



Deep Diamond India Limited

27th
Annual Report
2020-2021

BOARD OF DIRECTORS

- 1.Mr. Prakash Rikhabchand Solanki -- Chairman, Executive Director and CFO
- 2.Mr. Dinesh Rikhabchand Solanki -- Managing Director
- 3.Mrs. Sangeeta Jain -- Independent Director & Non-Executive
- 4.Mr. Mayank Sumatilal Shah -- Independent Director & Non-Executive
- 5.Mr. Amit Kumar Dudani -- Company Secretary

AUDITORS

M/s. Vijay R. Tater & Co.
Chartered Accountants

REGISTERED OFFICE

Office No.101, 1ST Floor, Hemu Plaza,
D.J. Road,
Vile Parle (West)
Mumbai -400056, Maharashtra

BANKERS

ICICI BANK

TRANSFER AGENT

Universal Capital Securities Private Limited
C-101, 247 Park, L.B.S Marg,
Vikhroli (West), Mumbai- 400083
Phone: 28207203

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 27th ANNUAL GENERAL MEETING OF DEEP DIAMOND INDIA LIMITED WILL BE HELD AT THE REGISTERED OFFICE NO: 101, 1ST FLOOR, HEMU PLAZA, D.J. ROAD, VILE PARLE (W), MUMBAI-400056 ON WEDNESDAY, 29TH SEPTEMBER, 2021 AT 11.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

I - ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2021 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Dinesh Solanki who retires by rotation but being eligible, offers himself for re-appointment
3. To re-appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Vijay R. Tater & Co., Chartered Accountants (FRN: 111426W), who given their consent to act as Auditors of the Company as well as written certificate indicating the conditions satisfied by the Auditor to the effect that their appointment will be in accordance with the criteria provided in section 141 of the Companies Act, 2013, be and are hereby re-appointed as Auditors of the Company for a period of 5 years from the conclusion of this Annual General Meeting, and they shall hold office as auditors of the Company until the conclusion of the AGM of the Company to be held in the year 2026 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Chairman of Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 149 (1) & 152 (5) and other Applicable provisions, if any, of the Companies Act, 2013 including any modification or reenactment thereof Mr. Mayank Shah (DIN: 07468663) who was appointed as an independent Director of the Company with effect from 28th March, 2016 and who has submitted declarations that he is eligible for re-appointment and that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for the second term of 5 years commencing from the date of this Annual General Meeting.”

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

“RESOLVED THAT pursuant to the provisions of Section 149 (1) & 152 (5) and other Applicable provisions, if any, of the Companies Act, 2013 including any modification or reenactment thereof Mrs. Sangeeta Jain (DIN: 01510470) who was appointed as an independent Director of the Company with effect from 29th March, 2016 and who has submitted declarations that she is eligible for re-appointment and that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, for the second term of 5 years commencing from the date of this Annual General Meeting.”

**Board
Limited**

**Place: Mumbai
Date: 31.07.2021**

**by Order of the
Deep Diamond India**

(Prakash R Solanki)

**Chairman
DIN NO: 00176606**



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

2. The relevant explanatory Statements to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 (hereinafter called "the Act"), which sets out details relating to the Special Business to be transacted at the meeting is annexed hereto.

3. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive)** for the purpose of the Annual General Meeting of the Company.

5. The Members are requested to:

(a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, M/s. Universal Capital Securities Private Limited, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai- 400083 in respect of their holdings in physical form.

(b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.

(c) Non-Resident Indian Members are requested to inform M/s. Universal Capital Securities Private Limited immediately of the change in residential status on return to India for permanent settlement.

(d) Register their email address and changes therein from time to time with M/s. Universal Capital Securities Private Limited for shares held in physical form and with their respective Depository Participants for shares held in demat form.

6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.

7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Universal Capital Securities Private Limited and have it duly filled and sent back to them.

8. Re-appointment of Directors:

Section 152 of the Companies Act, 2013, provides inter alia that unless the articles provide for the retirement of all directors at every annual general meeting, not less than two-thirds of the total number of directors of a public company, or a private company which is a subsidiary of a public company, shall

(a) be persons whose period of office is liable to determination by retirement of directors by rotation; and (b) save as otherwise expressly provided in the Act, be appointed by the Company in the general

meeting.

9. MCA, Government of India, through its Circulars Nos. 17/2011 dated 21st April, 2011 and 18/2011 dated 29th April, 2011, respectively, has allowed companies to send documents viz. Notices of meetings, Annual Reports and other shareholder communication to their shareholders electronically as part of its Green Initiatives in corporate governance By Order of the Board of Directors, The Company supports the measures in the Green Initiative. Members are also requested to join the Company in this initiative by registering their Email ID with the Company or its RTA. A 'Green Initiative' Form can be downloaded from the Company's website viz. www.dcepdiamondltd.co.in to register the email id.
10. Electronic copy of the Annual Report for 2020-2021 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2020-2021 is being sent in the permitted mode.

11. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide its members the facility of 'remote-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 27th Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL). The instructions to members for voting electronically are as under:-

- a) The voting period begins on **Sunday, September 26, 2021 at 09.00 a.m. and ends on Tuesday, September 28 2021 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **September 22, 2021**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on September 28, 2021.
- b) Members holding shares in physical or in demat form as on **September 22, 2021** shall only be eligible for e-voting.
- c) The shareholders should log on to thee-voting website www.evotingindia.com
- d) Click on Shareholders.
- e) Now Enter your User ID;
- i. For CDSL: 16 digits beneficiary ID;
- ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
- iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- f) Next enter the Image Verification as displayed and Click on Login.
- g) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- h) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two



	<p>letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- i) After entering these details appropriately ,click on “SUBMIT” tab.
- j) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field.
- k) Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- l) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- m) Click on the EVSN for the relevant<Company name> on which you choose to vote.
- n) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- o) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- p) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. a confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- q) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- r) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- s) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- t) Note for Non-Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- u) In case you have any queries or issues regarding e-voting, you may refer the, Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
1. General Instructions / information for members for voting on the Resolutions :
- a) Facility of voting through Poll paper shall be made available at the Meeting. Members attending the Meeting, who have not already casts their vote by remote e-voting, shall be able to exercise their right at the Meeting.
- b) Members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to vote again at the AGM.
- c) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
- d) Miss. Khushbu Shah (ACS No.-64490), Practicing Company Secretary has been appointed by the Board of Directors of the Company as the Scrutinizer to scrutinize the remote e-voting process as well as voting through poll at the Meeting, in a fair and transparent manner.
- e) The results shall be declared not later than forty-eight hours from conclusion of the meeting. The results declared along with the Scrutinizer’s Report will be placed on the website of the Company at www.deepdiamondltd.co.in and the website of CDSL immediately after the result is declared by the Chairman and will simultaneously be forwarded to BSE Limited, where Equity Shares of the Company are listed.

Members may also note that the Notice of the Annual General Meeting and the Annual Report for financial year 2020-2021 will also be available on the Company’s website www.deepdiamondltd.co.in for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office in Mumbai for inspection during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: deepdiamondltd@gmail.com

**By Order of the Board
Deep Diamond India Limited**

**Place: Mumbai
Date: 31/07/2021**

(Prakash R Solanki)

Chairman



Annexure to Notice Pursuant to section 102 of the Companies Act 2013

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

Item No. 4 & 5:

Mr. Mayank Shah (DIN: 07468663) & Mrs. Sangeeta Jain (DIN: 01510470) were appointed as an Independent Director on the Board of the Company on 28th March, 2016 & 29th March, 2016 respectively.

In terms of Section 149 of the Companies Act, 2013 (the Act) read with the relevant Rules, they hold office as Independent Directors up to the date of the ensuing Annual General Meeting however it is proposed to re-appoint them as Independent Directors for the second term. They will be appointed as Non-Executive Independent Directors on the Board of the Company pursuant to the provision of Section 149 of the Act read with the relevant Rules and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per Sections 149 and 152 and other applicable provisions read with the Schedule IV of the Companies Act, 2013, the re-appointment of Mr. Mayank Shah (DIN: 07468663) & Mrs. Sangeeta Jain (DIN: 01510470) is now being placed before the Members for their approval by way of special resolution for the second term of 5 years commencing from this Annual General Meeting.

The Board of Directors had evaluated the performance of all the Independent Directors on the Board and has determined to continue with the term of appointment of the Independent Director.

The Company has received declaration from Mr. Mayank Shah (DIN: 07468663) & Mrs. Sangeeta Jain (DIN: 01510470) that they are eligible for re-appointment and that they meet the criteria for independence as provided in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Mayank Shah (DIN: 07468663) & Mrs. Sangeeta Jain (DIN: 01510470) fulfil the conditions specified in the Act and the rules framed there under for appointment as Independent Director and they are Independent of the Management. The Board also considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of all of them as Independent Directors on the Board of the Company and not liable to retire by rotation.

The Copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day excluding Saturdays and Sundays. They are also posted on Company's website - <http://www.deepdiamondltd.co.in/>.

