RBZ JEWELLERS LIMITED

SPECIAL PURPOSE IND AS FINANCIAL STATEMENTS

31st March, 2022

31st March, 2021

G. K. Choksi & Co.
Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
Dial : 91 - 79 - 6819 8900, 99251 74555 - 56 ; E-mail : info@gkcco.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of RBZ JEWELLERS LIMITED [FORMERLY KNOWN AS RBZ JEWELLERS PRIVATE LIMITED]

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **RBZ JEWELLERS LIMITED [FORMERLY KNOWN AS RBZ JEWELLERS PRIVATE LIMITED]** (hereinafter referred to as "the Company"), for the year ended on 31st March, 2022 and 31st March, 2021. (Hereinafter referred to as the "financial statements").

These financial statements comprise of Balance Sheet as at 31st March, 2022 and 31st March, 2021 and the Statement of Profit and Loss (including other comprehensive income) for the years then ended, Statement of Changes in Equity and Statement of Cash Flows for the years then ended, and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view, in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and 31st March, 2021, and profit and other comprehensive income, changes in equity and its cash flows for the years ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS as prescribed under section 133 of the Act and other accounting principles generally accepted in India. 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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management and 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 management and Board of Directors either intend 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.

M/s. G. K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 company had prepared separate financial statements for the years ended 31st March, 2022 and 31st March, 2021, in accordance with the Accounting Standards (IGAAP) referred to in section 133 of the Companies Act, 2013 on which we had issued our separate auditor's report to the shareholders of the company dated 08th September, 2022, 24th November, 2021 and 04th December, 2020 respectively. The company has converged such financial statements into Ind AS compliant financial statements for the purpose of inclusion of Restated Financial Statements in the Draft Red Herring Prospectus ("DRHP") proposed to be filed with the Securities and Exchange Board of India ("SEBI") in connection with the proposed initial public offering of equity shares ("IPO"), and to comply with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

M/S. G. K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

ROHIT K. CHOKSI
Partner
Mem. No. 31103

Place : Ahmedabad
Date 20 MAY 2023

UDIN :

RBZ JEWELLERS LIMITED [Formerly Known as RBZ JEWELLERS PRIVATE LIMITED]

Balance Sheet

[₹ in Lakhs]

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
Assets			
Non-current assets			
Property, plant and equipment	4	1 232.11	1 299.41
Capital work-in-progress	5	74.34	-
Right to use assets	6	330.96	389.37
Intangible assets	7	0.70	1.23
Intangible assets under development	8	5.00	-
Financial assets			
Investments	9	-	12.58
Other financial assets	11	18.56	15.49
Other non-current assets	12	9.89	8.06
		1 671.56	1 726.14
Current assets			
Inventories	13	11 906.10	9 151.56
Financial assets			
Trade receivables	14	1 399.60	1 016.00
Cash and cash equivalents	15	5.26	71.10
Other bank balances	16	160.83	153.68
Loans	10	13.52	4.54
Other financial assets	11	0.02	-
Other current assets	12	246.28	250.51
		13 731.61	10 647.39
Total assets		15 403.17	12 373.53
Equity and liabilities			
Equity			
Equity share capital	17	400.00	400.00
Other equity	18	6 603.25	5 155.27
		7 003.25	5 555.27
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	854.88	753.82
Lease liabilities	20	405.61	465.90
Provisions	21	34.69	24.21
Deferred tax liabilities (net)	34	87.79	129.96
		1 382.97	1 373.89
Current liabilities			
Financial liabilities			
Borrowings	19	5 116.32	4 736.01
Lease liabilities	20	60.29	32.48
Trade payable	22		
Due to micro and small enterprise		229.31	13.48
Due to others		1 295.38	423.75
Other financial liabilities	23	29.24	38.90
Provisions	21	0.55	0.44
Current tax liabilities (net)	24	100.32	32.43
Other current liabilities	25	185.54	166.88
		7 016.95	5 444.37
Total equity and liabilities		15 403.17	12 373.53
		-	-

See accompanying notes forming part of the financial statements

As per our report of even date attached

FOR G.K.CHOKSI & CO.
Chartered Accountants
[Firm Registration No. 101895W]

ROHIT K. CHOKSI
Partner
Mem. No. 31103

M/S. G. K. CHOKSI & CO. CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: 20 MAY 2023

