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**BHAVIK ENTERPRISES LTD**  
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2020

**PAYAL GADA & CO.**  
CHARTERED ACCOUNTANTS  
SHOP NO.S-15, 2<sup>nd</sup> FLOOR, SEJ PLAZA, MARVE ROAD, NEAR NUTAN SCHOOL,  
MALAD (W), MUMBAI -400064 (O) :022-28012075



*Payal Gada*  
B.Com, FCA, IBBI / R

# PAYAL GADA & CO.

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

The Members,  
**BHAVIK ENTERPRISES LIMITED**  
Mumbai.

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of which comprise the balance sheet as at 31st March 2020, the **BHAVIK ENTERPRISES LIMITED** ("the Company"), Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 audit opinion on standalone financial statements.

#### "Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's 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 statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



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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 that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Our opinion is not modified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

##### 1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account





# PAYAL GADA & CO.

CHARTERED ACCOUNTANTS

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company does not have any pending litigations which would impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

2. 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 Companies Act, 2013, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

FOR PAYAL GADA & CO.

CA PAYAL GADA  
Proprietor  
Membership no 110424  
FRN No 148529W  
UDIN:20110424AAAADF9037



Mumbai, 9<sup>th</sup> December, 2020



# PAYAL GADA & CO.

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**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BHAVIK ENTERPRISES LIMITED of even date)**

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

To the Members of Bhavik Enterprises Limited

We have audited the internal financial controls over financial reporting of **Bhavik Enterprises Limited** ("the Company") as of March 31<sup>st</sup>, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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



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# PAYAL GADA & CO

CHARTERED ACCOUNTANT

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

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

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

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



✓ B



**PAYAL GADA & CO**

CHARTERED ACCOUNTANT

**Opinion**

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

FOR PAYAL GADA & CO.

CA PAYAL GADA  
Proprietor  
Membership no 110424  
FRN no: 148529W



Mumbai, 9<sup>th</sup> December, 2020



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BHAVIK ENTERPRISES LIMITED even date)

(i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) As explained to us, in our opinion, all the assets have been physically verified by the Management during the year. Such programme of verification, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the Company.

(ii) Physical verification of inventory has been conducted at reasonable intervals by the Management and there is no material discrepancies were noticed on physical verification.

(iii) Accordingly, to the information and explanations given to us, the Company has during the year, not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii)(b) and (c) of the Order, are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and I86 of the Companies Act, 2013 in respect of loans, investments, guarantees, and securities, as applicable.

(v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the company

(vi) We are informed that the Central Government has not prescribed maintenance of any cost accounting records under sub section (1) of Section 148 of the Act and therefore, the provisions of the clause 3 (vi) of the Order are not applicable to the company

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including income-tax, Goods and Service Tax custom duty, Cess, excise duty and other statutory dues with appropriate authorities where applicable except that, *that the Company has neither deducted nor paid provident fund contribution*. There are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they become payable.



(b) According to the information and explanation given to us, and based on the records of the Company examined by us there are no dues of income tax, sales tax, customs duty, service tax and excise duty which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

(ix) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

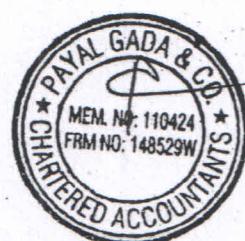
(x) In our opinion based upon the audit procedures performed according to the the information and explanations given by the Management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company to the Company and hence not commented upon.

(xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and where applicable, all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) Based upon the audit procedures performed and the information and explanations given by the Management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.



✓ (Signature)



# PAYAL GADA & CO

CHARTERED ACCOUNTANT

(xv)

In our opinion based upon the audit procedures performed and the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi)

In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR PAYAL GADA & CO.