Brief Profile along with other details of said Directors is annexed herewith.

Accordingly, the Board recommends the Resolution Set out in Item No. 4 & 5 of the Notice for the approval by the Members of the Company as a Special Resolution.

Save and except, Mr. Mayank Shah (DIN: 07468663) & Mrs. Sangeeta Jain (DIN: 01510470) being appointees to their respective reappointments, none of the Directors, Manager or any other key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Additional information on directors recommended for appointment/re-appointment as required under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Appointee	Mayank Shah	Sangeeta Jain
Designation	Independent Director	Independent Director
Age	58	51
Nationality	Indian	Indian

Date of Appointment on the Board	28.03.2016	29.03.2003
Qualification	B.COM, CA	B.COM
Nature of Expertise	Finance	Marketing
Experience	More than 20 years	More than 15 years
Directorships held in other companies	0	0
Chairmanship/Memberships of Committees	3	3
Shareholding in the Company	0	0

NAME	Mr. Dinesh Solanki
DIN	01803066
Date of Birth	20/06/1966
Nationality	INDIAN
Dale of Appointment as Director	02/11/1994
Qualifications	BCOM
Designation	Managing Director
Experience/ Expertise	More than 27 years jewelry & diamond Knowledge
Shareholding in the Company (Equity Shares of Rs. 10/- each)	202600
List of directorships held in various other Companies	One
List of Chairmanship of various Committee and Membership in Public Companies	Nil
Relationship with existing Director of the Company	Brother

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

Nature of Industry	The Company is engaged in the business of manufacturing of Jewellery, Gold, Silver and other precious metals.
Date or expected date of commencement of commercial production	NA



In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
Financial performance based on given indicators	Particulars Revenue from Operations (Net) - 51,11,765 Other Income - 25,63,349 Total Revenue - 76,75,114 Profit / (Loss) before depreciation, finance exist,
Foreign Investments or collaborations, if any	NA

Information a

Background details	A brief profile of Mr. Dinesh Solanki is given herein above.
Past remuneration	The remuneration drawn by Mr. Dinesh Solanki during the past 2(two) years is as follows: 2018-19 - 3,60,000 2019-20 - 3,60,000
Recognition or awards	XA
Job profile and his suitability	<p>Mr. Dinesh Solanki, with major focus on business development (domestic and international), cost optimization and profitability, sales and marketing, value engineering and product developments, would be responsible for the overall conduct and management of the business and the affairs of the Company and also providing strategic direction to the business of the Company.</p> <p>Mr. Dinesh Solanki with his qualification and vast experience in the field of Human Resources, business development, sales and marketing, engineering, manufacturing and general management is expected to add considerable value to the Company from the position of the Managing Director.</p>
Remuneration proposed	The remuneration proposed is set out in the resolution.

<p>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</p>	<p>While deciding the remuneration payable to Mr.Dinesh Solanki, the Nomination and Remuneration Committee and the Board inter alia considered the compensations levels for similar positions in the Engineering industry and comparable organization and have considered the proposed levels as appropriate and reasonable.</p>
<p>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</p>	<p>Besides the present / proposed remuneration, Mr. Dinesh Solanki does not have any other pecuniary relationship with the Company or relationship with any of the managerial personnl.</p>
<p>Reasons of loss or inadequate profits</p>	<ul style="list-style-type: none"> • Stiff Competition
<p>Steps were taken or proposed to be taken for improvement</p>	<p>All effort are own being focused on to improve order book by sourcing new orders from domestic as well as overseas customers and improving operational efficiency. The manufacturing facilities have been restructured for better productivity and cost savings. Greater emphasis is placed on optimization of various Processes to improve operational efficiency across the Company. These proactive steps are aimed at improving profitability in the face of a challenging environment in the industry.</p>
<p>Expected increase in productivity and profits in measurable terms</p>	<p>Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in the current years.</p>

Place: Mumbai
Date: 31/07/2021

**By Order of the Board
Deep Diamond India Limited**

**(Prakash R Solanki)
Chairman**



DIRECTORS' REPORT

Your Directors present their 27th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2021.

FINANCIAL HIGHLIGHTS

(in RS)

Particulars	Year ended	Year ended
	31.03.2021	31.03.2020
Income for the year	76,75,114	1,10,26,688
Profit/Loss before Interest, Depreciation and Tax	85,519	-1,28,553
Less : Interest	0	0
Profit/Loss before Depreciation	85,519	-1,28,553
Less : Depreciation	1,75,883	1,77,490
Profit/Loss after Depreciation	90,364	-3,06,043
Provisions for Taxation/ Deferred Tax	24,562	26,109
Net Loss After Tax	-4,69,198	-2,79,934
Earlier Years Balance Brought forward	4,07,00,304	4,09,80,238
Profit/Loss Carried forward to Balance Sheet	4,02,31,104	4,07,00,304

OPERATIONS

During the year under review, our Company recorded a total income of Rs. 76,75,114 as against Rs. 1,10,26,688 in the previous year and Net Loss of Rs.4,69,198 as against Net Loss of Rs. 2,79,934 in the previous year. Further information kindly refers to Management Discussion and Analysis forming part of this Annual report. In near future we will be doing trading and job work.

DIVIDEND

The Board, for the year ended 31st March, 2021 in view of profit is to be re invested in business hence regret there in ability to declare any dividend for the year.

DIRECTORS

As per Section 149(4) of Companies Act, 2013 every listed company shall have at least one-third of the total number of directors as independent directors. They shall hold office for a term up to five consecutive years on the Board of the Company as per section 149(10).

As per Section 152 (6) (c), total number of directors shall not include independent directors. Mr. Mayank Shah and Mrs. Sangeeta Jain are Independent Director.

In accordance with the provision of section 152(6) and the Articles of Association of Company Mr. Dinesh Solanki will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for re-appointment. The Board recommends his reappointment.

In accordance with the requirements of Section 149 and 152 of the Companies Act, 2013 appointment of Mr. Mayank Shah & Mrs. Sangeeta Jain as Independent Director on the Board for the second term requires approval of the Members of the Company by way of Special resolution.

The Company has received declarations from all the Independent Directors that they meet the criteria for independence as provided in Section 149(6) of the Companies Act, 2013.

CORPORATE GOVERNANCE:

Since the equity share capital of the Company is listed exclusively on the SME Platform of BSE Limited, the requirement of corporate governance provisions specified in regulation 17 to 27 and clauses (b) to (f) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of Listing Regulation is not applicable to the Company and hence, the Report on corporate Governance is not applicable to the company. **SHARE CAPITAL**

The paid up equity share capital of the Company as on March 31, 2021, was Rs. 3.20 Crores.

BOARD OF DIRECTORS AND ITS MEETINGS

The Company has a professional Board with the right mix of knowledge, skills and expertise with an optimum combination of executive and independent Directors including one woman Director. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the Stakeholders.

One meeting of the Board of Directors is held in each quarter. Additional meetings of the Board/ Committees are convened as may be necessary for proper management of the business operations of the Company.

During the year Four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and as per Listing agreement.

DECLARATION OF INDEPENDENT DIRECTORS

All independent Directors have declared and affirmed their compliance with the independence criteria as mentioned in Section 149(6) of the Companies Act, 2013 and clause 49 of the listing agreement in respect of their position as an Independent Director of the Company.

DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMPs) APPOINTMENT OR RESIGNATION

During the year under review, no changes occurred in the position of Directors/ KMPs of the Company.

COMMITTEES OF THE BOARD:

There are currently three Committees of the Board, as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee

A. Audit Committee

The Audit Committee of the Company as on date comprises of three members, i.e. Shri Prakash Solanki, Shri Mayank Shah, and Smt. Sangeeta Jain. The constitution of the Committee is in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013.

The Chairman of the Committee is Shri Mayank Shah, who is an Independent Director. The terms of reference of the Audit Committee include the matters specified in Clause 49(II) of the Listing Agreement entered with the Stock Exchanges. The Committee acts as a link between the Statutory Auditors and the Board of Directors of the Company.

Four meetings of the Audit Committee were held during the financial year ended 31st March, 2021. The meeting of the Audit Committee was held on 22nd July 2020, 29th August 2020, 10th November 2020 and 10th February 2021 and the same were attended by all members of the Committee.

B. Nomination & Remuneration Committee

The composition of the Remuneration Committee as on date of the report was as under:

Sr. No	Name of the Director	Designation	No. Of Meetings attended during 2020-2021	Remarks
1	Mr. Mayank Shah	Chairman	1	
2	Mr. Prakash Solanki	Member	1	
3	Mrs. Sangeeta Jain	Member	1	

All the above Directors are Non-Executive and the Chairman is an Independent Director.

Terms of Reference:



The term of reference of the Committee includes recommending to the Board of Directors specific remuneration packages for Executive Directors and management staff.

Remuneration Policy:

1. Non Executive Directors

None of the Non-Executive Directors (NEDs) is paid any remuneration whether by way of Commission or Sitting Fees.

