



KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

**26TH ANNUAL REPORT
FOR THE YEAR 2019-20**

COMPANY REGISTRATION NO: 04-024284

CIN NO: L92199GJ1995PLC024284

Registered with Registrar of Companies, Gujarat State

KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

Regd.Office: 100, Chinubhai Towers, Opp: Handloom House, Ashram Road,
Navrangpura, Ahmedabad: 380 009.

Telephone: 91-079-26582983 (F) 91-079-26584335

E.Mail: khyatimulti@gmail.com ~ Website: www.khyatimultimedia.com

CIN: L92199GJ1995PLC024284

DATE OF: 20/01/1995

COMPANY REGN NUMBER: 04-24284

INCORPORATION;

NOMINAL SHARE CAPITAL: Rs.13,00,00,000/-

26TH ANNUAL GENERAL MEETING PROGRAMME

DATE : 27TH SEPTEMBER 2020

DAY : SUNDAY

TIME : 01.30 P.M

VENUE : RADISSION BLU,

NEAR PANCHVATI CROSS ROADS,

OFF C.G.ROAD, AMBAWADI, AHMEDABAD

NOTE TO THE SHAREHOLDERS:

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting.

BOARD OF DIRECTORS

Mr. Kartik J. Patel	Chairman & Managing Director
Mr. Rao Kamalkant	Independent Director
Mr. Praful Agrawal	Non-Independent Director
Mr. Arvindkumar Prajapati	Independent Director
Mrs. Jignaben K. Patel	Non-Executive Women Director

KEY MANAGERIAL PERSONNEL

Mr. Devilal J. Shah (W.e.f. 02/12/2019)	Company Secretary
Mrs. Deepa Gidwani	Chief Financial Officer

SECRETARIAL AUDITOR

Shri Kamlesh M. Shah
(Practicing Company Secretary)

BANKERS OF THE COMPANY

HDFC Bank Limited, Navrangpura Branch, Ahmedabad: 380 009.

REGISTRAR AND SHARE TRANSFER AGENT

MCS SHARE TRANSFER AGENT LIMITED

201, Shatdal complex,
Opp. Bata show room,
Ashram road,
Ahmedabad – 380 009

Auditors

MAAK & ASSOCIATES
Chartered Accountants
Ahmedabad

REGD. OFFICE

100, Chinubhai Towers,
Opp. Handloom House,
Ashram Road, Navrangpura,
Ahmedabad: 380 009.

INVESTORS GRIEVANCE AND COMPLIANCE OFFICER:

Devilal J. Shah,
Compliance Officer
100, Chinubhai Towers, Opp: Handloom House,
Ashram Road, Navrangpura,
Ahmedabad: 380 009

INDEX

1	<i>NOTICE OF 26TH ANNUAL GENERAL MEETING OF THE COMPANY</i>
2	<i>PROXY FORM</i>
3	<i>DIRECTORS' REPORT</i>
4	<i>CORPORATE GOVERNANCE REPORT</i>
5	<i>MANAGEMENT DISCUSSION & ANALYSIS</i>
6	<i>INDEPENDENT AUDITORS' REPORT</i>
7	<i>BALANCE SHEET</i>
8	<i>STATEMENT OF PROFIT AND LOSS</i>
9	<i>CASH FLOW STATEMENT</i>
10	<i>NOTES FORMING PART OF FINANCIAL STATEMENTS</i>

NOTICE

NOTICE is hereby given that the 26TH Annual General Meeting of the Members of the **KHYATI MULTIMEDIA ENTERTAINMENT LIMITED** will be held on Sunday the 27th September, 2020 at 01:30 P.M. at the Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India, to transact the following business:

ORDINARY BUSINESS:

- 1) To Receive, Consider, and Adopt the Audited Financial Statement of the Company for the financial year ended on 31st March,2020 and the reports of the Auditors and directors thereon.
- 2) To Re-appoint a director Kartik J. Patel (DIN: 00047862) who retires by rotation and being eligible offers himself for reappointment.
- 3) Appointment of Statutory Auditors

To consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to section 139 and all other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company do hereby appointment of M/s MAAK & ASSOCIATES, Chartered Accountants, (FRN -135024W) as Financial Statutory Auditors of the Company for 5 (FIVE) financial years commencing from 2020-21 to 2024-25 and to hold the office as such from the conclusion of 26TH Annual General Meeting till the conclusion of the 31st Annual General Meeting of the Company for the financial year 2024-2025 subject to ratification of their appointment in each Annual General Meeting at such remuneration and reimbursement of out of pocket expenses if any, as may be mutually decided between Board of Directors of the Company and Auditors for each of the financial year separately on year to year basis.”

SPECIAL BUSINESS:

- 4) **To approve the re-appointment of Mr. Rao Kamalkant (DIN: 02576450), as an Independent Director of the company and in this regard 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 Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Rao Kamalkant (DIN: 02576450) Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby reappointed as an

Independent Director of the Company to hold office for second term of five consecutive years with effect from September 30, 2020 to September 30, 2025 and whose office shall not be liable to retire by rotation”

“RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

- 5) To approve the re-appointment of Mr. Arvind Kumar D. Prajapati (DIN: 02694784), as an Independent Director of the company and in this regard 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 Sections 149,150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Arvind kumar D. Prajapati (DIN: 02694784) Independent Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for re-appointment, be and is hereby reappointed as an Independent Director of the Company to hold office for second term of five consecutive years with effect from September 30, 2020 to September 30, 2025 and whose office shall not be liable to retire by rotation”

“RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

- 6) Appointment of Statutory Auditors M/s. MAAK & Associates in Casual Vacancy.**

“RESOLVED THAT pursuant to Section 139(8) of the Companies Act 2013 read with Rule 4 & 6 of Companies (Audit and Auditors) Rules 2014 and also read with Sub Regulation 7 of Part-A of Schedule III read with Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations and Rule 20 of Companies (management and administration) Rules, 2014 read with regulation 44(3) of the SEBI (listing obligations and disclosure requirements), 2015 the appointment of MAAK & Associates, Chartered Accountants, a Firm of Chartered Accountants having Firm Registration Number FRN:135024W made by the Board of Directors of the Company for the Financial year 2019-20 (Financial Year ending on 31st March, 2020) in a casual vacancy caused by the

Resignation of the erstwhile statutory auditors M/s. ANA & Associates of the Company be and is hereby approved and confirmed.

“RESOLVED FURTHER THAT, MAAK & Associates with FRN: 135024W shall hold office up to the conclusion of the Annual General Meeting for the financial year ending on 31st March 2020 and they shall conduct the Statutory Audit for the Financial year ending on 31.03.2020 only and shall also give their Limited Review Certificates for the unaudited/audited financial results of the company prepared/ to be prepared for on quarterly basis for all the remaining quarters and shall also provide final statutory audit report of the company.

7) To Give Omnibus Approval for Related Party Transactions

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other provisions, if any, applicable to the Company, for the time being in force, of the Companies Act, 2013 read with the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per SEBI (LODR),2015 , an omnibus consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into the related party transactions including the transaction subsequent foreseen and repetitive in the nature whether or not made in ordinary course of business & at arm’s length price by the Company with its related parties.”

“RESOLVED FURTHER THAT nothing contained in the above resolution shall restrict the Audit Committee / Board / Shareholders to periodically review, approve and revise the criteria for approval of subsequent related party transactions.”

“RESOLVED FURTHER THAT this approval does not allow the Management of the Company either impliedly or expressly to enter into related party transactions to take any personal benefit or to defeat interest of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of 188(3) of the Companies Act 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014 along with Regulation 23 (8) of the SEBI (LODR), as amended from time to time, consent of the Members was required to be obtained within 3 months of the 1st such transaction, however, the company could not obtain such approval, due to covid pandemic, is now sought to be obtained, the consent of the members of the company by way of special resolution be and is hereby accorded for ratification of related party transactions entered by and between the Company and Related Parties during the period 2019-20 and the same be and are hereby approved and confirmed and as such transactions are voidable at the option of the Board and Members, be and is hereby further approved and confirmed and ratified.

By order of the board
KHYATI MULTIMEDIA ENTERTAINMENT LIMITED

Kartik J. Patel
(Chairman & Managing Director)
(DIN: 00047862)

Date: 03/09/2020
Place: Ahmedabad

IMPORTANT NOTES:

1. A member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty members and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. Complete instructions on e-voting facility provided by the Company are annexed to this Notice explaining the process of e-voting with necessary user id and password along with procedure for such e-voting.
3. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative/s to attend and vote at the Annual General Meeting.
4. Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of directors seeking appointment/reappointment at the Annual General Meeting is given in detail, as annexed hereto.
5. **Shareholders are requested to bring their copy of Annual Report to the meeting.**
6. Members/Proxies should fill Attendance Slip for attending the meeting.

7. **The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 21st September, 2020 to Sunday, 27th September, 2020 (both days inclusive).**
8. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
9. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will remain open and available for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every member participating in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company or its Share Registrars and Transfer Agents.
11. **Members, who have not registered their email IDs so far with their depository participants, are requested to register their email IDs for receiving all the Communications including Annual Report, Notices etc. in electronic mode.**
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.
13. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2020 is uploaded on the Company's website www.khyatimultimedia.com and may be accessed by the members.
14. Electronic copy of the Annual Report for 2019-20 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their email address, please register the Email address with RTA and depositories.

The instructions for members for voting electronically are as under: -

- (i) The voting period begins on Thursday, 24th September, 2020 at 10:00 A.M. and ends on Saturday, 26th September, 2020 at 05:00 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 (record

date) of 18th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user, follow the steps given below:

For Members holding shares in DEMAT Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both DEMAT shareholders as well as physical shareholders)</p> <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 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. • 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. E.g. If your name is Ramesh Kumar with serial 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 (iv).

After entering these details appropriately, click on "SUBMIT" tab.

- (i) Members holding shares in physical form will then reach directly 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. 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.
- (ii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iii) Click on the EVSN for the relevant Khyati Multimedia Entertainment Limited on which you choose to vote.
 - (iv) 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.

- (v) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vi) 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.
- (vii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (viii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (viii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code “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.
- (ix) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (x) 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.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xiii) If DEMAT account holder has forgotten the changed password then enter the User ID and the image verification code
 - a. Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
 - b. The voting period begins on Thursday, 24th September, 2020 at 10:00 A.M. and ends on Saturday, 26th September, 2020 at 05:00 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. 18-09-2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - c. 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.

GENERAL INSTRUCTIONS FOR VOTING:

- a. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- b. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- c. Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. ACS: 8356 and COP No. 2072, Address: 801-A, Mahalaya Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India,) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- d. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, submit to the Chairman of the Company.
- e. Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website www.khyatimultimedia.com and on the website of CDSL within three (3) days of passing of the resolutions at the AGM of the Company. The results shall be communicated to the NSE and BSE Limited and will also be uploaded on website of Stock Exchanges.
- f. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 18th September, 2020 may obtain the login ID and password by sending a request at www.evotingindia.com

By order of the Board of Directors
for KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED

Place: Ahmedabad
Date: 03rd September, 2020

Kartik J. Patel
(Chairman & Managing Director)
(DIN: 00047862)

ANNEXURE TO NOTICE STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

For Item No. 4 & 5

Mr. Rao Kamalkant (DIN- 02576450), Mr. Arvindkumar Dashrathbhai Prajapati (DIN-02694784) are Independent directors of the Company and have held the position as such for the Such period. As per the current provisions of company law and SEBI LODR REGULATIONS 2015, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to Re-appoint Mr. Rao Kamalkant & Mr. Arvind Prajapati as independent director under section 149 of the Act to hold office for 5 (Five) consecutive years for a term up to the conclusion of 31st Annual General Meeting of the company in the calendar year 2025.