CA PAYAL GADA  
Proprietor  
Membership no 110424  
FRN no:148529W



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Mumbai, 9<sup>th</sup> December, 2020

BHAVIK ENTERPRISES LTD  
CIN :U51900MH2008PLC186771

BALANCE SHEET  
AS AT 31ST MARCH, 2020

Particulars	Note No.	As at 31st March, 2020	(Amount in Rs ₹)
			As at 31st March, 2019
<b>I. EQUITY AND LIABILITIES:</b>			
(1) Shareholders' Funds			
(a) Share Capital	A(1)	5,28,60,030	5,28,60,030
(b) Reserves and Surplus	A(2)	44,56,01,393	39,79,57,375
		49,84,61,423	45,08,17,405
(2) Non-Current Liabilities			
(a) Long-term Borrowings	A(20)	4,40,250	-
(b) Deferred Tax Liabilities (Net)			
(c) Other Long-term Liabilities		4,40,250	-
(3) Current Liabilities			
(a) Short-term Borrowings	A(3)	31,32,73,444	32,78,98,744
(b) Trade Payables	A(4)	11,97,315	2,30,41,758
(c) Other Current Liabilities	A(5)	3,95,85,080	5,42,42,839
		35,40,55,839	40,51,83,341
		85,29,57,512	85,60,00,746
<b>II. ASSETS:</b>			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	A(6)	1,27,58,455	1,35,82,692
(b) Non-Current Investments	A(7)	2,81,764	2,81,764
(c) Deferred Tax Assets (Net)	A(20)	-	9,48,765
(d) Long-term Loans and Advances	A(8)	6,74,96,288	8,12,45,799
(e) Other Non-current Assets	A(9)	8,05,36,506	-
		8,05,36,506	9,60,59,020
(2) Current Assets			
(a) Inventories	A(10)	22,50,93,328	18,05,07,102
(b) Trade receivables	A(11)	33,64,65,806	44,21,12,459
(c) Other Current Assets	A(12)	1,28,72,999	-
(c) Cash and Cash Equivalents	A(13)	19,79,88,872	75,99,41,728
		77,24,21,005	75,99,41,728
III Contingent Liabilities	A(21)	85,29,57,512	85,60,00,746
IV Significant Accounting Policies	B	0	(0)
forming part of Financial Statements			
V Other Notes on Accounts forming part of	C		
Financial Statements			
AS PER OUR REPORT OF EVEN DATE			
FOR PAYAL GADA & CO			

CA PAYAL GADA  
Proprietor  
Membership no 110424  
FRN No 148529W

Mumbai, 9th December 2020



MUKESH THAKKAR  
Managing Director  
DIN No:01867515

Mumbai, 9th December 2020

BHAVIK THAKKAR  
Managing Director  
DIN No:01867522

Mumbai, 9th December 2020

BHAVIK ENTERPRISES LTD  
CIN :U51900MH2008PLC186771

STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note No.	(Amount in Rs ₹)	
		Previous year	
1 Revenue from Operations	A(14)	2,83,06,67,817	3,54,96,49,346
2 Other Income	A(15)	1,74,20,248	2,86,14,558
3 Total Revenue		<u>2,84,80,88,066</u>	<u>3,57,82,63,904</u>
4 Expenses:			
(i) Purchases		2,66,40,37,744	3,41,46,55,548
(ii) Operating Costs	A(16)	6,67,89,197	7,05,10,812
(iii) Changes in Inventories of Finished Stocks	A(17)	96,99,236	1,29,06,223
(iv) Employee Benefit Expenses	A(18)	1,13,07,659	1,08,25,690
(v) Finance Costs	A(19)	31,63,930	44,00,380
(vi) Depreciation and Amortization Expense	A(6)	8,24,236	9,42,742
(vii) Other Expenses	A(20)	2,51,85,054	1,92,20,349
5 Profit Before Tax		<u>2,78,17,60,928</u>	<u>3,53,34,61,744</u>
		6,63,27,138	4,48,02,160
6 Tax Expense:			
(1) Current Tax		1,74,00,000	1,60,00,000
(2) Deferred Tax	A(21)	<u>13,89,015</u>	<u>1,94,243</u>
7 Less : Tax adjustments		4,75,38,123	1,61,94,243
8 Profit / (Loss) for the year		<u>(1,05,894)</u>	<u>2,86,07,917</u>
		<u>4,76,44,017</u>	<u>(1,76,158)</u>
			<u>2,87,84,075</u>
9 Earnings per Equity Share:			
Basic and Diluted	A(24)	9.01	5.45
Significant Accounting Policies forming part of Financial Statements	B		67767546
Other Notes on Accounts forming part of Financial Statements	C		14,40,408
			1476000
			(35,592)

