members	1,81,34,366	25,02,45,261
Technical Service Fees	46,18,604	67,28,700
Less: Transferred to Income and Expenditure Account	(4,17,27,87,598)	(9,39,54,10,370)
<b>Total</b>	<b>1,45,72,62,498</b>	<b>73,40,44,745</b>
<b>Interest Income</b>		
Interest on Fixed Deposits	12,35,84,238	10,73,68,194
Interest on Income Tax Refund	13,97,546	14,12,352
Interest on Savings Bank Account	41,31,060	43,82,097
<b>Total</b>	<b>12,91,12,844</b>	<b>11,31,62,643</b>
<b>Miscellaneous Income</b>		
Discount and Miscellaneous Income	2,119	1,01,040
PMPRY Benefits	18,991	11,596
<b>Total</b>	<b>21,110</b>	<b>1,12,636</b>
<b>Contribution to Statutory Funds</b>		
EPF Expense	1,71,384	1,95,832
ESIC Expenses	71,323	77,487
LWF Expenses	1,170	730
<b>Total</b>	<b>2,43,877</b>	<b>2,74,049</b>
<b>Administrative &amp; General Expenses</b>		
Accommodation Expenses	-	11,607
AMC Charges (software)	1,47,669	-
Bank Charges	9,475	20,026
Computer Software Subscriptions	-	16,390
DGVCL Supervision Charges	-	-
Conveyance Expense	5,732	67,126
Event Expenses	-	3,35,910
Freight Expense	-	1,850
Internet Expense	8,993	13,690
Discount & Rounding Off Expense	85	8
Mandap Expense	38,062	-
Mobile and Telephone Expense	36,135	25,139
News & Periodicals Expense	3,130	11,887
Office Expense	6,20,257	8,92,852
Postage & Courier Expense	4,89,985	6,27,258
Refreshment Expense	1,55,581	3,46,131
Security Expenses	4,55,000	4,09,400
Travel Expense	94,447	4,13,289
Write off expenses	30,661	-
Vehicle Fuel & Other Expense	14,738	13,333
<b>Total</b>	<b>21,09,950</b>	<b>32,05,896</b>





**SDB DIAMOND BOURSE**  
(CIN: U74140GJ2014NPL081370)

**GROUPING TO NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
ON MARCH 31, 2021**

Particulars	FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
<b>Legal &amp; Professional Expenses</b>		
Legal Fees	600	88,985
Professional Fees	16,53,768	8,00,000
Consultancy Fees	6,96,199	8,31,000
Income Tax Scrutiny fees	70,000	-
Technical Service Fees	2,15,711	9,44,208
<b>Total</b>	<b>26,36,278</b>	<b>26,64,193</b>
<b>Rates &amp; Taxes</b>		
Interest on Late Payment of GST	802	-
Interest on Late Payment of TCS	225	-
Interest on Late Payment of TDS	8,994	309
Ineligible GST Expense	4,656	1,272
Late Filing Fees of TDS & GST Return	3,400	20,290
Professional Tax (Company)	2,400	2,400
<b>Total</b>	<b>20,477</b>	<b>24,271</b>
<b>Stationery &amp; Printing Expense</b>		
Printing Expense	58,951	14,71,502
Office Stationery Expense	47,372	86,620
<b>Total</b>	<b>1,06,323</b>	<b>15,58,122</b>



FORM NO 10B  
(See rule 17B)

**AUDIT REPORT UNDER SECTION 12A(b) OF THE INCOME-TAX ACT, 1961, IN THE CASE OF  
CHARITABLE OR RELIGIOUS TRUSTS OR INSTITUTIONS**

We have examined the balance sheet of **SDB Diamond Bourse, Surat** as at March 31, 2021 and the Income and Expenditure Account for the year ended on that date which are in agreement with the books of account maintained by the said trust or institution.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion, proper books of account as required by law have been kept by the head office of the company as appears from our examination of the books:

In our opinion and to the best of our information, and according to information given to us, the said accounts give a true and fair view -

- (i) In the case of the Balance Sheet, of the state of affairs of the above named company as at March 31, 2021 and
- (ii) In the case of the Income and Expenditure, Excess of the Income, for the accounting year ending on March 31, 2021.

The prescribed particulars are annexed hereto.

For, NDJ & Co.  
Chartered Accountants  
Firm Reg.No. 136345W



(CA. Shirish Shah)  
Partner

M. No.: 035742  
UDIN : 21035742 AAAAEX5963

Date : 14-10-2021

Place : T-720, Belgium Tower, Ring Road,  
Delhi Gate, Surat-002

**ANNEXURE**

**STATEMENT OF PARTICULARS**

**I. APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS PURPOSE:**

- |                             |                     |
|-----------------------------|---------------------|
| Recurring Expenses          | As per Annexure - I |
| Non-Recurring Expenses      | As per Annexure - I |
| <b>Total Amount Applied</b> | As per Annexure - I |
1. Amount of income of the previous year applied to charitable or religious purposes in India during that year : 