Mr. Rao Kamalkant, Mr. Arvindkumar D. Prajapati are not disqualified from being appointed as Independent Directors in terms of section 164 of the Act and have given their consent to act as directors. Also, the above two directors are having more than 10 years' experience in Listed Companies having 10 Cr. Paid up capital or more. So, the Independent Directors are in process of registration for Independent Directors Databank with IICA.

The company has also received declarations from Mr. Rao Kamalkant, Mr. Arvindkumar D. Prajapati that they meet with the criteria of independence as prescribed both under sub section (6) of section 149 of the Act and under SEBI (LODR), 2015.

In the opinion of the Board, Mr. Rao Kamalkant, Mr. Arvind Prajapati fulfil the conditions for appointment as independent directors as specified in the Act and SEBI LODR 2015.

For Item No.6

Appointment of Statutory Auditors in Casual Vacancy of the Company.

As per the General Circular No. 22/2020 of Ministry of Corporate Affairs Dated: 15/06/2020 due to pandemic situation of COVID-19 Ministry has decided to extend the EGM's up to 30th September,2020.

The Chairman write to the Members of the Board that the company has received a Letter of Resignation as Statutory Auditors of the Company of M/s. ANA & Associates vide their letter dated 11/02/2020 stating that their firm ANA & Associates has been merged/amalgamated with M/s. D.J. N. V. & Co., our company's immediate predecessor statutory auditors accordingly, as M/s. D. J. N. V & Co., cannot be appointed as statutory auditors, and M/s. ANA & Associates are now not in existence, there is an urgent need to appoint some of other firm as the Statutory Auditors of the company in a casual vacancy caused by the Resignation of the existing auditors.

The Company's management had immediately approached M/s. MAAK & Associates, as the statutory auditors. They have agreed and given their consent to act as the statutory auditors of the company in a casual vacancy for the financial year 2019-20. The casual vacancy caused by the Resignation of the existing auditors be filled immediately by passing a circular resolution which will be confirmed by the board in its ensuing Meeting on 14th February 2020. Board has accorded to appoint MAAK & Associates, Chartered Accountants, having Firm Registration Number FRN:135024W as Statutory Auditor of the Company to fill the Casual Vacancy caused by the resignation of ANA & Associates, Firm Regn. No: 130797W. MAAK & Associates with FRN: 135024W shall hold office up to the conclusion of the next Annual General Meeting.

For Item No. 7

The Securities and Exchange Board of India, vide its Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015 (the "said circular"), introduced the regulations called the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [herein after "SEBI (LODR)"]. As per regulation 23 (4) of the SEBI (LODR), all material related party transactions shall require approval of the shareholders through resolution in the General Meeting. Further as per regulation 23(8) of SEBI (LODR), all existing material related party contracts or arrangements as on the date of notification of SEBI (LODR), Regulations 2015 i.e. which are likely to continue beyond such date shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of the regulations. The related party transactions set out below are all contractual obligations entered / to be entered into by the Company in its ordinary course of business and are arms' length transactions for financial year 2019-20:

Name	Relationship	Nature of Transaction	Amt in Rs.		Outstanding balance in Rs.	
			2019-20	2018-19	2019-20	2018-19
Jignaben Patel	Director	Rent	1,14,000	1,14,000	-	1,68,000
Khyati World Educare Pvt. Ltd.	Common Director (Kartik J. Patel)	Sale (Date of First Transaction 30/11/2019)	4,36,380/-	NIL	55063/-	NIL
Khyati Realities Ltd.	Common Director (Kartik J. Patel Jignaben K. Patel)	Sale (Date of First Transaction 31/03/2020)	19,127/-	NIL	19,127/-	NIL

Khyati World School (Managed By Firdaus Memorial Charity & Education Trust)	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale (Date of First Transaction 30/11/2019)	6,10,724/-	NIL	5,44,337/-	NIL
Firdaus Memorial Charity & Education Trust	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale (Date of First Transaction 30/11/2019)	3,29,788/-	NIL	1,67,714/-	NIL
Khyati Foundation	Trustee (Kartik J. Patel)	Sale (Date of First Transaction 30/11/2019)	16,13,874/-	NIL	5,87,675/-	NIL

Details of Directors seeking Appointment / Re-appointment at the Forthcoming Annual General Meeting (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2)

Name of Director	Mr. Kartik J. Patel	Mr. Rao Kamalkant	Mr. Arvind D. Prajapati
Director Identification Number	00047862	02576450	02694784
Date of Birth	13 th February, 1965	26 th September, 1959	22 nd July, 1966
Age	55	61	54
Qualification	Bachelor of Science (BSC)	Graduate	Hsc Clear
Experience	More than 25 Years in the field of Construction Business.	More than 30 Years in the field of Construction Business.	More than 12 Years in the field of Construction Business.
Last Remuneration drawn	Nil	Nil	Nil
No. of Equity Shares held in the Company	16,30,600	-	68,000
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. Jigna K. Patel (Wife)	N.A.	N.A.
Directorships held in other Companies	6	2	-
Chairmanship/Membership of the committee of the Board of Directors of the Company	1	3	1
Committee position held in other Listed Companies	Nil	Nil	Nil

KHYATI MULTIMEDIA ENTERTAINMENT LIMITED
CIN: L92199GJ1995PLC024284

100, CHINUBHAI TOWERS, 1ST FLOOR, OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,
AHMEDABAD 380009 GUJARAT

ATTENDANCE SLIP

DP ID*		Folio	
Client ID*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 26th **ANNUAL GENERAL MEETING** of the Company held on Sunday, 27th September, 2020 at 01:30 P.M. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India.

Signature of the Shareholder | Proxy

* Applicable for investors holding shares in electronic form.

KHYATI MULTIMEDIA ENTERTAINMENT LIMITED
CIN: L92199GJ1995PLC024284

100, CHINUBHAI TOWERS, 1ST FLOOR, OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,
AHMEDABAD 380009 GUJARAT

Form No. MGT- 11

PROXY FORM

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

Name of Members:

Registered Address:

E-mail Address:

Folio No. | Client ID:

DP Id:

I/we, being the member(s) of _____ shares of Khyati Multimedia Entertainment Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____ or failing him

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Sunday, 27th September, 2020 at 01:30 p.m. at Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Subject Matter of Resolution	Optional	
		For	Against
	ORDINARY RESOLUTION		
1	To receive, consider and adopt the financial statements of the Company including the Audited Balance Sheet as on March 31, 2020, the Statement of Profit and Loss and the Cash flow statement for the year ended on that date and the Reports of the Board of Directors and the Auditors of the Company.		
2	To Re-Appoint Kartik J. Patel (DIN: 00047862), who retires by rotation and being eligible, offers himself for re-appointment.		
3	Appointment of M/s. MAAK & ASSOCIATES, as a Statutory Auditors of the Company.		
	SPECIAL RESOLUTION		
4	Re-Appointment of Mr. Rao Kamalkant (DIN: 02576450) as an Independent Director		
5	Re-Appointment of Mr. Arvind Prajapati (DIN: 02694784) as an Independent Director		
6	Appointment of M/s. MAAK & Associates Chartered Accountants as Statutory Auditors in Casual Vacancy		
7	Ratification of the Related Party Transactions and an omnibus approval for entering in to the Related Party Transactions u/s. 188 of the Companies Act 2014 for the financial year 2020-21.		

Signed this day of 2020

Affix 1/- revenue stamp

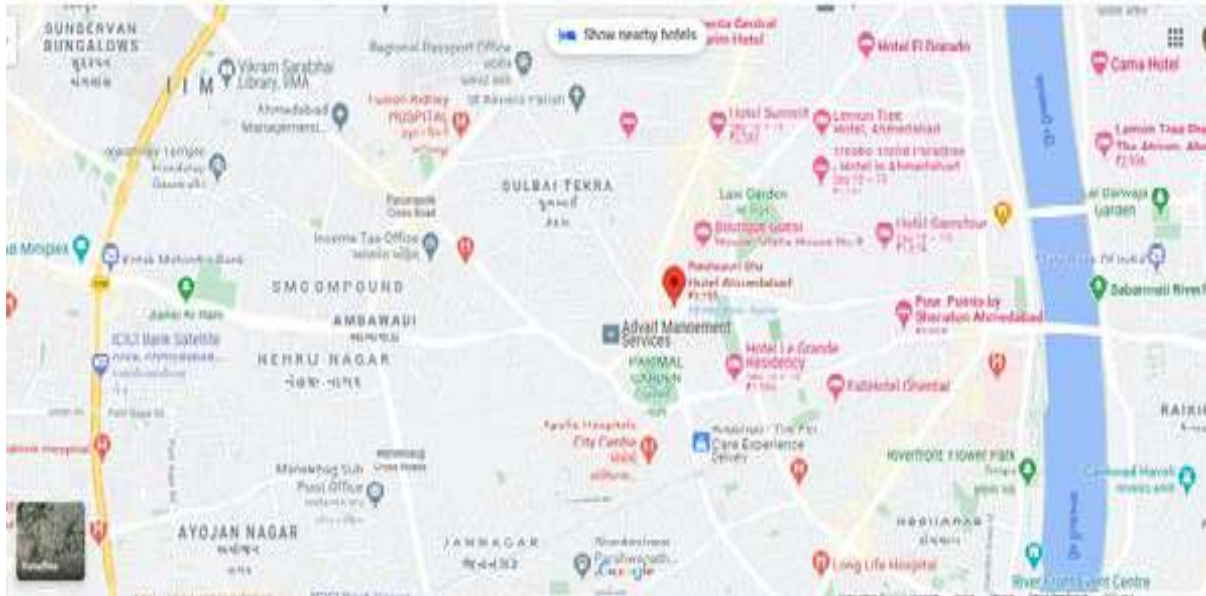
(Signature of the member/ Proxy)

Notes:

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. This is only optional. Please put a '☑' in appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Route Map of the AGM Venue



DIRECTORS' REPORT

Your Directors are pleased to submit herewith their report together with the audited statement of accounts for the 25th financial year ended 31st March, 2020.

[Amount in Rs.]

PARTICULARS	2019-20	2018-19
Income from Operation	28,57,609	0.00
Other Income	-	59,916
Total Income	28,57,609	59,916
Total Expenditure	43,67,691	13,07,687
Profit/ (loss) before tax and dep.	(15,10,082)	(12,47,772)
Provision for depreciation	3748	3,748
Provision for Differ Tax	7,11,487	-
Net Profit / (Loss) after tax for the year	(7,98,595)	(12,47,772)

OPERATIONAL OVERVIEW

During the year under review the Company has earned total income from other sources of Rs. 28,57,609/- (Previous Year of Rs. 59,916). After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the company has incurred a net loss of Rs. (7,98,595)/- (Previous of Rs (12,47,772)/-).

DIVIDEND

Due to loss, your Directors have not recommended dividend for the financial year 2019-20.

BUSINESS ACTIVITY

Khyati Multimedia Entertainment Limited has involved in the area of high-quality Desktop Publishing, imaging, Corporate Presentations, advertisements, creative designing, graphic designing and multimedia software development and is also engaged in the business of letting out vehicle.

There was no change in the nature of any of the business activity during the year.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPANIES

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

FIXED DEPOSIT

The Company has not accepted any public deposit during the year under review and no amount against the same was outstanding at the end of the year.

REGULATORY STATEMENT

In conformity with Regulations of SEBI (Listing Obligation and Disclosures Regulations) 2015 the Cash Flow Statement for the year ended 31.03.2020 is annexed hereto. The equity shares of the Company are listed on the BSE Ltd.

The Company has paid listing fees for the year 2019-20 to above stock exchanges.

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

As required under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, particulars relating to conservation of Energy, R & D, Technology absorption and foreign Exchange earnings / outgo are, not applicable to the Our Company.