FOR AND ON BEHALF OF THE BOARD

RAJENDRA K. ZAVERI
Chairman and Managing Director
DIN: 02022264

HARIT R. ZAVERI
Joint Managing Director
DIN: 02022111

HARSHVARDHAN BHARDWAJ
Chief Financial Officer

HELI A. GARALA
Company Secretary

Place: Ahmedabad
Date: 20 MAY 2023

RBZ JEWELLERS LIMITED [Formerly Known as RBZ JEWELLERS PRIVATE LIMITED]

Statement of Profit or Loss

[₹ in Lakhs]

Particulars	Note	Year ended 31st March, 2022	Year ended 31st March, 2021
Revenue			
Revenue from operations	26	25 210.67	10 699.13
Other income	27	41.99	71.52
Total income		25 252.66	10 770.65
Expenses			
Cost of materials consumed	28	14 387.60	4 668.44
Purchase of traded goods		9 243.78	3 563.02
Change in inventories of finished goods and stock-in-trade	29	(2 795.45)	(695.04)
Employee benefit expenses	30	541.33	432.93
Finance cost	31	617.61	626.18
Depreciation and amortisation expense	32	140.18	152.16
Manufacturing and other expenses	33	1 156.22	685.12
Total expenses		23 291.27	9 432.81
Profit/(Loss) before exceptional items and tax		1 961.39	1 337.84
Exceptional items		-	-
Profit/(loss) before tax		1 961.39	1 337.84
Tax Expense	34		
Current tax		515.00	350.00
Tax in respect of earlier years		44.06	0.17
Deferred tax		(38.24)	12.85
Total tax expenses		520.82	363.02
Profit/ (Loss) for the year, net of tax	**[A]**	1 440.57	974.82
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement Gain / (Loss) of the defined benefit plans		(2.29)	4.36
Equity Instruments through Other Comprehensive Income		5.77	21.96
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Tax relating to remeasurement of the defined benefit plans		(2.10)	(4.47)
Tax relating to measurement of equity instruments at fair value		(1.83)	4.16
Other comprehensive income for the year	**[B]**	7.41	26.63
Total comprehensive income for the year, net of tax	[A + B]	1 447.98	1 001.45
Earnings per equity Share	35		
Basic and diluted earnings per share of face value of ₹10 each (in ₹)		36.01	23.37

See accompanying notes forming part of the financial statements

As per our report of even date attached

FOR G.K.CHOKSI & CO.
Chartered Accountants
[Firm Registration No. 101895W]

ROHIT K. CHOKSI
Partner
Mem. No. 31103

M/s. G. K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Place: Ahmedabad
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Chief Financial Officer

HELI A. GARALA
Company Secretary

Place: Ahmedabad
Date: 20 MAY 2023

RBZ JEWELLERS LIMITED [Formerly Known as RBZ JEWELLERS PRIVATE LIMITED]

Cash Flow Statement

[₹ in Lakhs]

	Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A.	**Cash flow from operating activities**		
	Profit for the year before taxation and exceptional items	1 961.39	1 337.84
	Adjustments for:		
	Depreciation on property, plant and equipments	81.77	93.75
	Depreciation on right of use assets	58.41	58.41
	Interest income	(10.30)	(8.93)
	Dividend income	(0.50)	-
	Gain from foreign currency transactions (net)	(15.65)	(12.10)
	Gain on Derecognition of Lease Liabilities (Net)	-	-
	Loss / (Profit) on sale of fixed assets / asset impaired	0.10	(41.33)
	PPE written off	-	0.42
	Provision for doubtful debts no longer required	(2.99)	-
	Allowance for doubtful debt (net)	(5.15)	11.13
	Sundry balance written back	(10.03)	(8.10)
	Sundry balance written off	-	-
	Finance cost (borrowings and other)	569.17	574.78
	Finance cost (right of use assets)	48.44	51.40
	Operating profit before working capital changes	2 674.66	2 057.27
	Adjustments for Changes in working capital		
	Decrease / (Increase) in inventories	(2 754.53)	(888.30)
	Decrease / (Increase) in other financial assets	(1.90)	50.88
	Decrease / (Increase) in other assets	2.40	21.26
	Decrease / (Increase) in loans	(8.98)	(0.39)
	Decrease / (Increase) in trade receivables	(359.81)	154.71
	Increase / (Decrease) in trade payables	1 097.48	(1 285.13)
	Increase / (Decrease) in other current financial liabilities	(9.66)	18.46
	Increase / (Decrease) in other current liabilities	18.66	40.51
	Increase / (Decrease) in provision	8.30	7.15
	Increase / (Decrease) in other bank balances	(7.15)	(8.18)
	Increase / (Decrease) in lease liability	(80.92)	(72.50)
		(2 096.11)	(1 961.53)
	Cash generated from operations	578.55	95.74
	Direct taxes refund/(paid)	(491.16)	(359.83)
	Net cash from operating activities (A)	87.39	(264.09)
B.	**Cash flow from investing activities:**		
	Purchase of property, plant and equipments	(15.29)	(21.00)
	Purchase of capital work-in-progress	(74.34)	-
	Purchase of intangible assets under development	(5.00)	-
	Sale of investments	18.35	25.95
	Sale of property, plant and equipments	1.25	86.83
	Interest received	9.11	8.93
	Dividend Income	0.50	-
	Net cash from / (used in) investing activities (B)	(65.42)	100.71
C.	**Cash flow from financing activities:**		
	Procurement/(Repayment) of long/ short term borrowings	481.37	743.68
	Interest paid	(569.17)	(574.78)
	Net cash flow from financial activities (C)	(87.80)	168.90
	Net increase/(decrease) in cash & cash equivalen [A+B+C]	(65.83)	5.52
	Cash and cash equivalents opening	71.10	65.57
	Cash and cash equivalents closing	5.27	71.09
	Components of cash and cash equivalent		
	Cash in hand	4.97	14.20
	Balances with bank	0.29	56.90
		5.26	71.10
		0.01	(0.01)

M/S. G.Y. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Explanatory Notes to Cash Flow Statement

1 The cash flow statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.

2 In Part A of the cash flow statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.

3 Disclosure of changes in liabilities arising from financing activities, including both changes arising form cash flow and non-cash /

As at March 31, 2022

[₹ in Lakhs]

Particulars	As at March 31, 2021	Net Cash flow	As at March 31, 2022
Borrowings	5 489.83	481.37	5 971.20

As at March 31, 2021

[₹ in Lakhs]

Particulars	As at March 31, 2020	Net Cash flow	As at March 31, 2021
Borrowings	4 746.15	743.68	5 489.83

The accompanying notes form an integral part of the Financial Statements

FOR G.K.CHOKSI & CO.
Chartered Accountants
[Firm Registration No. 101895W]

ROHIT K. CHOKSI
Partner
Mem. No. 31103

M/S. G. K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Place: Ahmedabad
Date: 20 MAY 2023

FOR AND ON BEHALF OF THE BOARD

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Chairman and Managing Director
DIN: 02022264

HARIT R. ZAVERI
Joint Managing Director
DIN: 02022111

HARSHVARDHAN BHARDWAJ
Chief Financial Officer

HELI A. GARALA
Company Secretary

Place: Ahmedabad
Date: 20 MAY 2023

Statement of change in equity

A. Equity share capital

[₹ in Lakhs]

Particulars	No. of Shares	Amount
Equity shares of ₹ 10/- each, issued, subscribed and fully paid-up:		
As at 31st March, 2020	41 81 800	418.18
Add: Issued during the year	-	-
Less :Shares bought back / redeemed	1 81 800	18.18
As at 31st March, 2021	40 00 000	400.00
Add: Issued during the year	-	-
As at 31st March, 2022	40 00 000	400.00

B. Other equity

[₹ in Lakhs]

Particulars	Reserves and surplus			Other comprehensive income	Total other equity
	Securities premium	Capital reserve	Retained earnings		
Balance as at 31st March, 2020	73.81	-	4 145.01	9.54	4 228.36
Profit for the year	-	-	974.82	-	974.82
Remeasurements of defined benefit asset (net of tax)	-	-	-	8.83	8.83
Gain on measurement of equity instruments at fair value	-	-	-	17.80	17.80
Pursuant to buyback of equity shares	(61.81)	-	-	-	(61.81)
Balance as at 31st March, 2021	12.00	-	5 119.83	36.17	5 168.00
Profit for the year	-	-	1 440.57	-	1 440.57
Remeasurements of defined benefit asset (net of tax)	-	-	-	(0.19)	(0.19)
Transfer to capital redemption reserve		18.18	(18.18)	-	-
Pursuant to buyback of equity shares			(12.73)		
Gain on measurement of equity instruments at fair value	-	-	-	7.60	7.60
Balance as at 31st March, 2022	12.00	18.18	6 529.49	43.58	6 615.98