AS PER OUR REPORT OF EVEN DATE  
FOR PAYAL GADA & CO

CA PAYAL GADA  
Proprietor  
Membership no 110424  
FRN No 148529W



Mumbai, 9th December 2020

FOR BHAVIK ENTERPRISES LIMITED

DIRECTOR

MUKESH THAKKAR  
Managing Director  
DIN No:01867515

Mumbai, 9th December 2020

FOR BHAVIK ENTERPRISES LIMITED

DIRECTOR

BHAVIK THAKKAR  
Managing Director  
DIN No:01867522

Mumbai, 9th December 2020

As at  
31st March, 2020As at  
31st March, 2019

## (A) NOTES FORMING PART OF THE ACCOUNTS

## Note 1: Share Capital

(a) The Authorised, Issued, Subscribed and Fully paid-up share capital comprises of equity shares having a par value of Rs 10 of Rs 10 each as follows -

Authorised			
75,00,000 (75,00,000) Equity Shares of 10 each		7,50,00,000	
<b>Issued, Subscribed and Fully Paid-up</b>			
52,86,003 (52,86,003) Equity Shares of 10 each		5,28,60,030	

(Out of the above, 51,86,000 (Previous year 51,86,000) shares have been issued for consideration other than cash)

(b) Reconciliation of shares outstanding at the beginning and at the end of the year -

Equity	No. of shares	Amount	No. of shares	Amount
Equity Shares at the beginning	52,86,003	5,28,60,030	52,86,003	5,28,60,030
Changes during the year				
Equity Shares at the end	52,86,003	5,28,60,030	52,86,003	5,28,60,030

(c) Rights, preferences and restrictions attached to shares Equity Shares - The Company has one class of equity shares having a par value of Rs 10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares Name of Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	%	No. of shares	%
Mrs Purnima Thakkar	30,28,000	57.28	30,28,000	57.28
Mr Mukesh Thakkar	12,08,000	22.85	12,08,000	22.85
Mr Bhavik Thakkar	8,25,500	15.62	8,25,500	15.62

## Note 2: Reserves And Surplus

Surplus / (Deficit) in Statement of Profit and Loss			
As per last Financial Statement		39,79,57,376	
Add: Profit/(Loss) for the year	4,76,44,017		2,87,84,075
Less : Reduction from retained			
Earnings on Account of			
Shortfall of Depreciation		4,76,44,017	2,87,84,075
		44,56,01,393	39,79,57,375

## Note 3: Trade Payables

(a) For Goods	30,58,99,196	33,13,85,678
(b) Other payables		
(i) For Expenses	1,19,59,347	81,35,043
(ii) For Other Liabilities	(45,85,100)	(1,16,21,977)
	31,32,73,444	32,78,98,744

Note 4: Other Current Liabilities	11,97,315	2,30,41,758
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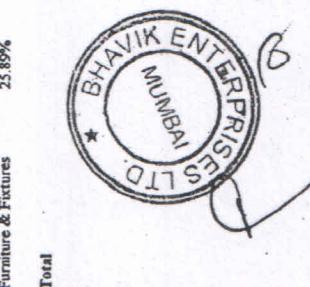
## Note 5 : Short - term provisions

(a) Others	61,85,080	61,52,839
(b) Taxation	3,34,00,000	4,80,90,000
	3,95,85,080	5,42,42,839