2. Executive Directors

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to the Managing Director. Salary is paid within the range approved by the shareholders. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board, within the prescribed ceiling; the perquisite package is fixed by the Remuneration Committee.

Remuneration to Directors:

Remuneration of Rs. 3.6 Lacs paid to Mr. Dinesh Solanki, Managing Director and Rs. 9.6 Lacs to Mr. Prakash Solanki during the year under review.

Employees retirement benefits:

As required by the mandatory accounting standard – 15 regarding “Accounting for Retirement Benefits in the Financial Statements of Employer”. The Company has not provided any liability at present

C. Stakeholders' Grievance Committee:

The Shareholders & Investors Grievance Committee as on date comprises of three members, i.e. Shri Prakash Solanki, Shri. Mayank Shah and Smt Sangeeta Jain. The Chairman of the Committee is Shri. Mayank Shah.

The renamed Committee complies with the requirement of Companies Act, 2013 and also handles investor grievance as envisaged under Clause 49 of the Listing Agreement.

One meeting of the Stakeholders' Grievance Committee was held during the year 2020-2021

The Company has paid the listing fees to all the Active Stock Exchanges till 31st March 2021.

During the financial year under review, the Company has not received any complaint. No investor complaint was pending as at the end of the financial year.

AUDIT COMMITTEE:

The company has an Audit Committee of the Board of Directors in place. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Detailed information pertaining to Audit Committee has been provided in the Corporate Governance Report, which forms part of this Annual Report. All recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013. Following is the role and responsibility of Nomination and Remuneration Committee.

- (I) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (J) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (K) Devising a policy on diversity of board of directors;
- (L) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- (M) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised a proper system to ensure compliance with the provisions of all applicable laws and that such system was adequate and operating effectively.

ANNUAL PERFORMANCE EVALUATION BY THE BOARD:

SEBI (Listing and Obligation Disclosure Requirements) Regulations 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- i. Board dynamics and relationships
- ii. Information flows
- iii. Decision-making
- iv. Relationship with stakeholders
- v. Company performance and strategy
- vi. Tracking Board and committee's effectiveness
- vii. Peer evaluation

Pursuant to the provisions of the Companies Act, 2013 a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Board works with the nomination and remuneration committee to lay down the evaluation criteria.

The Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committees of the Company. The Board has devised a questionnaire to evaluate the performances of each of executive, non-executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings;
- ii. Quality of contribution to Board deliberations;
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance;
- iv. Providing perspectives and feedback going beyond the information provided by the management.
- v. Ability to contribute to and monitor our corporate governance practices

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report



DEPOSITS

Our 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.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans and investments by the Company to another body corporate or persons are given in notes to the financial statements.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Certain transactions which were entered into with related parties were described in **Form AOC-2** attached as "Annexure2" and forming part of this report.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place a whistleblower policy, to support the Code of the conduct of the Company. This policy documents the Company's commitment to maintaining an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual or suspected fraud or any violation of Company's Code of conduct at a significantly senior level without fear of intimidation or retaliation.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulating trading insecurities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

AUDITORS & AUDITORS REPORT

Pursuant to the provisions of Section 139 of Companies Act, 2013 and the rules framed thereunder, M/s. Vijay R. Tater & Co, Chartered Accountants were appointed as statutory auditors of the Company to hold office till the conclusion of this Annual General Meeting and are eligible for re-appointment. Therefore, your directors have approached M/s. Vijay R. Tater & Co. from whom the company has received a written certificate indicating that their appointment will be in accordance with the criteria provided in section 141 of the Companies Act, 2013. Accordingly, the board recommends the appointment of M/s. Vijay R. Tater & Co., Chartered Accountants as statutory auditors of the Company from the conclusion of ensuing AGM until the conclusion of the AGM to be held in the year 2026.

Report of the auditors read the notes on accounts is self-explanatory and need no elaboration.

SECRETARIAL AUDIT

During the year under review, M/s Khushbu Shah & Co, Practicing Company Secretary who was appointed as the Secretarial Auditor of the Company has issued the audit report in respect of the secretarial audit of the Company for the financial year ended March 31, 2021. The Secretarial Audit is annexed to this directors report as Annexure I.

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on deepdiamondltd.co.in

PARTICULARS PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES

During the year under review, your Company enjoyed a cordial relationship with workers and employees at all levels. The company regards its employees as a great asset.

For the particulars of employees as required to be disclosed in the Directors Report in accordance with the Provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Directors state that the company does not have any employee, who

(i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than 1,02,00,00,000/- rupees per annum;

(ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than 8,50,000/- rupees per month;

(iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) The ratio of remuneration of each Director to the Median Remuneration of employees who were on the payroll of the Company during the financial year 2020-21 is given below:

The retirement benefits, Gratuity and Leave encashment benefits will be debited as and when paid.

(b) The Percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year is as follows:

Sr. No.	Name of Director, Chief Financial Officer & Company Secretary	Designation	% of Increase in remuneration in the financial year
1.	Mr. Prakash Solanki	Whole Time Director	NIL
2.	Mr. Dinesh Solanki	Managing Director	NIL

(c) The percentage increase in the median remuneration of employees in the financial year was NIL.

(d) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was Nil. % and for Managerial Personnel, since last year no salary was paid to any managerial personnel, % cannot be determined.

(e) Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms remuneration is as per the remuneration policy of the Company.

(f) Details Pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the director's report for the year ended March 31, 2021:



During the year under review none of the employees of the Company was drawing remuneration equal to or more than 1 crore and 2 lacs per annum and 8 lacs & 50 thousand per month pursuant to Provisions of Section 197(12) read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of Top 10 Employees in terms of remuneration drawn as per Rule 5(2) and 5(3) are as follows:

Employee name	Designation	Educational Qualification	Age	Experience (in years)	Date of joining	Gross remuneration paid (Rs)	Previous employment and designation	The percentage of equity shares held by the employee in the company	Whether any such employee is a relative of any director or manager of the company
Prakash Solanki	Whole Time Director	B.COM, LLB (G), F.CA	57	27	02-11-1994	9,60,000	-	12.18%	Jayshree Solanki
Dinesh Solanki	Managing Director	B.COM	55	27	02-11-1994	3,60,000	-	6.33%	Jayshree Solanki

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under, the Company formulated an internal Policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) during the year under review. An internal Complaint committee has been set up to redress complaints received regarding sexual harassment. All woman employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, there were no complaints received by the Company related to sexual harassment.

CORPORATE SOCIAL RESPONSIBILITY:

Due to insufficient profits, Corporate Social Responsibility is not applicable to the Company for Financial Year 2020-2021.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Energy

Pursuant to Section 134(3)(n) of the Companies act, 2013 read with Rule 8 of the Companies (accounts) rules, 2014, details regarding the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo for the year under review are as follows:

A. Conservation of Energy

- Steps were taken or impact on the conservation of energy - The Operations of the Company do not consume energy intensively. However, the Company continues to implement prudent practices for saving electricity and other energy resources in day-to-day activities.
- Steps were taken by the Company for utilizing alternate sources of energy - Though the activities undertaken by the Company are not energy intensive, the Company shall explore alternative sources of energy, as and when the necessity arises.
- The capital investment in energy conservation equipment - Nil

B. Technology Absorption

- The efforts made towards technology absorption - The Company continues to take prudential measures in respect of technology absorption, adaptation and take innovative steps to use the scarce resources effectively.

- b. The benefits derived from product improvement, cost reduction, product development or import substitution- Not Applicable
- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable
- d. The expenditure incurred on Research and Development - Not Applicable

The Particulars of Foreign Exchange and Outgo for the year under review are as follows:

(Figures in `)

Particulars	Year ended 31 st March, 2021	Year ended 31 st March, 2020
Foreign exchange earning	Nil	Nil
Foreign exchange Outgo	Nil	Nil

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit function outsourced to M/S HSGH & Co, Chartered Accountants as of current is well defined in the engagement letter of the Internal Auditor duly approved by the Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee. The Internal Auditor evaluates the adequacy of the internal control system in the Company on the basis of Statement of Operations Procedure, instruction manuals, accounting policy and procedures.

INTERNAL FINANCIAL CONTROL REPORT

The Board has adopted policies and procedures for the efficient conduct of business. The Audit Committee evaluates the efficacy and adequacy of a financial control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and strives to maintain the Standard in Internal Financial Control.

CASH FLOW STATEMENT

In conformity with the provision of Clause 32 of the Listing Agreement, the cash flow statement for the year ended 31st March 2021 is annexed hereto.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS

No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS

Our Directors express their sincere appreciation for the co-operation received from shareholders, bankers and other business constituents during the year under review. Our Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff resulting in the performance of the Company during the year.