As per our report of even date attached

FOR G.K.CHOKSI & CO.
Chartered Accountants
[Firm Registration No. 101895W]

ROHIT K. CHOKSI
Partner
Mem. No. 31103

M/S. G. K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

Place: Ahmedabad
Date: 20 MAY 2023

FOR AND ON BEHALF OF THE BOARD

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Chairman and Managing Director
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Chief Financial Officer

HELI A. GARALA
Company Secretary

Place: Ahmedabad
Date: 20 MAY 2023

RBZ JEWELLERS LIMITED [Formally known as RBZ JEWELLERS PRIVATE LIMITED]

Notes forming part of the Financial Statements

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1 General Information

RBZ Jewellers Limited [Formally known as RBZ Jewellers Private Limited] (the 'Company') is an unlisted public company domiciled in India and is initially incorporated as private limited company under the provisions of the Companies Act, 1956 and later converted into public limited company with effect from 20th March, 2023 in accordance with the provisions of Companies Act, 2013 as applicable in India. The registered office of the company is located at 'Block D, Mondeal Retail Park, S.G Highway, Beside Iscon Mall, Ahmedabad, Gujarat.

The Company is primarily engaged in manufacturing, trading and job work of jewelries and other accessories / products. The company sells and trade its manufactured and traded jewelries and other accessories / products through wholesale and retail network.

The Ind AS Financial Statements were approved for issue in accordance with a resolution passed in Board Meeting held on 20th May, 2023.

1.1 New standards or interpretations issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1st April, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognized for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

The amendments to Ind AS 12 are applicable for annual periods beginning on or after 1st April, 2023.

Disclosure of Accounting Policies - Amendments to Ind AS 1

Amendments to Ind AS 1 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after 1st April, 2023.

M/S. G.K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

2. Significant accounting policies

This note provides a list of significant accounting policies adopted in the preparation of the Ind AS Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Statement of Compliance

The Ind AS Financial Statements of the Company have been prepared in accordance with and comply in all material respects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended.

2.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and rules made thereunder.

Upto the Financial year ended 31st March, 2022, the Company prepared its financial statements in accordance with Accounting Standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the special purpose Proforma Ind AS financial statements were prepared consequent to SEBI regulations. The reconciliation between previous GAAP and Ind AS has been disclosed in Note 42.

The special purpose Proforma Ind AS financial statements as at and for the year ended 31st March, 2022 and 31st March, 2021 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (01st April, 2021) and as per the presentation, accounting policies and grouping / classifications including revised Schedule III disclosures followed as at and for the financial year ended 31st March, 2023.

2.3 Basis of measurement

This special purpose Proforma Ind AS Financial Statements has been prepared on an accrual basis under the historical cost convention except for the following:

- Certain financial assets and liabilities classified as Fair value through Profit and Loss (FVTPL) or Fair value through Other Comprehensive Income (FVTOCI)
- The defined benefit asset/(liability) is recognised as the present value of defined benefit obligation less fair value of plan assets

The above items have been measured at Fair value and methods used to measure fair value are disclosed further in Note 40(c).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.4 Functional and presentation currency

Items included in the special purpose Proforma Ind AS Financial Statements of the Company is measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The special purpose Proforma Ind AS Financial Statements is presented in Indian Rupee, which is the functional as well as presentation currency of the Company.

M/S. G. ... & CO. CHARTERED ACCOUNTANTS

All amounts in these special purpose Proforma Ind AS Financial Statements and notes have been presented in ₹ Lakhs rounded to two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to this special purpose Ind AS Financial Statements.

2.5 Property, Plant and Equipment

All items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

With respect to special purpose special purpose Proforma Ind AS financial statement for the financial year ended 31st March, 2022 and 31st March, 2021, property, plant and equipment had been measured at deemed cost, using the net carrying value as per previous GAAP as at 1st April, 2019.

Capital work in progress is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, labour cost and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such Capital work in progress are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognised 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. Subsequent costs relating to day-to-day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation methods, estimated useful lives and residual value

Depreciation is recognized so as to write off the cost of assets less their residual values over their useful lives as prescribed under Part C of Schedule II of the Companies Act 2013, using the straight-line method, except in respect of leasehold improvement for which the company has estimated the useful life of nine years based on the initial lease term. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased / sold during a period is proportionately charged for the period of use.