Note 6 - Fixed Assets - Tangible Assets

Name of Assets	WDV Rate as Companies Act 2013 as per schedule II	Residual value 5% of cost	GROSS BLOCK as on 01.04.2019	Additions	Sales	GROSS BLOCK as on 31.03.2020	Depreciation upto 31.03.19	Depreciation upto for the year	Depreciation on sale	Depreciation upto 31.03.2020	Net Block as on 31.03.2020	Net Block, As on 31.03.19	
Godown	4.87%	1,18,521	23,70,413	-	-	23,70,413	8,75,968	72,779	-	9,48,747	14,21,666	14,94,445	
Office	4.87%	8,53,260	1,70,45,200	-	-	1,70,45,200	56,65,339	55,173	-	62,20,512	1,08,44,688	1,13,99,861	
*Computers	63.16%	27,955	5,59,098	-	-	5,59,098	-	-	-	5,59,098	-	-	
*Printer	63.16%	5,036	1,00,722	-	-	1,00,722	90,199	6,457	-	96,956	3,766	10,223	
Air Conditioners	25.89%	20,956	4,19,126	-	-	4,19,126	3,65,091	13,990	-	3,79,081	40,045	54,035	
Air Cooler	25.89%	30	595	-	-	595	544	13	-	557	38	51	
Water Purifier	25.89%	145	2,900	-	-	2,900	2,437	120	-	2,557	343	463	
DVD Player	25.89%	148	2,950	-	-	2,950	2,071	228	-	2,299	651	879	
Television	25.89%	3,441	68,822	-	-	68,822	59,795	2,337	-	62,132	6,690	9,027	
Telephone	25.89%	1,985	39,704	-	-	39,704	34,830	1,262	-	36,092	3,612	4,874	
Mobile	25.89%	13,410	2,68,198	-	-	2,68,198	1,92,348	19,638	-	2,11,986	56,212	75,850	
EPBX	25.89%	5,605	1,12,100	-	-	1,12,100	97,104	3,882	-	1,00,986	11,114	14,996	
Camera	25.89%	4,434	88,689	-	-	88,689	59,380	7,588	-	66,968	21,721	29,309	
Motor Car	31.23%	1,83,898	36,77,968	-	-	36,77,968	34,20,225	80,93	-	35,00,718	1,77,250	2,57,743	
Refrigerator	25.89%	1,820	36,400	-	-	36,400	32,918	901	-	33,819	2,581	3,482	
*Office Equipment	45.07%	3,535	70,709	-	-	70,709	68,170	1,144	-	69,314	1,395	2,539	
Furniture & Fixtures	25.89%	95,719	19,14,387	-	-	19,14,387	16,89,473	58,230	-	17,47,703	1,66,684	2,24,914	
<b>Total</b>		<b>13,39,899</b>	<b>2,67,97,981</b>	<b>-</b>	<b>-</b>	<b>2,67,97,981</b>	<b>1,32,15,287</b>	<b>8,24,236</b>	<b>-</b>	<b>1,40,39,526</b>	<b>1,27,58,455</b>	<b>1,35,82,692</b>	
			<b>(2,67,63,231)</b>	<b>(34,750)</b>			<b>(2,67,57,581)</b>	<b>(1,22,72,544)</b>	<b>(9,42,742)</b>		<b>(1,32,15,289)</b>	<b>(1,35,82,692)</b>	<b>(1,44,90,684)</b>



## Note 7: Non -Current Investments (At cost):

## Long-term investments

(a) Equity Shares	6,752	6,752
(b) Gold	2,75,012	2,75,012
	<u>2,81,764</u>	<u>2,81,764</u>

## Note 8: Long-term Loans and Advances

(Unsecured considered good)		
(a) Interest accrued and due	26,37,916	29,76,510
(b) Other Deposits	5,02,810	3,23,810
	<u>31,40,726</u>	<u>33,00,320</u>
A Other Loans and advances		
(c) Income-tax	3,03,95,527	4,37,44,664
(d) Advances recoverable in cash or kind	3,39,60,035	3,42,00,815
	<u>6,43,55,562</u>	<u>7,79,45,480</u>
B A+B	<u>6,74,96,288</u>	<u>8,12,45,799</u>

Note : Advances in (d) above includes Rs 3,33,38,413 (previous year Rs 3,33,38,413) to a Company in which the Director's are interested

## Note 9: Other Non- Current Assets :

Misc. Expenditure  
(To the extent not written off)

## Note 10 : Inventories

(a) Finished Goods	8,67,43,546	9,71,96,655
(b) Goods in Transit	13,83,49,782	8,33,10,448
	<u>22,50,93,328</u>	<u>18,05,07,102</u>

## Note 11: Trade Receivables (Unsecured) :

(a) Over six months, Doubtful	2,53,36,417	2,20,74,165
(b) Other Debts, considered good	31,11,29,389	42,00,38,294
Less : Provision for doubtful debts	<u>33,64,65,806</u>	<u>44,21,12,459</u>

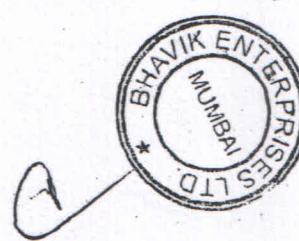
## Note 12: Other Current Assets:

(a) Commissioner of Custom Duty - Advance Custom duty	1,28,72,999	-
	<u>1,28,72,999</u>	<u>-</u>

## Note 13: Cash And Cash Equivalents

(a) Cash on hand	2,42,989	3,01,535
(b) Bank Balance		
With Scheduled Banks		
(i) On Current Account	66,06,284	13,25,716
(ii) On Fixed Deposits	19,11,39,599	13,56,94,915
	<u>19,77,45,883</u>	<u>13,70,20,631</u>
	<u>19,79,88,872</u>	<u>13,73,22,166</u>