DETAILS OF RELATED PARTIES TRANSACTIONS PURUSANT TO SECTION 188(1) OF THE COMPANIES ACT, 2013

The Company had entered into related parties' transactions for sale/purchase of goods or services. On arm's length basis. However, as there was no such business transactions or turnover in the previous financial year as well as no such transactions with any other outside parties during the year, the transactions though being done at the prevailing market rates as per prudent business practices, such transactions though not comparable with any other business transactions are treated at arm's length basis, except the salary paid to employees and director and key managerial person. However, a lease rent is being paid to Mrs. Jignaben K Patel as per the valid lease rental agreement. The same were reported to the Board at every meeting and Board took a note of the same and approved. Other details for inter corporate financial transactions or remuneration and other benefits paid to directors, their relatives, key managerial personnel etc are given in the financial statements and also by way of notes to the Accounts in terms of AS 18.

The Company has formulated various other policies like Risk Management Policy, Evaluation of Board Performance Policy, and CSR Policy etc. All such policies were documented and adopted by the Board and also uploaded all the policies applicable on the website of the Company www.khyatimultimedia.com

Full details of Risk Management Policy are given in the Corporate Governance Report under the head Whistle Blower Policy.

As the Company is loss making one, the provisions related to CSR is presently not applicable to the Company.

Regarding Performance Review of each of the member of the Board and also the performance of the various Committees and the Board, the Company has adopted the Model Code of Conduct for Independent Directors, Key Managerial Personnel as prescribed in Schedule IV to the Companies Act, 2013 and also as prescribed in the SEBI (Insider Trading) Regulations. The Company strictly follows the procedure to obtain necessary timely declarations from each of the directors and key managerial personnel from time to time.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company. However, the company has borrowed a sum of Rs. 29,62,100 from Director as a unsecured loan at 0% Interest for dealing with the day to day fund requirement of the company.

The Board of Directors supports to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. The Report on corporate governance as stipulated according to the SEBI (LODR) Regulation, 2015 forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance as required under SEBI (LODR), Regulation 2015 is attached to the Report on corporate governance.

BOARD OF DIRECTORS

Details about the Board of Directors Meetings are attached to the Report on Corporate Governance. Further, Mr. Kartik J. Patel, will be the Director retiring by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation of the SEBI (Listing Obligations and Disclosures) Regulations, 2015 with the Stock Exchanges.

DECLARATION BY INDEPENDENT DIRECTORS: **(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)**

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,

- (7) Who neither himself, nor any of his relatives,
- (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which I\he is proposed to be appointed.
 - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
 - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
 - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
 - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
- Who possesses such other qualifications as may be prescribed.
- (8) Both Independent Directors of the Company are yet to get themselves registered with the website of the Indian Institute of Corporate Affairs (IICA) as an Independent Director. However, both directors have requisite experience of working in a defined class company having such criteria as prescribed by MCA, they are not required to pass any examination for their appointment as Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2019-20, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2020, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) 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;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)

In compliance with Section 178 (1) as also in compliance with Regulation of SEBI (LODR), 2015, the Board of Directors does hereby declare that:

- a. The Company has proper constitution of the Board of Directors including independent directors in proportion as per requirement of SEBI (LODR), 2015. However,
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of the SEBI (LODR), 2015 and provisions of the Companies Act 2013. However, as the Company has only two Independent Directors, the Nomination and Remuneration committee is not formed as per requirements of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. The Company is not paying managerial remuneration to its Managing/Whole Time Directors based upon their qualification, experience and past remuneration received by them from their previous employers and company's financial position.
- e. The Independent Directors are paid sitting fee for attending Board and other committee meetings as decided by the Board from time to time. This sitting fee is decided considering the financial position of the company.
- f. The Company is not paying any commission on net profits to any directors.
- g. During the year the Board has met 7 times during the year. The details of presence of every director at each meeting of the Board including the meetings of the Committees, if any, are given in the reports of the Corporate Governance.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

SYSTEM OF PERFORMANCE EVALUATION OF THE BOARD, INDEPENDENT DIRECTORS AND COMMITTEES AND INDIVIDUAL DIRECTORS

1. The Board makes evaluation of the effectiveness and efficiency of every individual director, committee of directors, independent directors and board as a whole.
2. For these purposes the Board makes evaluation twice in a year on a half yearly basis.
3. The performance of individual directors is evaluated by the entire Board, excluding the Director being evaluated on the basis of presence of every director at a meeting, effective participation in discussion of each of the business of agenda for the meetings, feedback receives from every director on draft of the minutes and follow up for action taken reports from first line management.
4. Effectiveness and performance of various committees are evaluated on the basis of the scope of work assign to each of the committees the action taken by the committees are reviews and evaluated on the basis of minutes and agenda papers for each of the committee meetings.
5. The performance of independent directors is evaluated on the basis of their participation at the meetings and post meeting follow up and communication from each of such independent directors.

DISCLOUSER AS PER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

Total managerial remuneration paid to each of them during the current year and previous year are as under:

I. The Percentage of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Sr. No.	Name of director	Designation	Remunerati on paid in current year	Remunerat ion paid in previous year	Total cost of remuneration of the employees	Percentage remuneration of director to total cost of remuneration
1	Mr. Kartik J. Patel	Managing Director	NIL	NIL	NIL	0%
2	Mrs. Jignaben K. Patel	Women Director	NIL	NIL	NIL	0%
3	Mr. Prafulchandra Agarwal	Non-Independent Director	NIL	NIL	NIL	0%
4	Mr. Arvind Prajapati	Independent Director	NIL	NIL	NIL	0%
5	Mr. Kamalkant Rao	Independent director	NIL	NIL	NIL	0%
6	Mr. Devilal J. Shah Upto 25/03/2019	Company Secretary	52,000/-	NIL	—	—
7	Mrs. Deepa Gidwani	Chief Financial Officer	3,00,000/-	NIL	NIL	

II. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

There was no increase in remuneration.

III. The number of permanent employees on the rolls of company:

There were no other employees other than the Key Managerial person and directors which are on the pay rolls of company.

IV. The explanation on the relationship between average increase in remuneration and company performance;

NOT APPLICABLE as there was no substantial increase in remuneration of any employee during the year. The increase was only due to increase in inflation index.

- V.** Comparison of the remuneration of the Key managerial personnel against the performance of the company:

The KMP i.e. Whole time Directors and Financial Managers does not receive any remuneration apart from the Company Secretary & Chief Financial Officer who has been paid Remuneration of Rs. 3,52,000/-.

- VI.** Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

Closing Market Price of shares of Company as on 31/03/2020: Rs. 0.68/-

Closing Market Price of shares of Company as on 31/03/2019: Rs. 0.50/-

Earnings Per share for the financial year ended on 31/03/2020: Rs. (0.07)/-

Earnings per share for the financial year ended on 31/03/2019: Rs. (0.12)/-

Regarding other information like Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies is not given herewith since Company had made IPO more than 5 Years before and there was no substantial variation in the market price of shares of the company. Company's EPS is negative and hence PE Ratio is not given.

- VII.** Comparison of the remuneration of each key managerial personnel against the performance of the company;

As the company is paying minimum managerial remuneration to its managerial personnel and the Company is the loss making one the comparison of remuneration of each of the KMP with performance of the company is not comparable.

Since Managing director and Executive Directors are being not paid minimum remuneration and other KMPs are getting remuneration as per prevailing industry norms, it is not possible to compare remuneration with the performance of the company.

- VIII.** The key parameters for any variable component of remuneration availed by the directors;
NOT APPLICABLE.

- IX.** The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

There were No employees who are receiving remuneration in excess or higher than the remuneration of Director or Key Managerial Personnel.

X. Affirmation that the remuneration is as per the remuneration policy of the Company.

All remuneration of the Employees and directors are paid as per remuneration policy of the Company.

PARTICULARS OF THE EMPLOYEES

Particulars of the employees as required under provisions of Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, are not attached with this report since there was no employee who was in receipt of remuneration in excess of Rs.8,50,000 per month during the year or Rs. 1.02 Cr. per annum in the aggregate if employed part of the year.

AUDITORS

STATUTORY AUDITORS

M/s. MAAK & Associates Chartered Accountant were appointed in the Casual Vacancy for the Financial Year i.e. 2019-20 hence, the Board has now proposed to appoint the Statutory Auditors for a period of Next 5 Years. Necessary Resolution for their appointment as the Statutory Auditors and fixing their remuneration is proposed to be passed at the Annual General Meeting.

COST AUDITORS

NOT APPLICABLE

SECRETARIAL AUDITOR

The Company has appointed M/s. KAMLESH M. SHAH & CO., as the secretarial auditor for the financial year 2019-20. They have given their report in the prescribed form MR-3 which is annexed to this report as an ANNEXURE.

EXPLANATION TO THE AUDITORS' REMARKS:

AUDITORS REMARK:

Advance Against Land (Unsecured, Considered Good) Amounting To Rs 208.75 Lakhs Has Been Paid To Certain Parties As Advance Against Land Over The Years But The Land Registration Has Not Yet Been Completed. Refer Note 9 To The Standalone Financial Statements. We Have Also Not Been Provided With The Registered Agreements Of Party Confirmations For The Said Advances.

Managements Reply to Auditors Remark:

Long Term loans and Advances as at Balance sheet date Represent bonavide long term loans and advances for value to be received in cash or in kind Respectively. The Advance for Capital items has been provided and company is in process of getting the Confirmation statements from them. The Same will be made available for verification once they are received.

MATERIAL CHANGES / INFORMATION:

1. No material changes have taken place after the closure of the financial year up to the date of this report which may have substantial effect on the business and financial of the Company. However, net worth of the company has been completely eroded
2. No significant and material orders have been passed by any of the regulators or courts or tribunals impacting the going concern status and companies' operations in future.

APPRECIATION

Your Directors place on record their sincere appreciation for the valuable support and co-operation as received from government authorities, Financial Institutions and Banks during the year. The Directors are also thankful for the support extended by Customers, Suppliers and contribution made by the employees at all level. The Directors would also like to acknowledge continued patronage extended by Company's shareholders in its entire endeavor.