2.6 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from continued use of intangible asset. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is de-recognized.

2.7 Impairment

i) Financial assets (other than at fair value)

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

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Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date), if the credit risk on a financial instrument has not increased significantly; or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument),if the credit risk on a financial instrument has increased significantly.

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

The Company considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

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

Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

2.8 Inventories

Inventories comprise of Raw Materials, Work in Progress, Finished Goods and Traded Goods are stated at the lower of cost or net realizable value. The gold wastage salvaged during the course of job work process are recognized at Net realizable value.

The cost of Raw materials and traded goods included in inventory are determined on a weighted average cost basis and the cost of finished goods and work in progress included in inventory is determined on full absorption cost method basis.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition and to bring the inventories to its present location and condition. Cost of finished goods include cost of materials consumed and cost of conversion.

Net realizable value represents the estimated selling price for inventories less estimated cost necessary to make the sale.

2.9 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. Bank overdraft are shown within borrowings in current liabilities in the balance sheet.

2.10 Borrowing cost

Borrowing costs include

a) Interest expense calculated using the effective interest rate method,
b) Finance charges in respect of finance leases, and
c) Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit and loss in the period of their accrual.

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2.11 Revenue recognition

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of products:

Revenue from the sale of products is recognized at the point in time when control is transferred to the customer, generally on dispatch/delivery of the goods or terms as agreed with the customer. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of customer incentives, discounts, variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

Variable consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at the time of completion of performance obligation and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of service:

Revenue from providing services is recognized in the accounting period in which the services are rendered.

Other Income:

Other income comprises of interest income and dividend income.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Dividends are recognised in the Standalone Statement of Profit and Loss only when the right to receive payment is established; it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

2.12 Foreign currency translation

In preparing the Ind As Financial Statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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2.13 Employee benefits

Short-term employee benefits

Employee benefits such as salaries, wages, bonus and performance linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the related service. The obligations are presented as current liability in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least 12 months after reporting date.

Defined benefit plan

The liability or asset recognised in the balance sheet in respect of the retirement benefit plan i.e., gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by an actuary using projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.

Remeasurements, comprising actuarial gains and losses and the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and consequently recognised in retained earnings and is not reclassified to profit or loss.

The retirement benefit recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plan.

Defined contribution plans

Contributions to retirement benefit plans in the form of provident fund, employee state insurance scheme and pension scheme as per regulations are charged as an expense on an accrual basis when employees have rendered the service. The Company has no further payment obligations once the contributions have been paid.

2.14 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax

a) *Current tax*

The tax currently payable is based on estimated taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. 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.

b) *Deferred Tax*

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in Ind As 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, unused tax losses and unused tax credits can be utilized.

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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.

Deferred tax is recognised in profit or loss, except to the extent that is relates to items recognised in other comprehensive income or directly in equity.

c) 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 or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination

2.15 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares.

Basic EPS is computed by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.16 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognized in the Ind As Financial Statements but are disclosed in notes. A contingent asset is neither recognized nor disclosed in the Ind As Financial Statements.

2.17 Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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a) Financial Assets

Financial Assets comprises of investments in equity instruments, cash and cash equivalents, loans and other financial assets.

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

i) Financial assets measured at amortized Cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

b) Financial Liabilities

The Company's financial liabilities includes following:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Classification

The Company's financial liabilities are measured at amortized cost.

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Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability.

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

c) Offsetting of Financial assets and Financial Liabilities:

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

d) Reclassification of Financial Instruments:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

2.18 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

2.19 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration.

Company as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

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Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment.

2.20 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the Ind As Financial Statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the Ind As Financial Statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

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

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

a) Investment in equity and debt securities

   The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

b) Trade and other receivables

   The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However, in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

c) Non derivative financial liabilities

   Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

2.21 Current / non- current classification

An asset is classified as current if:

a) It is expected to be realized or sold or consumed in the Company's normal operating cycle;
b) It is held primarily for the purpose of trading;
c) It is expected to be realized within twelve months after the reporting period; or
d) It is cash or cash equivalent unless it is 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 classified as current if:

a) It is expected to be settled in normal operating cycle;
b) It is held primarily for the purpose of trading;
c) It is expected to be settled within twelve months after the reporting period;
d) It has 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 operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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2.22 Cash flow statement

Cash flows are reported using indirect method, whereby net profits before tax are adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of Ind As Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Ind As Financial Statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognized in the Ind As Financial Statements.