Note : Out of the fixed deposits in (b) (ii) above; fixed deposit of Rs 50,00,000 (previous year Rs 55,00,000) has been kept as margin with a bank for forward exchange contracts; fixed deposit of Rs Nil (previous year Rs Nil) has been kept as margin with a bank for issue of bank guarantee and fixed deposit of Rs 10,000 (previous year Rs.10,000) has been kept as lien with sales tax department Silvassa, and fixed deposits of aggregating Rs. Nil (Previous Year Rs 3,81,26,167) have been kept as collateral for obtaining LC facility from a Bank.



Note 14 : Revenue From Operation

(a)	Sales(Including taxes) (Net of Rebates, Claims, Trade Discounts and Returns)	2,83,06,67,817	3,54,96,49,346
		<u>2,83,06,67,817</u>	<u>3,54,96,49,346</u>

Note 15 : Other Income

(a)	Interest Income (Tax deducted at source Rs 9,98,926 (Previous year Rs .11,68,160)	1,20,60,532	1,22,46,270
(b)	Gain (loss) on fluctuation in foreign currency Handling Charges (Tax deducted at source Rs.Nil ) (Previous year Rs 605)	50,69,359	25,89,290
(c)	Commission ( including Taxes ) (Tax deducted at source Rs Nil ) (Previous year Rs 24981 )		4,99,625
(d)	Miscellaneous income (Tax deducted at source Rs Nil ) (Previous year Rs.91,250)	<u>2,90,357</u>	<u>1,32,79,373</u>
		<u>1,74,20,248</u>	<u>2,86,14,558</u>

Note 16 : Operating Costs

(a)	Clearing & Forwarding Charges	2,60,13,670	2,62,73,811
(b)	Container Mover Charges	1,15,77,638	1,26,74,613
(c)	CST Paid		
(d)	L.C. Charges		31,983
(f)	Local Body tax		
(g)	VAT Paid		
(h)	✓ Loading & Unloading Charges	38,02,666	36,91,849
(i)	✓ Transportation	1,56,95,987	2,02,42,451
(j)	GST paid	96,99,235	75,96,105
		<u>6,67,89,197</u>	<u>7,05,10,812</u>

Note 17 : Changes in inventories of Finishe

(a)	Opening Stock	9,71,96,655	11,01,02,878
	Less: Closing Stock	<u>8,57,43,546</u>	<u>9,71,96,655</u>
		<u>1,04,53,109</u>	<u>1,29,06,223</u>

Note 18 : Employee benefit expenses

(a)	Salaries and Bonus	60,04,780	55,81,054
(b)	Staff Welfare	23,785	15,010
(c)	Directors Remuneration	50,40,000	50,40,000
(d)	Gratuity	2,39,094	1,89,626
		<u>1,13,07,659</u>	<u>1,08,25,690</u>



## Note 19 : Finance Costs

(a)	Bank Charges/Commission	28,77,353	25,93,142
(b)	Interest	2,86,577	18,07,238
		<b>31,63,930</b>	<b>44,00,380</b>

## Note 20 : Other Expenses

(a)	Accounting ERP System	30,000	30,000
(b)	Advertisement Expenses	34,249	31,681
(c)	Auditors Remuneration [Refer Note A(22)]	1,09,500	1,37,500
(d)	Commission	21,94,642	43,71,141
(e)	Communication Expenses	2,40,495	2,70,385
(f)	Consultancy Fees	9,500	4,000
(g)	Conveyance Expenses	54,714	84,176
(h)	Discount	3,66,541	5,61,488
(i)	Donations		1,16,601
(j)	Electricity Charges	2,61,495	2,10,075
(k)	Grampanchayat Taxes	1,16,804	65,861
(l)	Insurance	17,75,679	33,22,914
(m)	Membership & Subscription	28,000	36,400
(n)	Miscellaneous Expenses	27,46,979	23,03,402
(o)	Motor car expenses	92,127	1,32,792
(p)	Office Expenses	3,80,187	2,16,191
(q)	Printing & Stationery	1,18,053	86,273
(r)	Profession Tax	2,500	2,500
(s)	Professional and Legal Fees	2,08,500	3,92,469
(t)	Recruitment Charges	22,500	17,993
(u)	Rent	47,63,000	29,04,000
(v)	Repairs & Maintenance	1,91,357	1,21,121
(x)	Service Tax		
(y)	Society Maintenance Expenses	2,35,096	1,75,626
(z)	Travelling Expenses	10,88,965	17,67,186
a(i)	Weightment Charges		
b(ii)	Business promotion expenses	5,72,863	35,576
c(iii)	CSR provision	14,76,000	18,23,000
d(iv)	Foreign Gain Loss(Provision)	80,65,309	0
		<b>2,51,85,054</b>	<b>1,92,20,349</b>