For and on behalf of the Board
Khyati Multi-Media Entertainment Limited
Sd/-

Date: 03.09.2020
Place: Ahmedabad

Kartik J. Patel
(DIN: 00047862)
Chairman & Managing Director

ANNEXURE – 1 TO THE DIRECTORS' REPORT

**FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDING
ON 31/03/2020**

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

1) REGISTRATION AND OTHER DETAILS:

SR. NO.	PARTICULARS	DETAILS
1	CIN	L92199GJ1995PLC024284
2	Registration date	20/01/1995
3	Name of the company	KHYATI MULTIMEDIA ENTETAINMENT LTD
4	Category/ sub-category of the company	Company limited by shares/ Indian Non- Government Company
5	Address of the registered office and contact details	101, CHINUBHAI TOWER, OPP : NATIONAL HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA AHMEDABAD-380009 GUJARAT
6	Whether listed company	YES
7	Name, address and contact details of registrar and transfer agent if any	MCS SHARE TRANSFER AGENT LIMITED 201, SHATDAL COMPLEX, OPP : BATA SHOWROOM, ASHRRAM ROAD, AHEMDABAD- 38009 E-Mail ID : helpdeskahmd@mcsregistrars.com Website www.mcsregistrars.com Phone : 91-022-67720400 Fax : 91-022- 28591568

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	6151846	65992	6217838	57.57%	5914440	194755	6109195	56.57%	1%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2169738	135500	2305238	21.34%	2262570	135349	2397919	22.20%	0.86%
c) Others (ALL)	482229	NIL	482229	4.47%	479903	288	480191	4.45%	0.02%
Sub-total (B)(2):-	8803813	201492	9005305	83.38%	8656913	330392	8987305	83.21%	0.16%
Total Public Shareholding (B)=(B)(1)+(B)(2)	8803813	201492	9005305	83.38%	8656913	330392	8987305	83.21%	0.16%
C. shares held by custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
GRAND TOTAL (A+B+C)	8803813	1996387	10800200	100%	8656913	2143287	10800200	100%	NIL

(ii) Shareholding of promoters

Name of promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shares holding during the year
	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
Mr. Kartikbhai J. Patel	16,30,600	15.10	Nil	16,30,600	15.10	Nil	Nil
Mr. Jasubhai M. Patel	76,100	0.70	Nil	76,100	0.70	Nil	Nil
Mr. Praful Agrawal	10,995	0.00	Nil	10,995	0.10	Nil	Nil
Mr. Rajiv Parikh	100	0.00	Nil	100	0.00	Nil	Nil
Mr. Yogesh Patel	100	0.00	Nil	100	0.00	Nil	Nil
Mrs. Jigna K Patel	76000	0.70	Nil	76000	0.70	Nil	Nil
Mr. Yash K. Patel (Relative of the Promoter Director)	-	-	-	18000	0.17	Nil	Nil
TOTAL	17,93,895	16.62	NIL	18,12,895	16.79	NIL	NIL

(iii) Change in Promoter's Shareholding

1.MR. KARTIKBHAI J. PATEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of shares	% of total shares	No. of shares	% of total shares
At the beginning of the year	1630600	15.10	1630600	15.10

Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	1630600	15.10	1630600	15.10

2. MR. JASUBHAI M. PATEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	76100	0.70	76100	0.70
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	76100	0.70	76100	0.70

3. MR. PRAFUL AGRAWAL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	10995	0.10	10995	0.10
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	10995	0.10	10995	0.10

4. MR. RAJIV PARIKH	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	100	0.00	100	0.00

Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	100	0.00	100	0.00

5. MR. YOGESH PATEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	100	0.00	100	0.00
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	100	0.00	100	0.00

6. MRS.JIGNA K.PATEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	76000	0.70	76000	0.70
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
At the end of the year	76000	0.70	76000	0.70

6. MR. YASH K. PATEL	Shareholding at the beginning of the year		Cumulative shareholding during the year	
At the beginning of the year	NIL	NIL	18000	0.17
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) :	Purchase from Market Dated 22.05.2019	Purchase from Market Dated 22.05.2019	Purchase from Market Dated 22.05.2019	Purchase from Market Dated 22.05.2019
At the end of the year	18000	0.17	18000	0.17

2) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDER (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

SR. NO.	NAME OF THE SHAREHOLDERS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	CHHOTALAL RAMJIBHAI BHANDERI	314328	2.6221	314328	2.6221
2	KUNDAN CHHOTALAL BHANDERI	114808	1.0630	114808	1.0630
3	BHANDERI SAKARBEN	56296	0.9656	56296	0.9656
4	VALA AMITABEN MAHENDRABHAI	77950	0.8986	77950	0.8986
5	MAHENDRA M VALA	71590	0.7870	71590	0.7870
6	AKBARI ANJANABEN K	77991	0.7221	77991	0.7221
7	VIMAL C SHAH HUF	72236	0.6688	72236	0.6688
8	BABULAL JAIN	71016	0.6575	71016	0.6575
9	RADHESHYAM R LODH	67500	0.6250	67500	0.6250
10	DHRUVE C BHANDERI	25292	0.2342	25292	0.2342
	TOTAL	949007	8.7864	949007	8.7864

3) INDEBTEDNESS

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	10,22,100	NIL	10,22,100
ii) Interest due but not paid	NIL	-	-	-
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)	NIL	10,22,100	NIL	10,22,100
Change in Indebtedness during the financial year				
* Addition	NIL	19,40,000	-	19,40,000
* Reduction	-	-	-	-
Net Change	NIL	19,40,000	-	19,40,000
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	29,62,100	NIL	29,62,100
ii) Interest due but not paid	NIL	-	-	-
iii) Interest accrued but not due	-		-	
Total (i+ii+iii)	NIL	29,62,100	NIL	29,62,100

4) EMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	SALARY	SHRI KARTIK J. PATEL	NIL
		SMT. JIGNABEN K. PATEL	NIL
			NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL

	Ceiling as per the Act	NIL As per section (ii) part (ii) of schedule V.
--	------------------------	--

5) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO/CEO	Total
		Devilal J. Shah (up to 02/12/2019)	Deepa Gidwani	
1	Gross salary	52,000	3,00,000	3,52,000
2	Stock Option	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.
	Total	52,000	3,00,000	3,52,000

b. Remuneration to other directors:

Independent & Non -Independent Directors	<i>SHRI KAMALKANT RAO</i>	<i>SHRI ARVINDKUMAR PRAJAPTI</i>	<i>Shri Prafulchandra Agarwal</i>
Fee for attending board / committee meetings	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
Commission			
Others, please specify			
Total	<i>NIL</i>	<i>NIL</i>	<i>NIL</i>
Overall Ceiling as per the Act	30,00,000/- AS PER Section II Part II of Schedule V		

6) *PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:*

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	No	No	No	No	No
Punishment	No	No	No	No	No
compounding	No	No	No	No	No
B. DIRECTORS					
Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No
C. Other Officers In Default					
Penalty	No	No	No	No	No
punishment	No	No	No	No	No
compounding	No	No	No	No	No

ANNEXURE – 2 TO THE DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and expectations. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

2. BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive directors to ensure the independence of the Board and to separate the board functions of governance and management

The Board currently comprises of proper Constitution of Board of Directors including the Chairman of the Board.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

BOARD PROCEDURE

The Board meets at least once in a quarter to review the quarterly performance and the financial results. The Board meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the company.

The Minutes of the Board meetings are circulated in advance to all Directors and confirmed at subsequent Meeting. The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board.

During the financial year ended March 31st, 2020, Seven Board Meetings were held respectively on 01.04.2019, 30.05.2019, 14.08.2019, 28.09.2019, 14.11.2019, 02.12.2019 & 14.02.2020. The gap between two Board Meetings did not exceed four months.

The composition of the Board of Directors, the number of other Directorship and Committee positions held by the Director, of which the Director is a Member/Chairman, are as under:

Name of Director	Category	DIN	No. of Board Meetings attended during the year	Whether attended last AGM	No. of other Director-ship held
Shri Kartik J. Patel	Executive Promoter Chairman	00047862	7	Yes	6
Smt. Jignaben K Patel	Non-Executive Promoter Women Director	00047896	7	Yes	2
Shri Prafulchandra J. Agarwal	Non-Independent promoter & Non-Executive Director	00088295	7	Yes	15
Shri Rao Kamalkant	Independent & Non-Executive Director	02576450	7	Yes	2
Shri Arvindkumar Prajapati	Independent & Non-Executive Director	02694784	7	Yes	Nil

*1 Committee includes Audit Committee and Shareholders', Investors Grievance Committee & Nomination and Remuneration Committee only.

CODE OF CONDUCT

The Company has already adopted a code of conduct for all employees of the company and Executive directors. The board has also approved a code of conduct for the non-executive directors of the company. All board members and senior management personnel (as per clause 49 of listing agreement) have affirmed compliance with the applicable code of conduct has been provided in the Annual Report. The directors and senior management of the company have made disclosures to the board confirming that there are no material financial and/ or commercial transactions between them and the company that could have potential conflict of interest with the company at large.

3. COMMITTEES OF THE BOARD

AUDIT COMMITTEE:

The terms of reference of the Audit Committee are wide enough to cover matters specified for Audit Committees under Regulation 18 of the SEBI (Listing Obligation and Disclosures Regulations) ,2015 as well as in Section 177 of the Companies Act, 2013 besides other terms as may be referred to by Board of Directors from time to time.

The Audit Committee comprises of three Directors all of whom two are Independent Directors.

During the period under review, Seven Audit Committee meetings were held respectively on 01.04.2019, 30.05.2019, 14.08.2019, 28.09.2019, 14.11.2019, 02.12.2019 & 14.02.2020.

The composition of the Audit Committee and attendance at its meetings is given hereunder:

Name of Director	Position	No. of Meetings	Meetings attended
Shri Prafulchandra Agarwal	Chairman	7	7
Shri Rao Kamalkant	Member	7	7
Shri Kartik J Patel	Member	7	7

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

NOMINATION AND REMUNERATION COMMITTEE:

The Remuneration Committee comprises of two independent Non-executive independent directors viz. Shri Rao Kamalkant, Shri Arvindkumar Prajapati and one non executive non independent director Shri Prafulchandra Agarwal

During the period under review, **Two** Nomination and Remuneration Committee meetings were held.

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria.

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2019-20

(Amount in Rs.)

NAME OF DIRECTOR	REMUNERATION	SITTING FEES	TOTAL
Shri Kartik J. Patel	Nil	Nil	Nil
Smt. Jignaben K Patel	Nil	Nil	Nil
Shri Rao Kamalkant	Nil	Nil	Nil
Shri Arvindkumar Prajapati	Nil	Nil	Nil
Shri Prafulchandra Agarwal	Nil	Nil	Nil

- The Company does not have a scheme for grant of stock option to the directors.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

Shri PrafulChandra Agarwal- Chairman, Shri Rao Kamalkant and Smt. Jignaben K. Patel are members of the Committee. The Committee is empowered to oversee the redressal of Investors' complaints and other miscellaneous complaints. The Company as a matter of policy disposes of investor complaints within a span of five working days.

Name and designation of Compliance Officer:
Devilal J. Shah (w.e.f. 02/12/2019)

No. of shareholders' complaints received during the year: Nil
No. of complaints not resolved to the satisfaction of shareholders: Nil
No. of pending Complaints: Nil
No. of complaints resolved during the year: Nil

4. **GENERAL BODY MEETING**

• ***Date, Time and Venue of the last three Annual General Meetings:***

Year	Date	Time	Venue	No. of special resolutions passed
2016-17	September 30th, 2017	4.00 P.M	101, Chinubhai Towers, Opp: Handloom House, Ashram Road, Navrangpura, Ahmedabad: 380 009	0
2017-18	September 29th, 2018	4.00 P.M	Subharti Prarthna Bhavan & Party Plot, C. K. Khadayata Chatralaya Campus, Gulbai Tekara, Ahmedabad-380006	1
2018-19	September 28 TH , 2019	3.00 P.M	Subharti Prarthna Bhavan & Party Plot, C. K. Khadayata Chatralaya Campus, Gulbai Tekara, Ahmedabad-380006	0

- 1.No extra-ordinary general meeting of the shareholders was held during the year.
- 2.Postal ballot: during the year under review, One resolution was put through by postal ballot for the Appointment of Statutory Auditor due to Casual Vacancy.

DISCLOSURES

POLICIES:-

A. POLICY ON RELATED PARTY TRANSACTIONS SCOPE AND PURPOSE OF THE POLICY

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosures Regulations),2015, our Company has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also, Regulation 23 of SEBI (LODR),2015 requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions. In light of the above, our Company has framed this Policy on Related Party Transactions (“Policy”). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee. Going forward, the Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board.

OBJECTIVE OF THE POLICY

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Regulation 23 of SEBI (LODR),2015 and any other laws and regulations as may be applicable to the Company.

MANNER OF DEALING WITH RELATED PARTY TRANSACTIONS

a) Identification of related parties: -

The Company has formulated guidelines for identification and updating the list of related parties as prescribed under Section 2(76) of the Act read with the Rules framed there under and Regulation 23 of SEBI (LODR),2015.

b) Identification of related party transactions: -

The Company has formulated guidelines for identification of related party transactions in accordance with Section 188 of the Act and Regulation 23 of SEBI (LODR),2015.

DISCLOSURES

The Company shall disclose, in the Board’s report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business along with the justification for entering into such transaction.