The following are areas involving critical estimates and judgments:

Judgements:
- Taxes
- Contingencies
- Leases

Estimates:
- Property, Plant & Equipment
- Employee benefit plans
- Fair value measurement of financial instruments
- Allowance for uncollectible trade receivables / loans

3.1 Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

Deferred tax assets are recognized for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

3.2 Contingencies:

Contingent liabilities

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management judgement is involved in classification under 'remote', 'possible' or 'probable' which is carried out based on expert advice, past judgements, experiences etc. [Refer note 37].

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3.3 Leases

The company recognizes the leased asset as well as a liability equal to the present value of the lease payments. To calculate the present value of the lease payments, the company uses the incremental borrowing rate or the rate of interest that would have been charged if the company had borrowed the funds to purchase the asset. Identifying the incremental borrowing rate requires judgment and may involve assessing factors such as the company's creditworthiness, market conditions, and the term of the lease.

3.4 Property, Plant & Equipment

a) Impairment

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

b) Useful lives

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

3.5 Employee benefit plans

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions= that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining present value of defined benefit obligation are disclosed in note 38.2.

3.6 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

3.7 Allowance for uncollectible trade receivables / loans

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables / loans based on a provision matrix considering the nature of receivables and the risk characteristics. The provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix.

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Notes forming part of the financial statements

4 Property, plant and equipment

4.1 As at 31st March, 2022

[₹ in Lakhs]

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 01st April, 2021	Additions	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2022	Up to 31st March, 2021	For the year	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2022	As at 31st March, 2022
Tangible assets											
Building	767.20	-	-	-	767.20	-	14.14	-	-	14.14	753.06
Leasehold improvement	8.01	-	-	-	8.01	-	0.84	-	-	0.84	7.17
Electric installation	45.05	-	-	-	45.05	-	4.97	-	-	4.97	40.08
Furniture and fixtures	59.70	1.16	-	-	60.86	-	7.48	-	-	7.48	53.38
Office equipments	45.45	12.10	-	-	57.55	-	13.86	-	-	13.86	43.69
Computer	8.57	1.34	-	-	9.91	-	3.14	-	-	3.14	6.77
Plant and machinery	294.04	0.69	-	-	294.73	-	22.94	-	-	22.94	271.79
Motor vehicles	70.95	-	1.35	-	69.60	-	13.73	-	-	13.73	55.87
Motor cycles	0.44	-	-	-	0.44	-	0.14	-	-	0.14	0.30
	1 299.41	15.29	1.35	-	1 313.35	-	81.24	-	-	81.24	1 232.11

Property, plant and equipment

4.2 As at 31st March, 2021

[₹ in Lakhs]

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 01st April, 2020	Additions	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2021	Up to 31st March, 2020	For the year	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2021	As at 31st March, 2021
Tangible assets											
Building	825.21	-	43.42	14.59	767.20	-	14.59	-	14.59	-	767.20
Leasehold improvement	8.95	-	-	0.94	8.01	-	0.94	-	0.94	-	8.01
Electric installation	49.12	1.16	-	5.23	45.05	-	5.23	-	5.23	-	45.05
Furniture and fixtures	65.84	1.45	0.18	7.41	59.70	-	7.41	-	7.41	-	59.70
Office equipments	55.48	11.52	0.24	21.31	45.45	-	21.31	-	21.31	-	45.45
Computer	11.90	1.63	-	4.96	8.57	-	4.96	-	4.96	-	8.57
Plant and machinery	312.69	3.97	-	22.62	294.04	-	22.62	-	22.62	-	294.04
Motor vehicles	88.21	-	1.65	15.61	70.95	-	15.61	-	15.61	-	70.95
Motor cycles	0.58	-	-	0.14	0.44	-	0.14	-	0.14	-	0.44
	1 417.98	19.73	45.49	92.81	1 299.41	-	92.81	-	92.81	-	1 299.41

Note:
1. Refer note 43(a) and (b)

M/s. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Notes forming part of the financial statements

5 Capital work in progress

[₹ in Lakhs]

Particulars	**Building**	**Office equipments**	**Capital work-in-progress**	**Total**
Balance as at 31st March, 2020	-	-	-	-
Addition	-	-	-	-
Capitalisations	-	-	-	-
Balance as at 31st March, 2021	-	-	-	-
Addition	67.34	7.00	-	74.34
Capitalisations	-	-	-	-
Balance as at 31st March, 2022	67.34	7.00	-	74.34

Note:
Refer Note No. 43(d) for detailed disclosure.