FOR AND BEHALF OF THE BOARD FOR DEEP DIAMOND INDIA LIMITED

PRAKASH SOLANKI	DINESH SOLANKI
DIN No.: 00716606	DIN No.: 01803066

Place: Mumbai
Date: 31.07.2021

CHAIRMAN & CFO MANAGING DIRECTOR



Annexure II

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021**

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

To,
The Members,
Deep Diamond India Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the period under Audit**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not applicable to the Company during the period under Audit**)
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that, there were no actions/events in pursuance of:

- a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
- c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

requiring compliance thereof by the Company during the financial year.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

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

We further report that based on the information provided by the Company, its officer and authorized representatives during the conduct of Audit, and also review of the quarterly compliances report by respective departmental head/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings of the Board of Directors and committees thereof all decisions were unanimous and no dissenting views have been recorded.

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

We further report that during the audit period there was no other specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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

Place: Mumbai
Date: 19th July, 2021
UDIN: A064490C000658314

For Khushbu Shah & Co.
Company Secretaries

Khushbu Jain
Proprietor
ACS-64490
C.P. No. 24135



Annexure A

To,
The Members,
Deep Diamond India Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Deep Diamond India Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 19th July, 2021
UDIN: A064490C000658314

For Khushbu Shah & Co.
Company Secretaries

Khushbu Jain
Proprietor
ACS-64490
C.P. No. 24135

ANNEXURE III - Form AOC- 2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under the third proviso thereto:

1. **Details of material contracts or arrangements or transactions not at arm's length basis:** Not Applicable
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

Particulars	2020-2021	2019-20
Remuneration to Director		
Dinesh Solanki	3,60,000	3,60,000
Prakash Solanki	9,60,000	9,60,000
L Star	2,01,835	0
Salary to relative of Director		
Jayshree Solanki	3,00,000	3,00,000

By Order of the Board
Deep Diamond India Limited

Place: Mumbai
Date: 31.07.2021

(Prakash R Solanki)
Chairman
DIN: 00176606



CEO / CFO CERTIFICATION

The Board of Directors,
DEEP DIAMOND INDIA LIMITED
We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2021 and that to the best of our knowledge and belief;
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - 1) Significant changes in internal control over financial reporting during the year.
 - 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: 31.07.2021

FOR Deep Diamond India Limited

Prakash R Solanki
Chairman & CFO

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2021.

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country

Forward looking statement:

The Statements made in this report describe the Company's objectives and projections that may be forward looking statements which are based on certain assumptions and expectations of future events. The Company's actual results may differ materially from those projected in any such forward looking statements depending on economic conditions, government policies and decisions which are beyond the control of the Company.

Segment-wise or product-wise performance:

The Company falls within a single business segment viz. 'diamond jewellery'. The sales are substantially in the domestic market and the said financial statements are reflective of the information required by Accounting Standard 17 "Segment Reporting", notified under the Companies (Accounting Standards) Rules, 2006.

Internal Control Systems:

The Company has in place an adequate and effective internal audit and control systems which ensure efficiency in operations, and optimum use of resources. Internal Control weaknesses are reported regularly and timely steps are taken as and when required. The effectiveness of the internal control systems is constantly monitored by the Audit Committee set up by the Board and the required changes are introduced as and when necessary.

Risk Management:

Your Company's risk management system comprises of prudential norms, timely reporting and stringent controls.

Opportunities and Threats

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

- Clients are more comfortable with the uniform high quality and quick service and process across the enterprise.
- There are good prospects for expanding further activities in this direction.

Some of the key changes in the industry unfavorable to the company are:

- Heightened competition
- Increasing Compliances
- Attraction and retention of human capital.
- Regulatory changes.



Human resources:

Your company has been able to employ and retain qualified professionals by offering the challenging work environment and compensation. The Company provides in house training to its employees.

- The Management believes in maintaining cordial relations with its employees. The management recognizes the importance of Human Resources and effective steps will be taken to strengthen the same depending on the requirements.
- The Company provided an excellent working environment so that the individual staff can reach his/her full potential.
- The Company is poised to take on the challenges and march towards accomplishing its mission with success.
- The Company maintained good Industrial/Business relation in the market which enhanced the Creditworthiness of the Company.

Insurance:

The Company has insured its assets and operations against all insurable risks including fire, earthquake, flood, and etc. as part of its overall risk management strategies

Cautionary Statement:

The statement in the Management Discussion and Analysis describing the Company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make a significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company does not have any control.

Place: Mumbai
Date: 31.07.2021

FOR Deep Diamond India Limited

Prakash R Solanki
Chairman & CFO



Vijay R. Tater & Co.

CHARTERED ACCOUNTANTS

105, Chartered House, 293, Dr. Cawasji Hormasji Street, Near Marine Lines Church,
Mumbai – 400002. Email: sureshk18@gmail.com Phone: 022-22019601/22061214

INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
DEEP DIAMOND INDIA LIMITED**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Deep Diamond India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of 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 Standalone Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "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 (financial position) of the Company as at March 31, 2021, and loss (financial performance), and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as



a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

In preparing the standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for 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 standalone 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 standalone financial statements including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

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 appears from our examination of those books;

 - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

 - d) In our opinion the aforesaid Standalone Financial Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standard) Rules 2015 as amended.

 - e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164 (2) of the Act.

Vijay R. Tater & Co.
Chartered Accountants

Deep Diamond India Limited
Independent Auditors' Report FY 2020-21

- f) 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: The Company has paid/provided managerial remuneration in the current year with requisite approvals mandated by the provisions of Section 197 of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure-B.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the 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, we report that:
- i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in notes to accounts.
- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

For **VIJAY R. TATER & CO.**
Chartered Accountants
Firm Registration No. 111426W

(Suresh Kothari)
Partner
M.No.047625
UDIN: 21047625AAAAEQ4974

Place: Mumbai
Date: 29th June, 2021



DEEP DIAMOND INDIA LIMITED
ANNEXURE-A TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of DEEP DIAMOND INDIA LIMITED, ('the Company') for the year ended on March 31, 2021. We report that:-

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) The assets have been physically verified by the Management at the end of the year. In our opinion, the frequency of verification is adequate and no material discrepancies were noticed on such verification.
c) The title deeds of immovable property are held in the name of the company.
- ii. The inventory has been physically verified by the management at reasonable intervals of time and no material discrepancies were noticed.
- iii. According to information and explanations given to us, The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act, hence clause (iii) of the said order is not applicable to company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186 and hence provisions of Clause 3(iv) of the aforesaid Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. In our opinion and according to the information and explanations given to us maintenance of cost records under sub-section (1) of the Section 148 of the Companies Act, 2013 has not been prescribed by the government.
- vii. a) According to the information and explanation given to us and as per the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, Goods and Service Tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, Goods and Service Tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2021, for a period of more than six months from the date they became payable.
b) According to the records of the Company and information and explanations given to us no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax or cess that have not been deposited on account of any disputes.

Vijay R. Tater & Co.
Chartered Accountants

Deep Diamond India Limited
Independent Auditors' Report FY 2020-21

- viii. According to the information and explanation given to us and as per the records of the Company, the Company has not taken any loans or borrowings from financial institution, bank, Government or Debenture holders. Hence, provisions of clause (viii) are not applicable to the Company.
- ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans and hence provisions of Clause 3(ix) of the aforesaid Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. According to the information and explanation given to us and as per the records of the Company managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act 2013.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) of the aforesaid Order are not applicable to the Company.
- xiii. Based on our audit procedures and according to the information and explanations given to us by the management, transactions with the related parties are in compliance with Sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.
- xv. According to the information and explanation given to us the Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the aforesaid Order are not applicable to the Company.
- xvi. According to the information and explanation given to us the Company, the Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934.

For **VIJAY R. TATER & CO.**
Chartered Accountants
Firm Registration No. 111426W

(Suresh Kothari)
Partner
M.No.047625
UDIN: 21047625AAAAEQ4974

Place: Mumbai
Date: 29th June, 2021



DEEP DIAMOND INDIA LIMITED
ANNEXURE-B TO INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 2(f) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of DEEP DIAMOND INDIA LIMITED, ('the Company') for the year ended on March 31, 2021.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

We have audited internal financial controls over financial reporting of **DEEP DIAMOND INDIA LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year then 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the 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 Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Vijay R. Tater & Co.
Chartered Accountants

Deep Diamond India Limited
Independent Auditors' Report FY 2020-21

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 a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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.