B. FAMILIARIZATION POLICY FOR INDEPENDENT DIRECTORS

PURPOSE AND OBJECTIVE OF THE POLICY

The Program aims to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

FAMILIARIZATION AND CONTINUING EDUCATION PROCESS

- The Company through its Managing Director / Executive Director / Key Managerial Personnel conducts programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- Such programmes/presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company’s strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.
- The programmes/presentations also familiarize the Independent Directors with their roles, rights and responsibilities.

- When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Chairperson, Managing Director, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.
- New Independent Directors are provided with copy of latest Annual Report, the Company's Code of Conduct, the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices, Schedule of upcoming Board and Committee meetings.
- The Company provides the Directors with the tours of company's facilities from time to time.
- A detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, insurance cover, Tata Code of Conduct and obligations on disclosures, is issued for the acceptance of the Independent Directors.

C. RISK MANAGEMENT POLICY

LEGAL FRAMEWORK

Risk Management is a key aspect of the "Corporate Governance Principles and Code of Conduct" which aims to improvise the governance practices across the Company's activities. Risk management policy and processes will enable the Company to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities.

BACK GROUND AND IMPLEMENTATION

The Company is prone to inherent business risks. The objective of Risk Management Policy shall be identification, evaluation, monitoring and minimization of identifiable risks. This policy is in compliance with the amended Clause 49 of the Listing Agreement (W.e.F 1st October 2014) which requires the Company to lay down procedure for risk assessment and procedure for risk minimization. The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

COMMITTEE

The Company has not made Risk Management Committee but the Board of Directors & Audit Committee is looking after the Risk Management of the Company.

D. CORPORATE SOCIAL RESPONSIBILITY POLICY

India's new Companies Act, 2013 has introduced several new provisions which change the face of Indian corporate business. One of such new provisions is Corporate Social Responsibility (CSR). As per Section 135 of the Companies Act, 2013, it provides the threshold limit for applicability of the CSR to a Company i.e. (a) net worth of the company to be Rs 500 crore or more; (b) turnover of the company to be Rs 1000 crore or more; (c) net profit of the company to be Rs 5 crore or more.

Since company is a loss making company, CSR Policy is not applicable. Company has not made Corporate Responsibility Committee.

E. VIGIL MECHANISM POLICY

LEGAL FRAMEWORK

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

Regulation 22 of SEBI (LODR), 2015 between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company’s code of conduct.

POLICY

In compliance of the above requirements, Khyati Multimedia Entertainment Ltd, being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

F. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (POLICY WHERE MORE THAN 4 WOMEN WORKING) AND ELIMINATION OF CHILD LABOUR POLICY.

OBJECTIVE:

It is the endeavor of the Company, to ensure a safe, secure and congenial work environment where employees and workers will deliver their best without any inhibition, threat or fear. In pursuance of this objective, the Company has evolved a “Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Policy”.

The approach adopted by the Company is to spread awareness about the causes and consequences of sexual harassment at workplace and thereby prevent any occurrences. In the event of such an occurrence, the Group would use this Policy to provide the framework for action.

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Policy:

Sexual harassment in the work place has been defined as “unwelcome” sexually determined behavior (whether directly or by implication). It includes any or all of the following:

- Physical contact and advances
- A demand or request for sexual favours
- Sexually colored remarks
- Showing pornography
- Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
- Sexual harassment will be deemed to have taken place if work is used as the excuse or occasion for repeated, personalized, offensive and unwelcome speech or gestures.

It is the duty of the Organization to prevent or deter acts of sexual harassment and if they take place, to provide procedure for resolution, encourage counseling, settlement or prosecution of acts of sexual harassment;

- Where the conduct of the employee would constitute an offence under the Indian Penal Code of any other law, Khyati Multimedia Entertainment Limited shall initiate legal action
- Where the conduct would in addition to an offence under law, constitute misconduct under the rules or regulations of the organization, Khyati Multimedia Entertainment Limited. shall initiate disciplinary action against him/her.

The concerns of or about employees can be reported without fear of reprisal or retaliation. Any allegations of sexual harassment will be investigated quickly and discreetly, and disciplinary action initiated as described in this policy. To the extent possible, the identity of the complainant, the victim, witnesses and the alleged harasser will be protected against unnecessary disclosure. All efforts will be made to ensure that proceedings remain confidential.

POLICY BASED ON SEBI (LODR) REGULATION, 2015

Company has also adopted the Policy based on SEBI (Listing Obligation and disclosure Requirements) Regulation, 2015 the following policies applicable w.e.f 01.12.2015 are as follows.

All the policies applicable are also uploaded with BSE Website and also available on companies website www.khyatimultimedia.com

I. POLICY ON PRESERVATION OF DOCUMENTS

A Policy on preservation of Documents (defined below) would ensure safe-keeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents. The Company, therefore, formulates this Policy, in pursuance to Regulation 9 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), on preservation of the Documents to aid the employees in handling the Documents efficiently. It not only covers the various aspects on preservation of the Documents, but also the safe disposal/destruction of the Documents.

II . ARCHIVING OF DOCUMENTS WHICH ARE HOSTED ON THE COMPANY'S WEBSITE:

Recognizing the need to ensure the preservation and availability of the Documents of the Company after their required regulatory preservation period, for any legal, administrative, and historical purposes, the Company adopts the following archival policy in respect of Documents which are hosted on the website of the Company:

1.1. All Documents generated, disclosed or received by the Company, on its website, for the purpose of shareholder communication, are the properties of the Company and constitute archival material.

1.2. Archival material of the Company shall not be destroyed or purged without the approval of the Authorized Person. Provided that nothing contained herein shall be deemed to lead to an exception in case of an accidental deletion, or deletion due to any system flaw, virus, or any other deletion, inaccessibility or loss due to any reason other than deliberate and determinate deletion.

1.3. Material so selected for preservation shall be sent to the Company archives in the category of [Libraries]

1.4. The Authorized Person, in consultation with the Board, will be responsible for deciding how long archival material is to be retained in and under the direct control of the officer concerned, if the law does not specify any time period. The period shall not be less than 3 years.

a. Archiving of the Documents to be submitted to the stock exchange, in terms of the Regulations, shall be done after the lapse of the preservation period of 5 years [as specified in Regulation 30(8)], as per the archival policy.

b. For the Documents to be submitted to the stock exchange to comply with disclosure norms as required by any other Applicable Law, the Documents are to be archived after the lapse of the specified/required time period.

III. POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

Events / information shall be considered as Material if it meets any of the following criteria: (a) the event or information is in any manner unpublished price sensitive information; (b) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;

(c) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; and

(d) any other event/information which is treated as being material in the opinion of the Board of Directors of the Company.

1. DISCLOSURES OF EVENTS OR INFORMATION

a. Events specified in Annexure A are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:

- i. inform the stock exchanges in which the securities of the Company are listed;
- ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

b. The Company shall make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per clause 3 of the Policy.

c. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

d. The Company shall disclose all events or information with respect to its Material Subsidiaries.

e. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

f. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES:

The Company has complied with the requirements of the Stock Exchange/SEBI/any statutory authorities on all matters related to capital markets. There are penalties or strictures imposed on the Company by Stock Exchange Which are paid by the Company duly.

5. CODE OF CONDUCT

The Company has its Code of Conduct which is applicable to Board of Directors as well as designated senior management personnel. The Code is circulated to all the members of the Board and management personnel and the compliance of the same is affirmed by them annually. An annual declaration of Whole Time Director, as to compliance of Code of Conduct has been provided in the Annual Report.

6. CERTIFICATE ON CORPORATE GOVERNANCE

As required under Regulation 15 of SEBI (LODR),2015, Certificate is provided in the Annual Report.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This is given as a separate section in this Annual Report.

8. CERTIFICATION

As required by Regulations of SEBI LODR, 2015, certification on financial statements is provided in the Annual Report.

9. COMPLIANCE WITH CORPORATE GOVERNANCE

Company is fully committed to the compliance of applicable mandatory requirement of SEBI (Listing Obligations and Disclosures Regulations), 2015 as amended from time to time. The company submits quarterly Compliance Report to BSE & NSE in respect of compliance of Regulation 15 of the SEBI (LODR) ,2015.

10. MEANS OF COMMUNICATION

- a. All financial results are immediately sent to stock exchanges after being taken on record by the Board.
- b. As per the requirements of Listing Agreement, Results are also published in leading daily local & English National newspapers namely Indian Express and Financial Express. The said results are also displayed at Company's web site.
- c. The Company's website www.khyatimultimedia.com contains a separate dedicated section named "Investors" where information for shareholders is available. Press releases, if any, are also displayed at Company's website as well as published in newspapers.

11. GENERAL INFORMATION FOR SHAREHOLDERS AND INVESTORS

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as **L92199GJ1995PLC024284**

a) Annual General Meeting.

Date : 27th September,2020

Time : 01:30 P.M.

Venue: Radisson Blu, Near Panchvati Cross Roads, Ellisbridge, Ahmedabad: 380006, Gujarat, India

b) Financial Year

For accounting and financial reporting purpose, Company follows Financial Year which starts from 1st April each year and ends on 31st March of every succeeding year.

The Quarterly Results for the financial year 2020-21 will be taken on record by the Board of Directors as per the following tentative schedule (subject to change, if any):

Quarter ending 30 th June 2020	:	By 14/08/2020
Quarter ending 30 th September 2020	:	By 14/11/2020
Quarter ending 31 st December 2020	:	By 14/02/2020
Quarter ending 31 st March 2021	:	By 30/05/2021

c) Date of Book Closure / Record Date : 21-09-2020 to 27-09-2020
(Both days inclusive)

d) Dividend Payment Date : Not Applicable

e) Listing on Stock Exchange : **Bombay Stock Exchange Ltd.(BSE)**
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai – 400001
Scrip Code: 531692

Demat ISIN No. for NSDL and CDSL : **INE593B01030**

f) Listing Fees to Stock Exchanges

Company has paid listing fees in respect of financial year 2019-20 to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

g) Custodial Fees to Depositories

Company has paid Custodian Fees for the financial year 2019-20 to both depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

h) Share Price Data

Company : [KHYATI MULTIMEDIA-ENTERTAINMENT LTD.](#) 531692

Period: April 2019 to March 2020

All Prices in ₹ ((Rs. per share)

Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover
Apr 19	0.58	0.58	0.58	0.58	1051	3	608
May 19	0.56	0.59	0.55	0.59	57868	20	33036
Jul 19	0.59	0.59	0.59	0.59	50	1	29
Sep 19	0.59	0.59	0.53	0.57	69,255	35	40539
Oct 19	0.57	0.57	0.55	0.55	13,304	16	7422
Nov 19	0.55	0.55	0.55	0.55	363	6	198
Dec 19	0.55	0.57	0.50	0.50	14,037	34	7355
Jan 20	0.50	0.52	0.44	0.44	35,361	47	17085
Feb 20	0.44	0.44	0.40	0.40	8203	9	3533
Mar 20	0.40	0.40	0.38	0.38	3363	6	1320

i) Shareholding pattern as on 31st March, 2020

Sr. No.	Particulars	No. of Shares of Rs.10/- each	% holding
1	INDIAN PROMOTERS	18,12,895	16.79%
2	BODIES CORPORATES	212851	2.07%
3	PUBLIC	8780688	81.30%
4	NON-RESIDENT INDIANS (NRI)	12766	0.12%
	Total	10800200	100.00%

j) Distribution of shareholding as on 31st March, 2020

	No. of Shares	%	No. of Members	%
Up to 500	1484461	13.74	6901	73.54
501 - 1000	1151842	10.67	1292	13.76
1001 - 2000	920083	8.52	574	6.12
2001 - 3000	546556	5.07	214	2.28
3001 - 4000	311923	2.88	85	0.90
4001 - 5000	422729	3.91	87	0.92
5001 - 10000	1037285	9.60	133	1.44
10001 & ABOVE	4925321	45.60	100	1.053

k) Dematerialization of Shares and Liquidity

On March 31st 2020, nearly 80.43 % of the shareholders of Company were holding Company's shares in demat form. In the same way, Promoters & Promoters-group shareholding was not fully dematerialized. Also, the aggregate dematerialized shareholding of the Company stood at 80.43% of the total no. of shares. Brief position of Company's dematerialized shares is given below:

S. No.	Description	No. of Holders	Shares	% holding
1	NSDL	5466	5543475	51.32
2	CDSL	3783	3124933	28.93
3	PHYSICAL	137	2131792	19.75
Total		9386	10800200	100%

l) Share Transfer System

All transfers of shares held in physical form are dealt by our Registrar and Share Transfer Agents. Presently the share transfers received in physical form are processed and registered within prescribed time periods (15) days from the date of receipt subject to the documents being valid and complete in all respects. Depositories control share transfers in Demat Mode. The Company obtains from a Company Secretary in Practice half yearly certificate of compliance in respect of compliance with share transfer formalities as required under Regulation 40 (10) of the SEBI (LODR),2015 with Stock Exchanges and files a copy of the certificate with the stock exchanges.

m) Reconciliation of Share Capital Audit Report

As stipulated by Securities and Exchange Board of India, Company is required to carry out Reconciliation of Share Capital Audit (RSCA) from a practicing Company Secretary. This audit is carried out every quarter and the report thereon of Practicing Company Secretary

is submitted to the stock exchanges. The audit, inter alia, confirms that the total listed and paid-up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

n) Registered & Administrative Offices:

Registered Office

101, Chinubhai Towers,
Opp: Handloom House,
Ashram Road, Navrangpura,
Ahmedabad: 380 009

o) Address for Investor Correspondence:

In case any problem or query shareholders can contact at:

Address : 100, Chinubhai Towers,
Opp: Handloom House, Ashram Road,
Navrangpura, Ahmedabad-380009
Tel NO: 91-079-26582983
Fax: 91-079-26584335
E-Mail: khyatimulti@gmail.com
Website: www.khyatimultimedia.com

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

Name : **MCS SHARE TRANSFER AGENT LIMITED**
201, Shatdal complex,
Opp. Bata show room,
Ashram road,
Ahmedabad - 380 009
Phone : **91-022-67720400**
Fax : **91-022- 28591568**
Email : helpdeskahmd@mcsregistrars.com
Website : www.mcsregistrars.com

Annexure to Corporate Governance Report

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

We, Kartik J. Patel, Managing Director and Prafulchandra J. Agarwal Director of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Regulations of SEBI (LODR), 2015 entered into with Stock Exchange. The Board has adopted a code of conduct for all Board members and senior management of the company which is posted on the website of the company. All Board members and senior management personnel have affirmed their compliance with the code of conduct for the current year.

As required by SEBI (LODR) Regulation 2015, Certificate of Compliance with the Corporate Governance Requirements by the Company issued by Auditors is given as an annexure to the Directors' Report.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 03rd September, 2020.

For Khyati Multimedia Entertainment Limited

Place: Ahmedabad
Date: 03.09.2020

Kartik J. Patel
Managing Director
DIN: 00047862

Prafulchandra J. Agarwal
Director
DIN: 00088295

CERTIFICATE ON CORPORATE GOVERNANCE

To
Members

KHYATI MULTIMEDIA ENTERTAINMENT LIMITED.

We have examined the compliance of the conditions of Corporate Governance by Khyati Multimedia Entertainment Limited for the year ended 31st March, 2020 as stipulated in Regulation 15 of the SEBI (LODR), 2015 of the Company with stock exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR), Regulation 2015.

We state that in respect of investor grievances received during the year ended 31st March, 2020, no investor grievances are pending against the company for the period exceeding one month, as per the records maintained by the Company and presented to the Investors/Shareholders Grievance Committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 03rd September, 2020

**FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES**

sd/-

**(Kamlesh M. Shah)
PROPREITOR**

ACS: 8356, COP: 2072

CERTIFICATION

(Pursuant to SEBI (LODR) Regulation 2015)

To
The Board of Directors

We hereby certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended **31st March 2020** and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee –
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Khyati Multimedia Entertainment Limited

Place: Ahmedabad
Date: 03.09.2020

Kartik J. Patel
Managing Director
DIN: 00047862

Prafulchandra J. Aggarwal
Director
DIN: 00088295

ANNEXURE – 3 TO DIRECTORS' REPORT **MANAGEMENT DISCUSSION AND ANALYSIS**

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Global business environment is becoming more competitive than ever. As a result, this is forcing businesses to seek newer ways to improve their efficiency, lower operating costs, be more responsive to customer needs, and brings new products to market faster. This drive to improve results has resulted in a burgeoning interest in technology management ranging from the acquisition to the exploitation of new technologies. While many technologies are of primary interest to one or two industries, almost all industries have an interest in information technology most companies cannot operate without computer system. These have been employed in nearly all business areas from education to manufacturing to construction. Management is becoming aware that their competitive edge may depend on the ability of their computer and communication systems to respond quickly to changing business needs. This means that businesses must keep abreast of competitive moves in the use of computers and in many cases be prepared to stay ahead of their competitors. Having access to the latest technological advancements may be a major factor that will give a business that extra competitive edge.

DISCUSSION ON COMPANY'S PERFORMANCE

During the year under review the Company has earned total income from other sources of Rs.28,57,609/- (Previous Year of Rs. 59,916) from business. After deducting all administrative expenses and depreciation and necessary adjustments for taxation, etc. the company has incurred a net loss of Rs. (7,98,595) /- (Previous of Rs (12,47,772)/-).

SWOT ANALYSIS OF COMPANY

Strength

When media industries tout their strengths, they often mean their customers rather than the journalism awards sitting on the trophy shelf. They might note their total volume of customers, or their market dominance in demographics that your business covets. Consider larger trends as well as specific. If you're looking to invest or advertise, broadcast television rules if you want the broadest audience, but doesn't have the influence it once did, for example. Brand names can also be a strength. Both customers and advertisers may want to be associated with media outlets considered elite news and entertainment sources.

Weaknesses

Every media outlet engages in a fierce competition for a larger share of audience. At any given time, ratings or circulation figures are a weakness for some industry sectors. Cost structure is a weakness in some traditional media industries, where a change in audience media preferences has left a solid brand, but a bloated workforce and narrowing customer base. New media can have a similar problem, with founders and investors pouring cash into their vision of the future that results in an unsustainable amount of red ink.

Opportunities

Traditional media industries are looking to monetize their offerings on the Internet, or turn their free social media outlets into effective sales pitches for their pay offerings. There's also the time-honored opportunities presented by the expansion of markets. Combine them both, and media outlets may find it profitable to specialize in niche content that's more popular outside of their traditional geographic footprint, and sell targeted Web advertisements to bring in the necessary revenue. The shifting consumer preferences, while often viewed as a negative also provides opportunities for media organizations to benefit. People using the Internet to get their news may lower the market for the physical newspaper, but create new opportunities to market its content, for example

Threats

Disruptive technologies are a threat to media industries that haven't been proactive in using them for their benefit. User-generated content, whether it's a popular series of YouTube videos or the hottest social media site that everyone's obsessing over, also takes eyeballs away from established media industries. Fragmentation is a further threat for those who depend on a high volume of customers, as broadcast TV networks, radio and newspapers in particular have found out. If you're a business looking to get the most comprehensive coverage possible in your advertising, doing it through the leading local radio station has less appeal if the ratings are far from what they once were.

RISKS AND CONCERNS

Some of the major risks and concerns identified by the Company are:

- Working Capital risks
- Market ups and down ratio risk
- Government Policy and Political Structure risk
- Competition risk
- Economic Slowdown risk

In its process of Risk Management, Company takes proactive steps in identifying inherent business and operational risks and accordingly takes appropriate steps to guard against these identified risks.

INTERNAL CONTROL SYSTEM

Your Company has in place adequate internal control systems commensurate with the size of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, applicable laws and regulations, safeguarding of assets and economical and efficient use of resources. The system is assessed periodically. The Internal Audit team continuously monitors the effectiveness of the internal control systems. It reports to the Audit Committee about the adequacy and effectiveness of the internal control system of your Company.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Company maintained healthy, cordial and harmonious industrial relations at all levels. The Board of Directors and management wish to place on record their appreciation of the efforts put in by all employees to achieve good performance.

RISK MANAGEMENT

Risks are events, situations or circumstances which may lead to negative consequences on a Company's business. Risk management is a structured approach to manage uncertainty. It involves identifying potential risks, assessing their potential impact, taking timely action to minimize potential impact and continuous monitoring of identified risks. Your Company has a robust risk management process to identify and assess business risks and opportunities. Your Company's risk management plan describes the potential risk, contains an analysis of the impact of risks and includes risk strategies to help the business reduce the consequences. The risk management plan of your Company is regularly reviewed to ensure that it accurately reflects the current potential risks to its business.

FUTURE OUTLOOK

Khyati Multimedia Entertainment Limited has involved in the area of high-quality Desktop Publishing, imaging, Corporate Presentations, creative designing, advertisements, graphic designing and multimedia software development and is also engaged in the business of letting out vehicle.

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

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

To,
The Members,
KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED
CIN: L92199GJ1995PLC024284

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED** (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the records of **KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED**, 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, I/We hereby report that in my/our opinion, the company has, during the audit period covering **the financial year ended on 31st March 2020** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED (CIN: L92199GJ1995PLC024284) for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (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 Takeover) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 1992;
 - (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 FOR THE YEAR UNDER REVIEW)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **NOT APPLICABLE FOR THE YEAR**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.

(vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, and Listing Regulations.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, substation, if any, are adopted by the Company and are complied with.
- (ii) The Listing Agreements entered into by the Company with The B S E Limited and the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non-executive directors, independent directors and woman director. There was no change in the Constitution of the Board of Directors during the year under review.

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 or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

Except:

- 1. Company has given Loans & Advances (CLEAN) to three various Parties at Hyderabad and Pune the company has sent by registered post the letter of confirmation of accounts; however counter confirmation is not yet received.**
- 2. Promoters Shareholding is not yet fully Dematerialize.**
- 3. 15, 20, 000 Equity Shares which are allotted on 26/12/2000 on preferential basis are not yet listed with Stock Exchange and not Dematerialized.**
- 4. The Forensic Audit of the Company is completed by the Forensic Auditors appointed by SEBI; the said auditors have submitted their report to the Regulators. On the Basis of Observation**

of the Forensic Auditors, the B S E has issued a letter calling for explanation/ clarification from the company. The Company has already appointed a Practicing Company Secretary M/s. S. S. Rauthan & Associates, Mumbai for giving a detailed reply and make representation on behalf of the Company. The Company had asked for extension of time for submission of detailed report, which was granted by BSE. Till date the Company has not made any written submissions to BSE in this regard. No further actions are taken by BSE/ SEBI in this regard against the Company or its Directors.

- 5. Company had done Related party Transaction during the year 2019-20 Subject to the approval of Shareholders/Members in the Extra Ordinary General Meeting However, due to COVID-19 Pandemic Effect Company has made the Delay in the Compliance of taking the prior Consent of Members for Related Party Transaction.*
- 6. Independent Directors Registrations on IICA Website as Independent Directors is pending, However, MCA has Extended the process of Registration Date upto 30th September,2020.*

I 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 compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, in the company there was no specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, except our observation as aforesaid paragraphs.