BHAVIK ENTERPRISES LTD

Note 21: Deferred Tax Assets (net)

Particulars	Amount	Tax effect @ 27.820%
<u>Details of opening balance of deferred tax asset (liability) as on 01.04.2019</u>		
1 Depreciation		
WDV per IT	1,07,14,600	
WDV per books	1,35,82,692	(28,68,092) (7,97,903)
2 43B items		30,412 10,056
3 CSR provision		49,72,500 13,83,349.50
4 Gratuity provision (when they actually pay deduction will be allowed)		11,80,339 3,28,370.31
5 40(a) (i) (a) Items	2,98,277	89,483 24,894.18 9,48,765
		9,48,765
<u>Details of closing balance of deferred tax asset (Liability) as on 31.03.2019</u>		
Particulars	Amount	Tax effect @ 25.168%
1 Depreciation		
WDV per IT	95,59,613	
WDV per books	1,27,58,455	(31,98,842) (8,05,085)
2 43B items - 26A(a)		13,038 3,281
3 CSR provision		- -
4 Gratuity provision		14,19,433 3,57,243
5 40(a) (i) (a) disallowance		- - (4,40,250) (4,40,250)
Current year credit/ (charge)		13,89,015

Pursuant to Accounting Standard (AS) 22 – Accounting for taxes on Income, the impact of net Deferred Tax asset of Rs 13,89,015[previous year Rs 1,94,243] for the year ended 31.3.2020 has been charged(credited) to the Statement of Profit and Loss.

Note 22: Contingent Liabilities –

Sr No	Particulars	Amount in USD	Amount in Rs	Amount in USD	Amount in Rs
		Current year	Previous year		
(i)	<u>Outstanding letter of credit</u>				
(a)	Dena Bank (Bank of Baroda)	-	-	-	-
(ii)	<u>Outstanding forward contracts</u>				
(a)	Dena Bank (Bank of Baroda)	-	-	Nil	Nil
(b)	HDFC Bank Forward contract	-	-	17,64,105	12,28,97,279
	HDFC Bank FX option	-	-	3,01,702	2,05,15,770
(iii)	Bank guarantee			Nil	Nil



**BHAVIK ENTERPRISES LTD**

**Note 23: Auditor's remuneration –**

<u>Sr No</u>	<u>Particulars</u>	<u>Amount in Rs Current year (Excluding taxes)</u>	<u>Amount in Rs Previous year (Including taxes)</u>
(i)	Statutory Audit	60,000	60,000
(ii)	Tax Audit	25,000	25,000
(iii)	Income tax matters	15,000	29,000
(iv)	VAT/GST Audit	-	22,000
(v)	Certification matters	9,500	1,500
(vi)	Total	1,09,500	1,37,500

**Note 24 : Earnings per share**

<u>Sr No</u>	<u>Particulars</u>	<u>2020</u>	<u>2019</u>
(a)	Weighted average number of equity shares of Rs 10 each		
(i)	Number of shares at the beginning of the year	5,286,003	5,286,003
(ii)	Number of shares at the end of the year	5,286,003	5,286,003
(iii)	Weighted average number of equity shares outstanding during the year	5,286,003	5,286,003
(b)	Net Profit after tax available for equity shareholders (in Rs)	4,75,35,188	2,87,84,075
(c)	Adjusted Basic and diluted earnings per share (in Rs)	9.01	5.45



**B. SIGNIFICANT ACCOUNTING POLICIES:**

**Note 1: Basis of accounting**

The accounts are prepared under historical cost convention on accrual system of accounting.

**Note 2: Fixed Assets**

(i) Tangible assets are carried at cost less depreciation.