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 control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **VIJAY R. TATER & CO.**
Chartered Accountants
Firm Registration No. 111426W

(Suresh Kothari)
Partner
M.No.047625
UDIN: 21047625AAAAEQ4974

Place: Mumbai
Date: 29th June, 2021



Deep Diamond India Limited

DEEP DIAMOND INDIA LIMITED
CIN NO: L51343MH1994PLC082609
Balance Sheet as at 31st March 2021

(In Rupees)

Particulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
(1) ASSETS			
(i) Non-current assets			
(a) Property Plant & Equipment	Note - 2	33,476	2,735,226
(b) Financial Assets			
(i) Investments	Note - 3	2,614,360	1,872,741
(ii) Loans & Advances	Note - 4	31,613,759	32,827,509
(iii) Others	Note - 5	-	62,850
(c) Deferred Tax Asset on Comprehensive Income	Note - 6	-	-
(ii) Current assets			
(a) Inventories	Note - 7	34,836,960	34,642,747
(b) Financial Assets			
(i) Trade Receivables	Note - 8	4,109,069	4,492,810
(ii) Cash & Cash Equivalents	Note - 9	1,657,428	464,645
(iii) Loans & Advances	Note - 10	326,349	369,923
(c) Current Tax Assets (Net)	Note - 11	797,957	455,260
Total Assets		75,989,359	77,923,711
(2) EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	Note - 12	32,000,000	32,000,000
(b) Other Equity	Note - 13	42,840,864	42,956,872
2) LIABILITIES			
(i) Non-Current liabilities			
(a) Deferred Tax Liability (Net)	Note - 14	-	(24,562)
(b) Deferred Tax Liability on Comprehensive Income	Note - 15	-	-
(ii) Current liabilities			
(a) Financial Liabilities	Note - 16A	5,250	2,010,048
(b) Provisions	Note - 16B	608,245	981,353
(c) Current Tax Liabilities (Net)	Note - 17	535,000	-
Total Equity and Liabilities		75,989,359	77,923,711

See accompanying notes to the financial statements

Significant Accounting Policies

Note - 1

Other Notes on accounts from Nos 24 to 35 are an integral part of the Financial Statements

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

For **VIJAY R. TATER & CO.**

For and on behalf of the board of Directors

Chartered Accountants

Firm No.: 111426W

SURESH G KOTHARI

Partner

Membership No. 047625

Place : Mumbai

Date : 29th June, 2021

PRAKASH SOLANKI

Chairman

(DIN - 00716606)

DINESH SOLANKI

Managing Director

(DIN - 01803066)

AMITKUMAR DUDANI

Company Secretary

(M. No: 35657)

DEEP DIAMOND INDIA LIMITED
CIN:-L51343MH1994PLC082609

Statement of Profit and loss for the year ended 31st March , 2021

(In Rupees)

Particulars		Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
			Rupees	Rupees
I.	Revenue from operations	Note - 18	5,111,765	8,103,637
II.	Other income	Note - 19	2,563,349	2,923,051
III.	Total Income (I + II)		7,675,114	11,026,688
IV.	Expenses:			
	Cost of material consumed	Note - 20	4,149,658	8,301,589
	Purchase of Stock -in-Trade		-	1,389,245
	Changes in inventories of finished goods work-in-progress and Stock -in-Trade	Note - 21	(368,670)	(3,200,098)
	Employee benefits expense	Note - 22	1,854,913	1,984,137
	Finance costs		0	0
	Depreciation and Amortization	Note - 2	175,883	177,490
	Other expenses	Note - 23	1,772,966	2,680,369
	Total expenses (IV)		7,584,750	11,332,732
V.	Profit before tax (III-IV)		90,364	(306,043)
VI.	Tax expense: Provision for Taxation			
	Deferred tax			
	(1) Current tax-Current year		535,000	0
	Prior years		0	0
	(2) Deferred tax		24,562	26,109
	Profit (Loss) for the period /Profit After Tax (V - VI)		(469,198)	(279,934)
VII.	Other Comprehensive Income			
	- Items that will be reclassified to profit or loss		353,189	(550,469)
	- Deferred Tax Asset on Comprehensive Income		0	(22,922)
VIII.	Total Income for the period (VI - VII) (Profit/ loss + other comprehensive income)		(116,008)	(853,325)
IX.	Earnings per equity share :			
	{1} Basic		(0.15)	(0.09)
	{2} Diluted		(0.15)	(0.09)

See accompanying notes to the financial statements

Significant Accounting Policies Note - 1

Other Notes on accounts from Nos 24 to 35 are an integral part of the Financial Statements

For VIJAY R. TATER & CO.

Chartered Accounts

Firm No.: 111426W

SURESH G KOTHARI

Partner

Membership No. 047625

Date : 29th June, 2021

UDIN : 21047625AAAAEQ4974

For and on behalf of the board of Directors

PRAKASH SOLANKI

Chairman

(DIN - 00716606)

DINESH SOLANKI

Managing Director

(DIN - 01803066)

AMITKUMAR DUDANI

Company Secretary

(M. No: 35657)



DEEP DIAMOND INDIA LIMITED

CIN:-L51343MH1994PLC082609

Cash Flow Statement for the year ended March 31, 2021

	As at 31st	As at 31st March,
	March, 2021	2020
	Rupees	Rupees
A. Cash flow from operating activities:		
Profit/(loss) before tax	90,364	(306,043)
Adjustments for:		
Depreciation	175,883	177,490
Interest Expenses		
Profit/(Loss) on sale of shares	(257,557)	122,560
Profit on sale of fixed assets(net)	(176,282)	0
Interest/Dividend Income	(2,106,573)	(3,039,381)
Operating profit before working capital changes	(2,274,165)	(3,045,374)
Adjustments for:		
Trade and Other Receivables	383,741	1,305,204
Inventories	(194,213)	(3,657,973)
Loans and Advances	1,320,173	(773,914)
Current Tax Assets (Net)	(343,745)	1,044,005
Financial Liabilities	5,250	2,000,000
Other Current Tax Liabilities	0	(2,098)
Provisions	(373,108)	280,302
Cash (used in)/generated from operations	(1,476,066)	(2,849,848)
Income Tax Paid/Refund (Net)	1,050	0
Net cash (used in)/from operating activities	(1,475,016)	(2,849,848)
B. Cash flow from investing activities:		
Purchases & Sale of fixed Assets	692,100	(7,031)
Purchases & Sale of Investments	(130,872)	(14,212)
Interest /Dividend Income	2,106,573	3,039,381
Cash (used in)/from investing activities	2,667,800	3,018,138
C. Cash flow from financing activities:		
Proceeds from fresh issue of share capital	0	0
Net cash (used in)/ from financing activities	0	0
Net (decrease)/increase in cash and cash equivalents (A + B + C)	1,192,784	168,290
Cash and cash equivalents at beginning of the year	464,645	296,355
Cash and cash equivalents at end of the year	1,657,429	464,645

Previous year's figures have been reworked, regrouped and rearranged wherever necessary.

As per our Report of even date

For VIJAY R. TATER & CO.

Chartered Accounts

Firm No.: 111426W

SURESH G KOTHARI

Partner

Membership No. 047625

Date : 29th June, 2021

UDIN : 21047625AAAAEQ4974

For DEEP DIAMOND INDIA LIMITED

PRAKASH SOLANKI

Chairman

(DIN - 00716606)

DINESH SOLANKI

Managing Director

(DIN - 01803066)

AMITKUMAR DUDANI

Company Secretary

(M. No: 35657)

DEEP DIAMOND INDIA LIMITED

CIN: -L51343MH1994PLC082609

Notes to the Ind AS Financial Statements for the Year Ended 31st March, 2021

Corporate information

Deep Diamond India Limited (the Company) is domiciled in India and is incorporated under the provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at 101, Hemu Plaza, D. J. Road, Vile Parle -West, Mumbai- 400056, India.

Basis of Preparation of Financial Statements

These financial statements of the Company have been prepared in accordance with IndAS prescribed under section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

The IndAS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which have been measured at fair value as described below:

Fair Value Measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- 1) In the principal market for the asset or liability, or
- 2) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such basis, except for share based payment transactions that are within the scope of IndAS 102, leasing transactions that are within the scope of IndAS 17, and measurements that have some similarities to fair value, such as net realisable value in IndAS 2 or value in use in IndAS 36.



The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

DEEP DIAMOND INDIA LIMITED
CIN: - L51343MH1994PLC082609
FINANCIAL YEAR - 2020-21

Note 1 : Significant Accounting Policies

(i) Property, Plant and Equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

The Company's income from operation is accounted for on accrual basis.

Sales include Labour charges. Interest is recognized using the time-proportion method, based on rates implicit in the transaction. Dividend on shares and securities is recognized when the right to receive the dividend is established



(iii) Taxation

Current Tax

A provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

Deferred Tax

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is a virtual certainty with respect to the reversal of the same in future.

Deferred Tax on Comprehensive Income

Deferred tax arising on account of difference between fair value and cost of Financial Assets, which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is a virtual certainty with respect to the reversal of the same in future.

(iv) Impairment of Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered as impaired and is written down to its recoverable amount

Impairment losses are recognised in the statement of profit and loss.

(v) Provisions and Contingencies

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

(vi) Employee Benefits

The retirement benefits, Gratuity and Leave encashment benefits will be debited as and when paid.

(vii) Segment information

As the Company is engaged in only one segment viz. Jewellery of Gold and Diamond Studded, there are no reportable segments as per IND AS -108.

(viii) 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 a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to revenue. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(ix) Foreign Currency Transactions

a) Transactions in Foreign Currency are accounted at the exchange rate prevailing on the

date of Transactions. Exchange fluctuations between the transaction date and the settlement date in respect of Revenue Transactions are recognized in Profit & Loss Account.

b) All export proceeds not realised at the yearend are restated at the rate prevailing at the year end. The exchange difference arising there from has been recognised as income / expenses in the Current Year's Profit & Loss A/c along with underlying transaction.

c) The premium or discount arising at the inception of forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

(x) Cash flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any defects or accruals of past or future operating cash receipts and payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(xi) Cash and Cash Equivalent

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

(xii) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable value.

Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

(xiii) Earnings Per Share(EPS)

Basic and diluted EPS is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.



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Note - 2 : Property Plant & Equipment

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block		
	Balance as at 31st March 2020	Additions	Disposals/R retirement	Balance as at 31st March 2021	Balance as at 31st March 2020	Depreciation charge for the year	Accumulated Depreciation on assets sold/retired	Balance as at 31st March 2021	Balance as at 31st March 2020	Rupees	Rupees
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Tangible Assets											
Factory Building	2,790,559		2,790,559	-	545,832	46,533	592,365	-	-	-	2,244,727
Plant & Machinery	2,812,363		2,812,363	-	2,583,346	68,253	2,651,599	-	-	-	229,017
Dies	100,000		100,000	-	99,999	1	100,000	-	-	-	1
Electric Installation	133,133		133,133	-	126,476	6,657	133,133	-	-	-	6,657
Air conditioner	303,201		191,051	112,150	249,252	13,777	169,690	99,339	18,811	-	53,949
Furniture & Fittings	1,839,248		1,839,248	-	1,699,930	15,317	1,715,247	-	-	-	139,318
Computers	166,470		-	166,470	162,379	3,425	-	165,804	-	656	4,091
Office equipment	560,963		162,227	398,736	503,497	21,922	140,682	384,737	13,999	13,999	57,466
Total	8,705,937	-	8,028,581	677,356	5,970,711	175,885	5,502,716	643,880	33,476	33,476	2,735,226
Previous Year	8,698,906	7,031	-	8,705,937	5,793,221	177,490	-	5,970,711	2,735,226	2,735,226	2,905,685

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Note- 3

Investment measured at fair value through other comprehensive income In Equity Shares

- Quoted, Fully paid up

Particulars	Face	As at Mar 31, 2021		As at March 31, 2020	
	Value	Qty	Amt	Qty	Amt
	(Rs.)	Nos.	Rs.	Nos.	Rs.
20 Microns Limited	5	-	-	395	10,092
Ambuja Cements Ltd.	2	-	-	250	38,925
Apollo Tyres	1	-	-	150	11,910
Banco products (I) Ltd.	2	-	-	200	13,010
Bank of Baroda	2	-	-	50	2,678
BOMBAY BURMAH TRADING CORPN	-	1	1,110	-	-
Castrol India Ltd.	5	-	-	50	4,973
COMFORT COMMOTRADE LTD	-	9,985	68,897	-	-
Control Print Limited	10	-	-	150	27,938
Dabur India Ltd.	1	-	-	50	22,503
Firstsource Solutions Ltd.	10	-	-	500	13,725
Gujarat Narmada Fertilisers and Chemic	10	-	-	75	8,603
Hexaware Technologies Ltd.	2	-	-	50	11,335
HUDCO	10	-	-	750	15,000
I.G.Petrochemicals Limited	10	-	-	75	7,140
Indian Oil Corporation Ltd.	10	-	-	150	12,248
ITC Limited	1	-	-	200	34,340
Kwality Limited	1	-	-	900	1,215
KITEX GARMENTS LTD (KITGAR)	-	100	9,895	-	-
Lupin Ltd.	2	-	-	50	29,483
Manali Petrochemical Limited	5	-	-	-	-
Marksans Pharma Ltd	1	400	19,980	-	-
Oil and Natural Gas Corporation Ltd	5	-	-	170	11,611
Pasupati Acrylon Ltd.	10	-	-	250	1,663
Philips Carbon Ltd.	2	-	-	50	3,135
Pincon Spirit Limited	10	1,000	6,900	1,000	6,900
PNB Housing Fin Ltd.	10	-	-	25	4,054
RCI Industries & Technologies Ltd.	10	-	-	500	2,335
Reliance Industries Ltd.	10	-	-	100	111,375
Shalibhadra Finance Limited	10	-	-	7,500	379,125
Sintex Industries Ltd	1	-	-	3,600	2,340
Star Paper Mills Limited	10	-	-	1,000	70,550
State Bank of India	1	-	-	50	9,843
Sun TV Network Ltd.	5	-	-	30	8,579
Suzlon Energy Ltd	2	-	-	14,750	28,763
Tata Motors Ltd. (DVR)	2	-	-	50	1,548
The Karnataka Bank Limited	10	-	-	495	20,815
Trygin Technologies Ltd.	10	-	-	620	14,136
Udaipur Cement Works Limited	4	-	-	250	1,875
Uflex Ltd.	10	-	-	175	24,220
			106,782		967,979



Investments in Quoted Debentures (NRV)

Particulars	Face	As at Mar 31, 2021		As at March 31, 2020	
	Value	Qty	Amt	Qty	Amt
	(Rs.)	Nos.	Rs.	Nos.	Rs.

Investments in Unquoted Shares (NRV)

Particulars	Face	As at Mar 31, 2021		As at March 31, 2020	
	Value	Qty	Amt	Qty	Amt
	(Rs.)	Nos.	Rs.	Nos.	Rs.
11,250 shares of Rupee Co-op. Bank Ltd @ Rs 25/- each fully paid up		11250	-	11,250	-
Reliance ETF Junior Bees				245	53,921
JM High Liquidity Mutual Fund-Growth			2,507,578		848,341
NTPC Limited - Debenture		-	-	200	2,500
			2,507,578		904,763

Total Non-Current Investments		2,614,360		1,872,741
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Cost Price - quoted (equity shares)		118,678		1,313,435
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Cost Price - quoted (Debentures)		-		
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Cost Price - Unquoted		2,781,125		1,197,939
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		2,899,803		2,511,374
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Difference		(285,443)		(638,633)
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		(353,189)		550,469
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Note - 4 : Loans & Advances - Non Current Asset

Loans and advances	As at 31st March, 2021	As at 31 March 2020
	Rupees	Rupees
Other Loans and Advances		
Unsecured, considered good		
- Inter corporate Loans *	31,613,759	32,827,509
Total	31,613,759	32,827,509

(* Intercompany Loans given are refundable on demand, are interest bearing, are not discounted, therefore valued at their transaction value)

Note - 5 : Other - Non-Current Assets

Other Non-Current Assets	As at 31st March, 2021	As at 31 March 2020
	Rupees	
Security Deposit for Electricity*	-	62,850
	-	62,850

*The deposits being refundable, however the refundable time period not being defined hence there is no need for discounting.

Note - 6 : Deferred Tax Asset (Comprehensive Income)

Deferred Tax Asset (Comprehensive Income)	As at 31st March, 2021	As at 31 March 2020
	Rupees	
Deferred Tax Asset (Comprehensive Income)	-	-
Total	-	-

Note - 7 : Inventories

Inventories	As at 31st March, 2021	As at 31 March 2020
	Rupees	
a. Raw Materials	2,959,660	3,134,117
b. Stock in Process	4,694,912	4,694,784
c. Finished Goods	27,182,388	26,813,846
Total	34,836,960	34,642,747



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Note - 8 : Trade Receivables

Trade Receivables	As at 31st March, 2021	As at 31 March 2020
	Rupees	Rupees
Unsecured, considered good Over Six Months *	422,962	651,698
Others *	3,686,107	3,841,112
Total	4,109,069	4,492,810

*1. No lien/charge against trade receivables

*2. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note - 9 : Cash & Cash Equivalents

Cash and cash equivalents	As at 31st March, 2021	As at 31 March 2020
	Rupees	Rupees
a. Balances with banks* In Current Accounts ICICI Bank Ltd.A/C 021105002251	47,341	36,831
ICICI Bank Ltd.641505000331	1,259,780	226,921
Rupee Co-op. Bank Ltd.	39,779	39,779
b. Cash on Hand {As per Books & Certified}	310,529	161,113
	1,657,428	464,645

Note - 10 : Loans & Advances - Current Asset

Short-term loans and advances	As at 31st March, 2021	As at 31 March 2020
	Rupees	Rupees
Unsecured, considered good Advances recoverable in cash or in kind or for value to be received	126,349	169,923
Security Deposits - Rental Deposit	200,000	200,000
Other Loans and Advances Unsecured, considered good - Inter corporate Loans *	-	-
Total	326,349	369,923

(* Intercorporate Loans given are for short term, refundable on demand, are interest bearing, are not discounted, therefore valued at their transaction value)

Note - 11 : Current Tax Assets (Net)

Current Tax Assets (Net)	As at 31st March, 2021	As at 31 March 2020
	Rupees	Rupees
Advance Tax	370,000	90,000
TDS	155,758	108,875
TCS	393	-
GST	258,377	206,620
Income tax Refund Receivable	13,429	49,765
	797,957	455,260
Total		

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Note - 12 : Equity Share capital