Place: Ahmedabad
Date: July 11, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

“ANNEXURE-A”

Securities Laws

1. All Price Sensitive Information were informed to the stock exchanges from time to time
2. All investors' complaint directly received by the RTA & Company is recorded on the same date of receipts and all are resolved within reasonable time.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are NOT applicable to Company during the year under review.
4. There was no incidence of Sexual Harassment to any of the Female/ Women employee of the Company.

Environmental Laws

During the year under review there was no Manufacturing business activities in the Company. The Provisions of the Environmental laws and regulations relating to obtaining any specific permissions or licenses if any are not applicable to the company during the year.

Taxation Laws

The company follows all the provisions of the Indirect taxation laws and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other applicable departments.

Place: Ahmedabad
Date: July 11, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPREITOR
ACS: 8356, COP: 2072

“ANNEXURE-B”

To
The Members,
KHYATI MULTIMEDIA-ENTERTAINMENT LIMITED
CIN: L92199GJ1995PLC024284
100, CHINUBHAI TOWERS, 1ST FLOOR,
OPP: HANDLOOM HOUSE, ASHRAM ROAD, NAVRANGPURA,
AHMEDABAD 380009 Gujarat India

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures and compliances done are on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

Place: Ahmedabad
Date: July 11, 2020

FOR KAMLESH M. SHAH & CO.,
PRACTICING COMPANY SECRETARIES

(KAMLESH M. SHAH)
PROPRIETOR
ACS:8356 COP: 2072

FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Jignaben Patel Promoter & Director
b)	Nature of contracts/arrangements/transaction	Rent
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Agreement
e)	Date of approval by the Board	30/05/2019
f)	Amount paid as advances, if any	-

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Khyati World Educare Pvt. Ltd. Common Director (Kartik J. Patel) Promoter & Director
b)	Nature of contracts/arrangements/transaction	Sale
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14/11/2019
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Khyati Realities Ltd. Common Director (Kartik J. Patel) Promoter & Director
b)	Nature of contracts/arrangements/transaction	Sale
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14/11/2019
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Khyati World School (Managed By Firdaus Memorial Charity & Education Trust) COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)
b)	Nature of contracts/arrangements/transaction	Sale
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14/11/2019
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Firdaus Memorial Charity & Education Trust COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)
b)	Nature of contracts/arrangements/transaction	Sale
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14/11/2019
f)	Amount paid as advances, if any	NIL

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Khyati Foundation Trustee (Kartik J. Patel)
b)	Nature of contracts/arrangements/transaction	Sale
c)	Duration of the contracts/arrangements/transaction	12 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	14/11/2019
f)	Amount paid as advances, if any	NIL

Date: 03/09/2020
Place: Ahmedabad

For and On Behalf of Board of Directors
Khyati Multimedia Entertainment Limited

Kartik J. Patel
Managing Director
DIN: 00047862

INDEPENDENT AUDITORS' REPORT on Audited Standalone Quarterly financial Result and Year to Date Results KHYATI MULTIMEDIA ENTERTAINMENT LIMITED Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

TO THE BOARD OF DIRECTORS OF KHYATI MULTIMEDIA ENTERTAINMENT LIMITED

Qualified Opinion

We have audited the accompanying standalone annual financial results of **Khyati Multimedia Entertainment Limited** (“the Company”), for the quarter ended 31st March, 2020 and the year to date results for the period from 1st April ,2019 to 31st March, 2020 ,attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (‘Listing Regulations’) including relevant circulars issued by the Securities and Exchange Board of India (SEBI) from time to time.

In our opinion and to the best of our information and according to the explanations given to us, *except for the matters stated in paragraph basis of qualified opinion* the statement:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- ii. gives 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 31 March 2020, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Qualified Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibility under those Standards are further described in Auditor’s Responsibility for the Audit of the standalone financial statements section of our report. We are independent of the company in accordance of

with code of ethics issued by ICAI together with the independence requirement that are relevant to our audit of standalone financial statement under the provisions of the Act and the rule made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 the standalone financial statement except for the following matter:***

Advance against Land (Unsecured, considered good) amounting to Rs >>>>> cr. has been paid to certain parties as advance against land over the years but the land registration has not yet been completed. Refer Note 9 to the Standalone Financial Statements. We have also not been provided with the registered agreements of party confirmations for the said advances.

Emphasis of Matters:

The company has made investment in the shares of Khyati Retail & Eatery Pvt ltd. The value of the same is reported at book value. We have not been provide with any evidence to confirm that the fair value of the investment has matched the book value.

Management's and Those Charged with Governance Responsibilities for the Statement

This Statement has been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit / loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations including SEBI Circular. 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 Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether 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 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these standalone financial statements.

As a 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 risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risk, and obtain 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 omission, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedure 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 control 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 the 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.

Other Matter

The Statement includes the financial results for the quarter ended 31 March 2020, being the balancing figures between the audited figures in respect of the full financial year and the published audited year-to-date figures up to the third quarter of the current financial year, which were subject to audit by us.

Date : 31/07/2020
Place : Ahmedabad

UDIN: 20133926AAAAEZ8232

FOR M A A K & ASSOCIATES
(Chartered Accountants)
Reg No. :135024w

MARMIK G SHAH
Partner
M.No. : 133926

Khyati Multimedia Entertainment Limited

CIN - L92199GJ1995PLC024284
Balance Sheet as at March 31, 2020

(In Rupees)

Particulars	Note No.	As at 31-03-2020	As at 31-03-2019
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	13,768	17,516
(b) Financial Assets			
(i) Investments	4	36,39,770	36,39,770
(ii) Others		-	-
(c) Deferred tax assets (net)		7,11,487	-
(d) Other Non Current Assets	5	2,08,75,000	2,08,75,000
Total Non-Current Assets		2,52,40,025	2,45,32,286
(2) Current assets			
(a) Financial Assets			
(i) Trade Receivables	6	13,73,916	-
(ii) Cash and cash equivalents	7	54,289	98,854
(iii) Others financial assets	8	25,433	3,060
(b) Current tax asset	9	56,792	-
Total Current Assets		15,10,430	1,01,914
TOTAL ASSETS		2,67,50,455	2,46,34,200
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	10	10,80,02,000	10,80,02,000
(b) Other Equity		(8,54,95,295)	(8,46,96,700)
Total Equity		2,25,06,705	2,33,05,300
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	29,62,100	10,22,100
(b) Deferred tax liabilities (Net)	12	-	-
Total Non-Current Liabilities		29,62,100	10,22,100
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	13	-	-
total outstanding dues to Micro and small enterprises		-	-
total outstanding dues to creditors other than micro and small enterprise		12,69,624	2,96,800
(b) Other current liabilities	14	11,854	10,000
(c) Provisions	15	172	-
Total Non-Current Liabilities		12,81,650	3,06,800
TOTAL EQUITY AND LIABILITIES		2,67,50,455	2,46,34,200

The accompanying notes form an integral part of financial statements
In terms of our report attached

FOR M A A K & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.135024W

For and on behalf of the Board of directors
Khyati Multimedia Entertainment Limited

CA.MARMIK G. SHAH
Partner
Mem.No:133926
UDIN : 20133926AAAAEZ8232

Kartik Patel
Managing Director
DIN: 00047862

Praful Agarwal
Director
DIN: 00088295

Place : Ahmedabad
Date : 31/07/2020

DEEPA GIDWANI
CFO

DEVILAL J. SHAH
CS

Khyati Multimedia Entertainment Limited				
CIN - L92199GJ1995PLC024284				
Statement of Profit and Loss for the year ended March 31, 2020				
(In Rupees)				
	Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue From Operations	16	28,57,609	-
	Other Income	17	-	59,916
I	Total Income		28,57,609	59,916
	Purchase	18	24,84,878	-
	Employee benefits expense	19	3,52,000	2,40,000
	Depreciation and amortization expense	3	3,748	3,748
	Other expenses	20	15,27,065	10,63,939
II	Total expenses		43,67,691	13,07,687
III	Profit/(loss) before tax (I- II)		(15,10,082)	(12,47,772)
IV	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax	12	7,11,487	-
V	Profit/(loss) for the year		(7,98,595)	(12,47,772)
VI	Other Comprehensive Income		-	-
VII	Total Comprehensive Income for the Year (VIII+VII) (Comprising Profit (Loss) and Other Comprehensive Income for the year)		(7,98,595)	(12,47,772)
VIII	Earnings per equity share	21		
	(1) Basic		(0.07)	(0.12)
	(2) Diluted		(0.07)	(0.12)
<p>The accompanying notes form an integral part of financial statements In terms of our report attached</p> <p>FOR M A A K & ASSOCIATES CHARTERED ACCOUNTANTS Firm Regn.No.135024W</p> <p>CA.MARMIK G. SHAH Partner Mem.No:133926 UDIN : 20133926AAAAEZ8232</p> <p>Place : Ahmedabad Date : 31/07/2020</p> <p style="text-align: right;">For and on behalf of the Board of directors Khyati Multimedia Entertainment Limited</p> <p style="text-align: right;">Kartik Patel Managing Director DIN: 00047862</p> <p style="text-align: right;">Pratul Agarwal Director DIN: 00088295</p> <p style="text-align: right;">DEEPA GIDWANI CFO</p> <p style="text-align: right;">DEVILAL J. SHAH COMPANY SECRETARY</p>				

Khyati Multimedia Entertainment Limited

Cash flow statement for the year ended March 31, 2020

Particulars	2019-20	2018-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit After tax	(15,10,082)	(12,47,772)
Profit on sale of Car	-	(59,916)
Depreciation	3,748	3,748
Operating profit before working capital changes	(15,06,334)	(13,03,940)
Adjustments for changes in working capital		
Increase/(Decrease) in Trade payables	9,72,824	1,42,471
Increase/(Decrease) in Current liabilities and provisions	2,026	5,500
(Increase)/Decrease in Long term loans and advances	-	-
(Increase)/Decrease in Other Current Assets	(79,165)	8,326
(Increase)/Decrease in Other Trade Receivables	(13,73,916)	-
Cash generated from operations	(4,78,231)	1,56,297
Net cash generated from operating activities	(19,84,566)	(11,47,643)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Car	-	1,40,000
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase of borrowing	19,40,000	9,95,000
Net Increase/(decrease) in cash and cash equivalents	(44,565)	(12,645)
Opening balance	98,854	1,11,498
Closing balance	54,289	98,854

Note: The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7)- statement of cash flow.