(ii) Intangible, if any assets are carried at cost

**Note 3: Depreciation**

(i) Depreciation is provided on written down value method at rates, and on the basis, prescribed in Schedule II of the Companies Act, 2013.

(ii) In respect of assets, if any, acquired during the year, depreciation is provided on *pro rata* basis, for the month, or the part of the month in which asset is put to use.

**Note 4: Inventories:**

Inventories are valued at lower of cost or net realizable value, costs are determined at FIFO method.

**Note 5: Revenue Recognition**

Sales are inclusive of taxes. Incomes considered receivable are accounted for on accrual basis when no significant uncertainty as to determination or realization exists.

**Note 6: Foreign Currency Transactions**

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of each transaction. Gain/loss arising out of liabilities incurred for purchase of goods is accounted for in the profit & loss account. Revenue monetary items (like trade receivables/payables are converted into reporting currency by applying closing rate at year end.

**Note 7: Taxation**

Income-tax is accounted in accordance with Accounting Standard 22 - Accounting for taxes on income, this includes current tax and deferred tax.

**Note 8: Retirement Benefits**

Gratuity is accounted on accrual estimated basis and leave encashment is accounted on cash basis. Provident fund is neither deducted nor paid.

**Note 9: Preliminary Expenses**

1/5<sup>th</sup> of the Preliminary Expenses are amortized during the year.

**Note 10: Borrowing costs**

Borrowing costs are recognised in profit or loss except for those costs that are directly



**BHAVIK ENTERPRISES LTD**

attributable to the acquisition, construction or production of a qualifying asset. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised to the respective qualifying asset

**C. OTHER NOTES FORMING PART OF ACCOUNTS**

**Note 1:** There are no dues/over dues to Small Scale and/or Ancillary Industrial suppliers on account of principal and/or interest as at the close of the year.

**Note 2:** Certain Sundry debtors and Sundry creditors are subject to confirmation.

**Note 3:** Sundry debtors include Rs Nil (previous year Rs Nil) outstanding for more than 3 years.

**Note 4:** Earnings in foreign currency –

	<u>Particulars</u>	<u>Amount in INR</u> <u>Current year</u>	<u>Amount in INR</u> <u>Previous year</u>
(a)	Discount received	Nil	Nil
(b)	Special Quantity Discount	Nil	Nil
(c)	Miscellaneous income		
	Claim from Borouge	8,868	Nil
	Commission from Basell	Nil	6,53,286
	Rebate on Contract-Basell	Nil	18,14,065
	Claim in goods in transit	2,64,644	5,49,218

**Note 5:** Expenditure in foreign currency –

<u>Sr No</u>	<u>Particulars</u>	<u>Amount in Rs</u> <u>Current year</u>	<u>Amount in Rs</u> <u>Previous year</u>
(a)	Import purchases	2,17,06,11,041	2,76,32,67,927



## Note 6: Related Party disclosures

Sr. No	Particulars	Nature of Transaction	Amount (Rs)	Relation
1.	Griffon Securities Pvt Ltd	Advances	3,33,38,413	Company with common Directors
2.	Griffon Securities Pvt Ltd	Interest recd on advances	-	Company with common Directors
3.	Griffon Securities Pvt Ltd	Rent paid	6,30,000	Company with common Directors
4.	Mukesh Thakkar	Directors Remuneration	42,00,000	Director
5.	Bhavik Thakkar	Directors Remuneration	6,00,000	Director
6.	Purnima Thakkar	Directors Remuneration	2,40,000	Director
7.	Mukesh Thakkar (HUF)	Rent paid	5,88,000	HUF of Director
8.	Mukesh Thakkar	Rent paid	7,20,000	Director
9.	Bhavik Thakkar	Rent paid	7,56,000	Director
10.	Purnima Thakkar	Rent paid	2,10,000	Director
11.	Neha Thakkar	Salary	-	Directors wife

Note 7: The Revised Schedule II has become effective from 1st April, 2014 for the preparation and presentation of financial statements. This has significantly impacted the disclosures and presentations made in the financial statements. Previous years figures have been regrouped, re-arranged and / or recast, wherever considered necessary to correspond with current year's classification / disclosures.

Note 8: Figures have been rounded-off to the nearest rupee.

Note 9: Information pursuant to Part II of Revised Schedule III of the Companies Act, 2013 are given to the extent they are applicable to the Company

Note 10: During the year the Management has not spent the requisite amount under CSR as required under section 135(1) of the Companies Act, 2013.