Recurring Expenses	As per Annexure - I
Non-Recurring Expenses	As per Annexure - I
<b>Total Amount Applied</b>	As per Annexure - I
  2. Whether the trust / institution has exercised the option under clause (2) of the explanation to section 11(1)? If so, the details of the amount of income deemed to have been applied to charitable or religious purposes in India the previous year. : No
  3. Amount of income accumulated or set apart/finally set apart for application to charitable or religious purposes, to the extent it does not exceed 15 percent of the income derived from property held under trust wholly / in part for such purposes. : As per Annexure - I
  4. Amount of income eligible for exemption under section 11(1)(c), (Give details) : Nil
  5. Amount of income, in addition to the amount referred to in item 3 above, accumulated or set apart for specified purposes under section 11(2). : Nil
  6. Whether the amount of income mentioned in Item 5 above has been invested or deposited in the manner laid in section 11(2)(b) ? If so, the details thereof. : Nil
  7. Whether any part of the income in respect of which an option was exercised under clause (2) of the Explanation to section 11(1) in any earlier year is deemed to be income of the previous year under section 11(1B)? If so, the details thereof. : Not Applicable
  8. Whether, during the previous year, any part of income accumulated or set apart for specified purpose under section 11(2) in any earlier year. : No
    - a. has been applied for purposes other than charitable or religious purposes or has ceased to be accumulated or set apart for application thereto, or : Not Applicable
    - b. has ceased to remain invested in any, security referred to in section 11(2)(b)(i) or deposited in any account referred to in section 1(2)(b)(i), or : Not Applicable
    - c. has not been utilised for purposes for which it was accumulated or set apart during the period for which it was to be accumulated or set apart, or in the year immediately following the expiry thereof ? If so, the details thereof. : Not Applicable



ANNEXURE

STATEMENT OF PARTICULARS

**II. APPLICATION OR USE OF INCOME OR PROPERTY FOR THE BENEFIT OF PERSONS REFERRED TO IN SECTION 13 (3)**

1. Whether any part of the income or property of the trust/institution was lent, or continues to be lent, in the previous year to any person referred to in section 13(3) (hereinafter referred to in this Annexure as such person)? If so, give details of the amount, rate of interest charged and the nature of security, if any. : Not Applicable
2. Whether any land, building or other property of the trust/institution was made, or continued to be made, available for the use of any such person during the previous year? If so, give details of the property and the amount of rent or compensation charged, if any. : Not Applicable
3. Whether any payment was made to any such person during the previous year by way of salary, allowance or otherwise? If so, give details. : Not Applicable
4. Whether the services of the trust / institution were made available to any such person during the previous year? If so, give details thereof together with remuneration or compensation received, if any. : Not Applicable
5. Whether any share, security or other property was purchased by or on behalf of the trust/institution during the previous year from any such person? If so, give details thereof together with the consideration paid. : Not Applicable
6. Whether any share, security or other property was sold by or on behalf of the trust/institution during the previous year to any such person? If so, give details thereof together with the consideration received. : Not Applicable
7. Whether any income or property of the trust/institution was diverted during the previous year in favor of any such person? If so, give details thereof together with the amount of income or value property so diverted. : Not Applicable
8. Whether the income or property of the trust/institution was used or applied during the previous year for the benefit of any such person in any other manner? If so, give details : Not Applicable



ANNEXURE

STATEMENT OF PARTICULARS

III. INVESTMENTS HELD AT ANY TIME DURING THE PREVIOUS YEAR (S) IN CONCERNS IN PERSONS REFERRED TO IN SECTION 13(3) HAVE A SUBSTANTIAL INTEREST

Sr. No	Name and address of the concern	Where the concern is a company, number and class of shares held	Nominal value of the investment	Income from the investment	Whether the amount in col. (4) exceeded 5 per cent of the capital concern during the previous year say Yes/No.
1	2	3	4	5	6
-Not Applicable-					

For, NDJ & Co.  
Chartered Accountants  
Firm Reg.No. 136345W



(CA. Shirish Shah)  
Partner

M. No.: 035742  
UDIN : 21035742AAAA EX5963

Date : 14-10-2021

Place : T-720, Belgium Tower, Ring Road,  
Delhi Gate, Surat-002

## ANNEXURE - I

## DETAIL OF AMOUNT APPLIED TOWARDS OBJECT

Particulars		FY 2020-21 (In Rs.)	FY 2019-20 (In Rs.)
I	Income from Construction Activities for the year (Receipt Basis)	3,18,67,20,836	8,02,32,98,118
	Delayed Payment Charges (Receipt Basis)	4,94,59,803	8,64,30,057
	Interest Income (Excluding Accrued Income)	19,73,28,957	3,80,03,696
	Other Income	21,110	-
	<b>Total Income (I)</b>	<b>3,43,35,30,706</b>	<b>8,14,77,31,871</b>
II	<b>Application of Funds</b>		
	<u>Recurring Expenditures (Expend during the year)</u>		
1	Employee Benefit Expenses	76,59,911	91,57,549
2	Cost of Project incurred	2,89,41,95,160	6,83,81,24,249
3	Finance Cost	37,59,320	6,85,41,917
4	Other Operating & Administrative Expenses	1,28,86,709	97,12,932
	<b>Total Application of Funds</b>	<b>2,91,85,01,100</b>	<b>6,92,55,36,647</b>
	<b>Total Application of Funds (I/II) in %</b>	<b>85.00%</b>	<b>85.00%</b>
	<b>Amount to be set apart</b>	<b>51,50,29,606</b>	<b>1,22,21,59,781</b>