FOR M A A K & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn.No.135024W

For and on behalf of the Board of directors
Khyati Multimedia Entertainment Limited

CA.MARMIK G. SHAH
Partner
Mem.No:133926
UDIN : 20133926AAAAEZ8232

Kartik Patel
Managing Director
DIN: 00047862

Praful Agarwal
Director
DIN: 00088295

Place : Ahmedabad
Date : 31/07/2020

DEEPA GIDWANI
CFO

DEVILAL J. SHAH
CS

Khyati Multimedia Entertainment Limited

Notes to financial statements for the year ended March 31, 2020

3 (i) Property, Plant and Equipments

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 01, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	As at April 01, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Tangible Assets										
Plant & Machinery	50,490	-	-	50,490	32,974	3,748	-	36,722	13,768	17,516
	50,490	-	-	50,490	32,974	3,748	-	36,722	13,768	17,516

Khyati Multimedia Entertainment Limited

Notes to financial statements for the year ended March 31, 2020

4 Investments

Particulars	As at 31-03-2020	As at 31-03-2019
Investment in Equity Instruments - Unquoted		
Investment in other entities carried at cost Khyati Retail & Eatery Private Limited (345780 equity shares of Rs. 10 each) # (Earlier Kadam Exports Private Limited)	36,39,770	36,39,770
	-	-
Total (equity instruments)	36,39,770	36,39,770
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments- book value/ market value	36,39,770	36,39,770
Aggregate amount of impairment in the value of investments	-	-

refer to the note no To the notes to accounts

5 Other Non Current Assets

Particulars	As at 31-03-2020	As at 31-03-2019
Capital Advances	2,08,75,000	2,08,75,000
	2,08,75,000	2,08,75,000

refer to the note no To the notes to accounts

6 Trade Receivables

Particulars	As at 31-03-2020	As at 31-03-2019
Unsecured		
Considered good- out standing for less then 6 months	13,73,916	-
Considered doubtful	-	-
	13,73,916	-
Allowances for Credit Loss	-	-
	13,73,916	-

7 Cash and Cash Equivalents

Particulars	As at 31-03-2020	As at 31-03-2019
Balance with Banks	30,675	75,935
Cash on hand	23,616	22,921
	54,291	98,856

8 Others

Particulars	As at 31-03-2020	As at 31-03-2019
Prepaid Expenses	2,450	3,060
GST Receivable	22,983	-
	25,433	3,060

9 Current Tax Asset

Particulars	As at 31-03-2020	As at 31-03-2019
TDS Receivable	56,792	-
	56,792	-

Khyati Multimedia Entertainment Limited

Notes to financial statements for the year ended March 31, 2020

10 Equity Share Capital

Particulars	As at 31-03-2020	As at 31-03-2019
Authorised Equity Share Capital 1,30,00,000 Equity Shares (P.Y. 1,30,00,000 shares) of Rs.10/- each	13,00,00,000	13,00,00,000
Issued, Subscribed & Fully Paid Share Capital 1,08,00,200 Equity Shares (P.Y. 1,08,00,200 shares) of Rs.10/- each	10,80,02,000	10,80,02,000
	10,80,02,000	10,80,02,000

a) The company has only one class of equity shares having a par value of Rs. 10/- each. Each Share holder is eligible for one vote per share.

b) Reconciliation of number of shares outstanding:

Particulars	As at 31-03-2020	As at 31-03-2019
As at beginning of the year	1,08,00,200	1,08,00,200
Add: Shares Issued	-	-
As at end of the year	1,08,00,200	1,08,00,200

c) Details of share held by the shareholder holding more than 5% shares :

Name of Shareholders	As at 31-03-2020	As at 31-03-2019
Kartik J Patel		
No. of Shares	16,30,600	16,30,600
% of Shares Held	15.10%	15.10%

11 Borrowings

Particulars	As at 31-03-2020	As at 31-03-2019
<u>Non-current</u>		
Unsecured		
Loan From Director	29,62,100	10,22,100
	29,62,100	10,22,100

Note: Loan from director is unsecured and interest free

12 Deferred Tax Liabilities (Net)

Particulars	As at 31-03-2020	As at 31-03-2019
<u>Deferred Tax Liabilities</u>		
Difference between book balance and tax balance of fixed assets		
Opening balance	-	-
Add/Less: current year deferred tax	7,11,487	-
Less: Earlier year adjustment	-	-
	7,11,487	-

Khyati Multimedia Entertainment Limited

Notes to financial statements for the year ended March 31, 2020

13 Trade Payables

Particulars	As at 31-03-2020	As at 31-03-2019
Trade Payable *	12,69,624	2,96,800
	-	-
	12,69,624	2,96,800

* There are no dues to Micro and Small Enterprises as on March 31, 2020 , March 31, 2019 . This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditor.

14 Other Current Liability

Particulars	As at 31-03-2020	As at 31-03-2019
TDS payable	11,854	10,000
	11,854	10,000

15 Provisions

Particulars	As at 31-03-2020	As at 31-03-2019
Provision for expense	172	-
	172	-

16 Revenue From Operations

Particulars	As at 31-03-2020	As at 31-03-2019
Advertising Service Charges	27,85,274	-
Eco Vinyle Printings	54,510	-
OOH Advertising Services	17,825	-
	28,57,609	-

17 Other Income

Particulars	As at 31-03-2020	As at 31-03-2019
Profit on Sale of Car	-	59,916
	-	59,916

Khyati Multimedia Entertainment Limited

Notes to financial statements for the year ended March 31, 2020

18 Purchase

Particulars	As at 31-03-2020	As at 31-03-2019
Advertisement Purchase Exps	24,69,378	-
OOH Advertising Purchase Exps	15,500	-
	24,84,878	-

19 Employee Benefit Expense

Particulars	As at 31-03-2020	As at 31-03-2019
Salaries and wages	3,52,000	2,40,000
	3,52,000	2,40,000

20 Other Expense

Particulars	As at 31-03-2020	As at 31-03-2019
Advertisement Expense	35,078	62,285
BSE Penalty Expenses	17,180	41,300
Car Expense	-	5,800
Car Insurance	-	8,495
Demat Charges	826	1,061
Listing fees	3,59,000	2,95,000
Other Expense	18,387	18,212
Payment to Auditors*	1,00,000	1,00,000
Professional fees	6,51,500	1,43,000
Rent Expense**	1,14,000	1,14,000
ROC fees	22,200	16,200
R & T Agent Fees Expense	1,85,166	2,37,650
Stationery & Printing	7,200	7,200
Telephone Expense	2,442	1,450
Travelling expense	8,746	5,500
Website Expense	5,340	6,786
	15,27,065	10,63,939

*Payments to auditors comprises:

Particulars	As at 31-03-2020	As at 31-03-2019
For Audit	1,00,000	1,00,000
For Certification work)	-	-
	1,00,000	1,00,000

** Rent Expense of Rs. 1,14,000 (P.Y. 1,14,000) pertains to the related party - Jignaben Patel (Director)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. COMPANY OVERVIEW:

The Company is a listed Company and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in high-quality desktop publishing, imaging, Advertisement, corporate presentations, creative designing and multimedia software development.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has adopted Ind AS with the effect from 1st April, 2017 in accordance with the notification issued by the Ministry of Corporate Affairs.

For all periods up to and including the year ended 31st March, 2017, the Company had prepared its financial statement in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP')

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to Ind AS is April 01, 2016. Previous year numbers in the financial statements have been restated as per Ind AS. Refer note (n) for information on how the transition from previous GAAP to Ind AS has affected the previously reported financial position, financial performance and cash flows.

b) Basis of Preparation of Financial Statements

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c) Use of Estimates

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

d) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

e) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

f) Property, plant and equipment

All items of property, plant and equipment are stated at acquisition cost of the items. Acquisition cost includes expenditure that is directly attributable to get the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to profit or loss during the reporting period in which they are incurred.

Property, plant and equipment are eliminated from financial statement on disposal. Losses arising in the case of retirement of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation

Depreciation is calculated to allocate the cost of assets, net of their residual values, over their estimated useful lives.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Depreciation on items of property, plant and equipment acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

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.

g) Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

h) Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

i) Taxation

Income tax expense represents the sum of the Current tax payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit Before Tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and Losses in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial

recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax are also recognized in other comprehensive income.

j) Provisions, Contingent Liabilities, Contingent Assets and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligations. When a provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present obligations of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

k) Operating Cycle

The Company presents assets and liabilities in the balance sheet based on current / non-current classification based on operating cycle.

An asset is treated as current when it is:

1. Expected to be realized or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realized within twelve months after the reporting period, or
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;

2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The company has identified twelve months as its operating cycle.

I) Related Party Transactions

Disclosure of the transactions with related parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

21. EARNINGS PER SHARE:

Particulars	As at March 31, 2020	As at March 31, 2019
Total Comprehensive Income for the year (In Rs.)	(7,98,595)	(12,47,772)
Weighted average number of equity shares outstanding (Face Value of Rs. 10/- each)	1,08,00,200	1,08,00,200
Basic & Diluted Earnings per Share (In Rs.)	(0.07)	(0.12)

22. The segment-wise details are not applicable as company operates in a single segment.

23. RELATED PARTY TRANSACTIONS:-

i. Name of Parties and relationships

Description of Relationship	Names of Related Parties
Key Management Personnel of Company	Kartik J Patel Jignaben K Patel
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Khyati Retail and Eatery Private Limited (Earlier Known as Khyati Exports Private Limited) Khyati World Educare Private Limited Khyati Realities Limited Khyati Wolrd School (Managed by Firdaus Memorial Charity & Education Trust) Firdaus Memorial Charity & Education Trust Khyati Foundation

ii. Details of related party transactions during the year ended March 31, 2020 :-

Name	Relationship	Nature of Transaction	Amt in Rs.		Outstanding balance in Rs.	
			2019-20	2018-19	2019-20	2018-19
Jignaben Patel	Director	Rent	1,14,000	1,14,000	-	1,68,000
Kartik Patel	Managing	Loan repaid	20,700	13,200	29,62,100	10,22,100

	Director	Loan Taken	19,60,700	10,08,200		
Khyati World Educare Pvt. Ltd.	Common Director (Kartik J. Patel)	Sale (Date of First Transaction 30/11/2019)	4,36,380/-	NIL	55063/-	NIL
Khyati Realities Ltd.	Common Director (Kartik J. Patel Jignaben K. Patel)	Sale (Date of First Transaction 31/03/2020)	19,127/-	NIL	19,127/-	NIL
Khyati World School (Managed By Firdaus Memorial Charity & Education Trust)	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale (Date of First Transaction 30/11/2019)	6,10,724/-	NIL	5,44,337/-	NIL
Firdaus Memorial Charity & Education Trust	COO (Kartik J. Patel) & Trustee (Jignaben K. Patel)	Sale (Date of First Transaction 30/11/2019)	3,29,788/-	NIL	1,67,714/-	NIL
Khyati Foundation	Trustee (Kartik J. Patel)	Sale (Date of First Transaction 30/11/2019)	16,13,874/-	NIL	5,87,675/-	NIL

Note: In addition to above, there is an investment in Unquoted Equity Shares of Khyati Retail & Eatery Pvt. Ltd. (earlier Kadam Exports Pvt. Ltd.) by the Company for Rs. 36,39,770/- towards 345780 equity shares of Rs. 10/- each.

24. BSE Limited (“the Exchange”) has pursuant to SEBI’s letter dated August 07, 2017 shifted Company’s Shares to Graded Surveillance Measures (“GSM”) stage VI. The Exchange had, as per directions of SEBI, asked from Company certain information supported with auditor’s certificate. The Company had submitted auditor’s certificate with supporting to the Exchange. However, the Exchange has vide its letter dated 23rd April, 2018 appointed M/s Suresh Chandra & Associates, Chartered Accountants, as forensic auditors. The Company has completed the audit and the report of the same has been handed over on 23rd September, 2019 to BSE Limited. On various issues identified in the said report the management has given replies and would further give necessary replies and documents as and when required. Some of the comments and management stand on the same are given below

1. Capital advances:

- a. The said report asks for the confirmation of the capital advances given. Management has submitted the agreements executed for the said advances. The company is in process of taking balance confirmation from the parties however till the date of this report the same were not received by the company.

2. Going Concern :

a. The said report has raised a question on going concern of the company however they failed to take into consideration that company has made long term and short term business plan and the executions of the same has also started in FY 2019-20, which can be seen in turnover of the company in the FY 2019-20.

25. Balance of Loans & Advances and Investments are subject to confirmation.
26. Previous year balances have been regrouped, rearranged and reclassified wherever required to make them comparable.

As per our report of even date attached

For, M A A K & Associates,
Chartered Accountants
F R N : 135024W

For and on behalf of the Board of directors of
Khyati Multimedia Entertainment Limited

CA Marmik G. Shah
Partner
M. No. 133926

Kartik Patel
Managing director
DIN: 00047862

Praful Agarwal
Director
DIN: 00088295

Place: Ahmedabad
Date: 31/07/2020

Deepa Gidwani
CFO

Devilal J. Shah
CS

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CIN: L92199GJ1995PLC024284

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