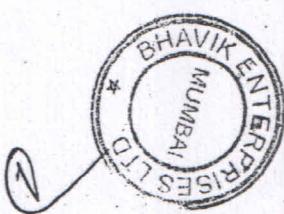
BHAVIK ENTERPRISES LTD

**Cash Flow Statement**  
for the year ended 31st March 2019

(Currency : Indian Rupees)

**Cash flow from operating activities**

	2020	2019
Net profit before tax for the year	6,63,27,138	4,48,02,160
Adjustments:		
Depreciation and amortisation	8,24,236	9,42,742
Shortfall of Depreciation	-	-
Interest Received	(1,20,60,532)	(1,22,46,270)
Finance costs	2,86,577	18,07,238
Profit on sale of fixed assets	-	-
<b>Operating cash flow before working capital changes</b>	<b>5,53,77,419</b>	<b>3,53,05,870</b>
(Increase) / Decrease in trade receivables	10,56,46,653	7,20,96,252
(Increase) / Decrease in short-term loans and advances	1,40,88,105	4,07,11,476
(Increase) / Decrease in long-term loans and advances	(4,45,86,226)	8,75,76,835
(Increase) / Decrease in Inventories	(1,28,72,999)	-
(Increase) / Decrease in other current assets	(1,46,25,300)	(16,66,47,496)
Increase / (Decrease) in trade payables	(2,18,44,443)	(4,66,05,025)
Increase / (Decrease) in other current liabilities	32,241	9,81,126
Increase / (Decrease) in other short term provisions	8,12,15,449	2,34,19,038
Cash generated from operations	-	-
<b>Taxes paid (net)</b>	<b>(3,20,90,000)</b>	<b>(3,00,40,000)</b>
Income tax	1,05,894	1,76,158
Indirect taxes paid	-	-
<b>Net cash generated from operating activities (A)</b>	<b>4,92,31,343</b>	<b>(64,44,804)</b>
<b>Cash flow from investing activities</b>		
Shortfall of depreciation	-	(34,750)
Payment for acquisition of fixed assets	-	-
Receipt from sale of fixed assets	-	-
Interest income receipt	1,17,21,939	1,26,09,640
<b>Net cash (used) by investing activities (B)</b>	<b>1,17,21,939</b>	<b>1,25,74,890</b>
<b>Cash flow from financing activities</b>		
Finance costs	(2,86,577)	(18,07,238)
Payment of dividend to equity shareholders	-	-
<b>Net cash (used) by financing activities (C)</b>	<b>(2,86,577)</b>	<b>(18,07,238)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>6,06,66,705</b>	<b>43,22,848</b>
<b>Cash and Cash equivalents at the beginning of the year</b>	<b>13,73,22,166</b>	<b>13,29,99,320</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>19,79,88,872</b>	<b>13,73,22,165</b>



Notes:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 ('AS 3') on Cash
2. Components of cash and cash equivalents:

	2020	2019
Beginning		
Cash on hand		
Balances with Banks		
- in current accounts	3,01,535	1,63,444
Cash and cash equivalents at the beginning of the year (refer note 14)	<u>13,70,20,631</u>	<u>13,28,35,876</u>
	<u>13,73,22,166</u>	<u>13,29,99,320</u>
2. Components of cash and cash equivalents :		
End of the year		
Cash on hand		
Balances with Banks		
- in current accounts	2,42,989	3,01,535
	<u>19,77,45,883</u>	<u>13,70,20,631</u>
	<u>19,79,88,872</u>	<u>13,73,22,166</u>

The notes referred to above form an integral part of this cash flow statement.

AS PER OUR REPORT OF EVEN DATE  
FOR PAYAL GADA & CO  
CHARTERED ACCOUNTANTS

PAYAL GADA  
Proprietress  
Membership no 110424  
Firm Reg. no. 148529W

Mumbai, 9th December 2020



FOR BHAVIK ENTERPRISES LIMITED  
For and on behalf of the Board of Directors  
BHAVIK ENTERPRISES LIMITED

DIRECTOR

MUKESH THAKKAR  
Managing Director  
DIN No: 01867515

Mumbai, 9th December 2020

FOR BHAVIK ENTERPRISES LIMITED

BHAVIK THAKKAR  
Managing Director  
DIN No: 01867522

Mumbai, 9th December 2020

DIRECTOR