Share Capital	As at 31 March 2021		As at 31 March 2020	
	Number	Rupees	Number	Rupees
Authorised 4000000 Equity Shares of Rs.10 each/- (Previous Year 40,00,000)	4,000,000	40,000,000	4,000,000	40,000,000
Issued, Subscribed & fully Paid up 32,00,000 Equity Shares of Rs. 10 each fully paid up (Previous Year 32,00,000)	3,200,000	32,000,000	3,200,000	32,000,000
Total	3,200,000	32,000,000	3,200,000	32,000,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
Particulars	2020-21		2019-20	
	Equity Shares		Equity Shares	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	3,200,000	32,000,000	3,200,000	32,000,000
Add: Shares issued during the year	-	-	-	-
Less : Forfeited shares re-issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,200,000	32,000,000	3,200,000	32,000,000

b. Details of shareholders holding more than 5%				
Name	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dinesh Solanki	202,600	6.33%	202,600	6.33%
Prakash Solanki	389,914	12.18%	359,083	11.22%

The Rights, powers and preferences relating to each class of share capital and the qualifications, limitations and restrictions thereof are contained in the Memorandum and Articles of Association of the Company. The principle rights are as follows :

Equity Shares of Rs. 10/- each The Company has only one class of share capital namely Equity shares having a face value of Rs. 10/- per share

a. In respect of every Equity Share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up on such Equity Share bears to the total paid up Equity capital of the Company

During the year ended 31st March 2021, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2020 Rs. Nil)

b. In the event of liquidation, the shareholders of Equity Shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.



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Note - 13 : Other Equity

	As at 31st March, 2021	As at 31st March, 2020
	Rupees	Rupees
Capital Reserve		
As Per last Balance Sheet	2,068,000	2,068,000
Add / (Less) : Profit/(Loss) for the	-	-
Balance at end of the reporting period	2,068,000	2,068,000
Share Premium account		
Opening Balance	827,200	827,200
Add: Share Premium on shares issued	-	-
Less : Utilised	-	-
Balance at end of the reporting period	827,200	827,200
Retained Earnings		
As Per last Balance Sheet	40,700,304	40,980,238
Add / (Less) : Profit/(Loss) for the year	(469,198)	(279,934)
Balance at end of the reporting period	40,231,106	40,700,304
Equity instruments through other comprehensive income (FVTOCI Reserve)		
As Per last Balance Sheet	(638,632)	(65,241)
Add / (Less) : Movement in OCI (Net) during the year	353,189	(550,469)
Deferred Tax on Comprehensive Income	-	(22,922)
Balance at end of the reporting period	(285,443)	(638,632)
Aggregate Total	42,840,864	42,956,872

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Note - 14 : Deferred Tax Liability (Net)

Deferred Tax Liability (Net)	As at 31st March 2021	As at 31st March 2020
	Rupees	Rupees
Deferred Tax Liability (Net)	-	(24,562)
Total	-	-24,562

Note - 15 : Deferred Tax Liability (Comprehensive Income)

Deferred Tax Liability (Comprehensive Income)	As at 31st March 2021	As at 31st March 2020
	Rupees	Rupees
Deferred Tax Liability (Comprehensive Income)	-	-
Total	-	-

Note - 16A : Financial Liabilities

Other Current Liabilities	As at 31st March 2021	As at 31st March 2020
	Rupees	Rupees
Advance against Sale of Property	-	2,000,000
TDS Payable	5,250	10,048
Total	5,250	2,010,048

Note - 16B : Provisions

Other Current Liabilities	As at 31st March 2021	As at 31st March 2020
	Rupees	Rupees
Provision for expenses	608,245	981,353
Total	608,245	981,353

Note - 17 : Current Tax Liabilities

Other Current Liabilities	As at 31st March 2021	As at 31st March 2020
	Rupees	Rupees
Provision for income tax payable	535,000	-
Total	535,000	-



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Note - 18 : Revenue from operations

Revenue from operations	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of Gold and Diamond Studded jewellery	5,111,765	8,103,637
Total	5,111,765	8,103,637

Note - 19 : Other Income

Other Income	For the year ended 31 March 2021	For the year ended 31 March 2020
Dividend on shares	4,185	23,688
Interest income	2,102,388	3,015,692
Gain /(loss(-) on sale of shares and Units	257,557	(122,560)
Gain on disposal of fixed assets (net)	176,282	-
Other income	22,937	6,231
Total	2,563,349	2,923,051

Note - 20 : Cost of material consumed

Cost of Materials Consumed (Indigenous)	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rupees	Rupees
Gold	2,929,899	2,573,100
Diamond	1,219,759	5,724,213
Others	-	4,276
Total	4,149,658	8,301,589

Note - 21 : Changes in inventories of finished goods work-in- progress and Stock in-Trade

Changes in Inventories of finished goods work-in-progress and Stock-in-Trade excluding Raw Material	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rupees	Rupees
Closing Stock		
Finished Goods-Manufactured	24,452,855	24,084,313
Finished Goods-Traded	2,729,533	2,729,533
Work in Progress	4,694,912	4,694,784
	31,877,300	31,508,630
Less: Opening Stock		
Finished Goods-Manufactured	24,084,313	21,224,259
Finished Goods-Traded	2,729,533	1,340,288
Work in Progress	4,694,784	5,743,985
	31,508,630	28,308,532
Net Changes	(368,670)	(3,200,098)

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Note - 22 : Employee benefits expense

Employee Benefits Expense	For the year ended 31 March 2021	For the year ended 31 March 2020
(a) Salaries and incentives	1,840,475	1,939,100
(b) Staff Welfare expenses	14,438	45,037
Total	1,854,913	1,984,137

Note - 23 : Other Expenses

OTHER EXPENSES	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rupees	Rupees
Manufacturing Expenses		
Labour Charges	180,793	666,845
Electricity Expenses	2,040	51,735
Fuel & Gas	-	14,241
Repairs & Maintenance	1,908	11,902
Stores and Spares (Indigenous)	-	8,000
Assorting Charges	8,000	94,550
Factory Maintenance	15,640	17,460
Sub Total	208,381	864,733
Establishment, Selling & Distribution Expenses		
Assaying and Hallmarking Charges	36,275	181,331
Auditor Remuneration	62,500	65,000
Advertisement	20,064	30,541
Electricity Expenses	23,850	45,990
Insurance Charges	37,124	35,600
Labour Charges (Office)	361,436	316,811
Listing Charges	333,000	338,000
Professional Fees	40,000	62,500
Rate & Taxes	17,296	15,954
Rent for Office	372,426	443,100
General Expenses	260,613	280,809
Sub Total	1,564,584	1,815,636
Total	1,772,966	2,680,369

Note - 23.1

Payments to the auditor as	For the year ended 31 March 2021	For the year ended 31 March 2020
	Rupees	Rupees
a. Statutory audit fees	40,000	40,000
b. Tax audit fees	15,000	15,000
c. Certification etc.	7,500	10,000
Total	62,500	65,000



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NOTES TO ACCOUNTS

24 Contingent Liabilities (IndAs37)

Contingent Liabilities Not Provided For :- 31.03.2021 31.03.2020

- a) Estimated amount of contracts remaining to be executed on capital account NIL_NIL
- b) Claims against company not acknowledge as debts NIL_NIL

25 Foreign Exchange earnings and out-go is Rs. NIL (P.Y. NIL)

26 Segment Reporting (IndAS -108)

As the Company is engaged in only one segment viz. Jewellery of Gold and Diamond Studded in India, As per IndAS -108 “Operating Segment” specified under section 133 of the Companies Act, 2013, there are no reportable operating or geographical segments applicable to the company.

27 Related Party Disclosure (Ind AS 24)

Disclosure requirements as per (Ind AS 24)” Related Party Disclosure” issued by the Institute of Chartered Accountants of India

I. List of Related Parties :

Name of Related Parties and nature of relationships :

- a. Key Managerial Personnel
 - Mr. Prakash R. Solanki – Chairman
 - Mr. Dinesh R. Solanki – Managing Director
- b. Other Related Parties
 - Jayshree_Solanki – Daughter of Director
 - L_Star-Business Managed by Relative of the Director

II. Particulars of transactions during the year with Related Parties :

Name of the Party	Nature of transaction	31/03/2021	31/03/2020
Dinesh Solanki	Remuneration to Director	3,60,000	3,60,000
Prakash Solanki	Remuneration to Director	9,60,000	9,60,000
Jayshree Solanki	Salary to relative of Director	3,00,000	3,00,000
L Star	Labor charges paid to an entity owned by relative of Director	2,01,835	NIL

III. Particulars of Outstanding Balance at the end of the year with Related Parties.

Total Outstanding balance of Director Remuneration at the end of the year Rs.1,96,051/- (P.Y. - Rs.4,89,370/-) of related Party.

28 Managerial Remuneration :-

Salary and other benefits include remuneration paid to Director, as under :-

Nature of transaction	31/03/2021	31/03/2020
Dinesh Solanki	3,60,000	3,60,000
PrakashSolanki	9,60,000	9,60,000

29 Deferred taxes on Income (IndAS 12):-

The company is entitled to create deferred tax asset/ liability in the books of A/cs with respect to timing difference of carried forward business and depreciation losses as well as depreciation. However, in view of carried forward business & depreciation losses there is no reasonable certainty that the asset can be realized. The Company has created a Deferred Tax Assets on account of time difference amounting to Rs..NIL ./-. (P.Y.26,109/-.)

30 In the absence of confirmation from some of the parties and pending reconciliation the debit and credit balances with regard to recoverable and payable have been taken as reflected in the books. In the opinion of the Directors, Loans and Advances and Current Assets, if realized in the ordinary course of business, have the value at which they are stated in the Balance Sheet.

31 Earnings Per Share (Ind AS 33)

As per (Ind AS 33) "Earning Per Share" issued by Institute of Chartered Accountant of India the Company gives following disclosure for the year.

Basic & Diluted Earnings Per Share

	Unit	31/03/2021	31/03/2020
a) Net Profit / (Loss) attributable to equity shareholders	Rs.	(4,69,198)	(2,79,934)
b) Weighted average number of equity shares	No.	32,00,000	32,00,000
c) Nominal Value Per Share	Rs.	10	10
d) Earning Per Share	Rs.	(0.15)	(0.09)

**32 Auditors' Remuneration**

Particulars	31/3/2021	31/3/2020
As Auditor		
Audit Fees	40,000	40,000
Tax Audit Fees	15,000	15,000
Certification etc.	7,500	10,000
Total	62,500	65,000

33 Financial Risk Management Objective & Policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets and financial liabilities are disclosed.

I. Financial Instruments by Category

Particulars	Carrying Value		Fair Value	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
FINANCIAL ASSETS				
At Amortized Cost				
Non-Current Loans & Advances	3,16,13,759	3,28,27,509	3,16,13,759	3,28,27,509
Others Security Deposit	-	62,850	-	62,850
Trade Receivables	41,09,069	44,92,810	41,09,069	44,92,810
Current Loans & Advances	3,26,349	3,69,923	3,26,349	3,69,923
TOTAL	3,60,49,177	3,77,53,092	3,60,49,177	3,77,53,092

The management has assessed that the fair value of current and non-current loan and advances, other non-current asset, trade receivables approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of Investments are based on the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair values of the quoted equity shares are based on price quotations at the reporting date.
- 2) Investment in Subsidiary and Associate Companies are carried at cost.
- 3) The fair values of the unquoted debentures, mutual fund and equity shares have been estimated using Net Asset Value (NAV) as at reporting date.

The valuation of unquoted equity shares requires management to make certain assumptions about the Model Inputs, including forecast of cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within range can be reasonably assessed and are used in management's estimate of fair value for these unquoted shares. Wherever, the probability is low, valuation has been done based on redemption assumptions.

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31st March, 2021 and 31st March, 2020 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	31/03/2021		31/03/2020		Valuation Technique	Significant Unobservable inputs	Sensitivity
	Amortized Cost	Fair Value	Amortized Cost	Fair Value			
Investment in Rupee Co-op Bank - Shares	2,81,250	NIL	2,81,250	NIL	Information from Public Domain	RBI Remarks	Litigation against the bank
- Current Bank Balance	39,779	NIL	39,779	NIL			

Fair Value Hierarchy

The different levels have been defined below:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Quantitative disclosures fair value measurement hierarchy for assets

As at 31 st March 2021 :		Fair value measurement using		
Particulars	Total	Level 1	Level 2	Level 3
Asset measured at fair value:				
Investment at fair value through OCI				
Investment in quoted equity shares	1,06,782	1,06,782		
Investment in unquoted equity shares	25,07,578		25,07,578	
Investment in Rupee Co-op bank	NIL			NIL

There have been no transfers between Level 1 and Level 2 during the period.

As at 31 st March 2020 :		Fair value measurement using		
Particulars	Total	Level 1	Level 2	Level 3
Asset measured at fair value:				
Investment at fair value through OCI				
Investment in quoted equity shares	9,67,979	9,67,979		
Investment in unquoted equity shares	9,04,763		9,04,763	
Investment in Rupee Co-op bank	NIL			NIL

There have been no transfers between Level 1 and Level 2 during the period.



34. Covid 19 Pandemic

The Outbreak of COVID -19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's activities. On March 11, 2020, this outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, The Government of India has announced a 21 days lockdown which is continued for almost the entire year across the nation to control the spread of the virus.

In preparing the accompanying financial statements, the Company management has been required to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining of the Company's investments, are based on historical experience and various other factors including the possible effects that may result from pandemic, that are believed to be reasonable under the current circumstances. The Company has used internal and external sources of information including credit ratings, economic forecasts, valuation report from third party valuer and consensus estimates from market on the expected future performance of the underlying investment in developing the estimates and assumptions to assess without undue cost and efforts, the fair value of the investments as at March 31, 2021.

Given the dynamic nature of pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the investments, the financial position and performance of the Company.

35. Previous year figures have been regrouped / rearranged wherever necessary.

As per our report of even date attached

For Vijay R. Tater & Co.
Chartered Accountants

For Deep Diamond India Limited

(Prakash solanki)
Chairman
(DIN - 00716606)

(Suresh Kothari)
Partner
M.No.047625
UDIN: 21047625AAAAEQ4974
Place: Mumbai
Date: 29th June, 2021

(Dinesh Solanki) (Amitkumar Dudani)
Managing Director Company Secretary
(DIN - 01803066) (M. No: 35657)

DEEP DIAMOND INDIA LIMITED
CIN No. L51343MH1994PLC082609
REGISTERED OFFICE NO: 101, 1ST FLOOR, HEMU PLAZA,
D.J. ROAD, VILE PARLE (W), MUMBAI- 400056

ATTENDANCE SLIP

ANNUAL GENERAL MEETING

Regd. Folio No. No. of Shares held

* Demat A/c. No. DPID NO.

I CERTIFY THAT I AM A Member/ Proxy of the Company.

I/We hereby record my/our presence at the 27th ANNUAL GENERAL MEETING of the Company at THE REGISTERED OFFICE NO: 101, 1ST FLOOR, HEMU PLZA, D.J. ROAD, VILE PARLE (W), MUMBAI-400056 ON WEDNESDAY, 29TH SEPTEMBER, 2021 AT 11.00 A.M.

.....
Member/ Proxy's Name
(In Block Letters)

.....
(Signature of the Member/ Proxy)

Note: Please complete the Attendance Slip and hand it over at the entrance of the Meeting Place

* Those who hold shares in Demat form must quote their Demat A/c No. and Depository Participant (DP) No.



Form No. MGT- 11

Proxy form

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

DEEP DIAMOND INDIA LIMITED

CIN No. L51343MH1994PLC082609

Registered Office: OFFICE NO 101, 1ST FLOOR, HEMU PLAZA,
D.J. ROAD, VILE PARLE (W), MUMBAI- 400056

Name of the Member (s) :

Registered Address:

Email Id:

Folio No./ Client Id:

DP Id:

I/ We being the Member (s) of _____ shares of the above named company, here by appoint:

1. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him

2. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him

3. Name: _____ Address: _____
E-mail Id: _____ Signature: _____ As my/our

proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company to be held on the Wednesday, 29th September, 2021 at 11.00 a.m. at **THE REGISTERED OFFICE NO: 101, 1ST FLOOR, HEMU PLAZA, D.J. ROAD, VILE PARLE (W), MUMBAI-400056** and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this.....day of, 2021

Signature of Shareholder

Signature of Proxy holder(s)

Affix Rs. 1/- Revenue Stamp

Note:

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

2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 27th Annual General



Form No. MGT-12

Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

**DEEP DIAMOND INDIA LIMITED
CIN No. L51343MH1994PLC082609**

Registered Office: OFFICE NO 101, 1ST FLOOR, HEMU PLAZA,
D.J. ROAD, VILE PARLE (W), MUMBAI- 400056

BALLOT PAPER

S No. 1.

Name of the First Named Shareholder
(In block letters)

2. Postal address

3. Registered folio No. / *Client IDNo.
(*Applicable to investors holding shares in dematerialized form)

4. Class of Share

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Ordinary Business:	Assent	Dissent
1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Audited Financial Statements) of the Company for the year ended 31 st March, 2021 together with the Reports of the Board of Directors' and the Auditors' thereon.		
2. To Re-appointment of Mr. Dinesh Solanki as Director retiring by rotation		
3. Re-appointment of M/s. Vijay R. Tater & Co. Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.		
Special Business:		
4. To reappoint Mr. Mayank Shah as an Independent Director		
5. To reappoint Mrs. Sangeeta Jain as an Independent Director		

Place:

Date:

(Signature of the shareholder)



SPEED POST

To,

If undelivered, please return to:



Deep Diamond India Limited

*Office No.101, 1ST Floor, Hemu Plaza,
D.J. Road, Vile Parle (West),
Mumbai - 400056, Maharashtra*