M/s. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

6 Right to use asset

[₹ in Lakhs]

Particulars	Building	Total
Gross carrying amount (deemed cost)		
Balance as at 31st March, 2020	447.78	447.78
Additions during the year	-	-
Deletions during the year	-	-
Transition on account of Ind AS	58.41	58.41
Balance as at 31st March, 2021	389.37	389.37
Additions during the year	-	-
Deletions during the year	-	-
Balance as at 31st March, 2022	389.37	389.37
Depreciation and amortisation expense		
Balance up to 31st March, 2020	-	-
Amortisation expense for the year	58.41	58.41
Transition on account of Ind AS	58.41	58.41
Balance up to 31st March, 2021	-	-
Amortisation expense for the year	58.41	58.41
Balance up to 31st March, 2022	58.41	58.41
Net carrying amount		
Balance as at 31st March, 2021	389.37	389.37
Balance as at 31st March, 2022	330.96	330.96

Note:

1. Refer note no. 41 for detailed disclosures

M/S. G.K. CHOKSI & CO. CHARTERED ACCOUNTANTS

Notes forming part of the financial statements

7 **Intangible assets**

As at 31st March, 2022

[₹ in Lakhs]

Particulars	Gross carrying amount					Amortisation					Net carrying amount
	As at 01st April, 2021	Additions	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2022	Up to 31st March, 2021	For the year	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2022	As at 31st March, 2022
Softwares	1.23	-	-	-	1.23	-	0.53	-	-	0.53	0.70
	1.23	-	-	-	1.23	-	0.53	-	-	0.53	0.70

As at 31st March, 2021

[₹ in Lakhs]

Particulars	Gross carrying amount					Amortisation					Net carrying amount
	As at 01st April, 2020	Additions	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2021	Up to 31st March, 2020	For the year	Deductions/ adjustments	Transition on account of Ind AS	As at 31st March, 2021	As at 31st March, 2021
Softwares	1.32	0.85	-	0.94	1.23	-	0.94	-	0.94	-	1.23
	1.32	0.85	-	0.94	1.23	-	0.94	-	0.94	-	1.23

Note:
1. Refer note 43 (b)

M/s. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

8 Intangible asset under development

[₹ in Lakhs]

Particulars	Software	Total
Balance as at 31st March, 2020	-	-
Addition	-	-
Capitalisations	-	-
Balance as at 31st March, 2021	-	-
Addition	5.00	5.00
Capitalisations	-	-
Balance as at 31st March, 2022	5.00	5.00

Note:

1. Refer note no. 43(e) for detailed disclosures

M/s. G.K. CHOKSI & CO. CHARTERED ACCOUNTANTS

9 Non-current investments

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Investment in equity instruments (quoted) (at fair value through OCI)		
Tribhovandas Bhimji Zaveri Limited Equity shares of ₹ 10 each fully paid up 31st March,2022: NIL,31st March 2021: 20,000: NIL,31st March 2020: 42,000 .]	-	12.43
Investment in NSC (unquoted) (at amortised cost)	-	0.15
	-	12.58
Aggregate amount of quoted investments	NIL	12.43
Aggregate amount of market value of quoted investments	NIL	12.43
Aggregate amount of unquoted investments	NIL	0.15

10 Loans

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current		
Loans to employees	13.52	4.54
	13.52	4.54
Directors	NIL	NIL
Officers either severally or jointly with other persons	NIL	NIL
Firms or private companies in which any director is partner or director or a member.	NIL	NIL

11 Other financial assets

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current		
Fixed deposits with original maturity for more than 12 months	2.00	-
Security deposit		
At amortised cost	12.40	11.23
Other	4.16	4.26
	18.56	15.49
Current		
Interest receivable	0.02	-
	0.02	-

12 Other assets

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current		
Capital advances	3.25	-
Prepaid expenses	6.64	8.06
	9.89	8.06
Current		
Advances recoverable in cash or in kind	57.86	33.53
Balance with revenue authorities	122.97	156.51
Prepaid expenses	15.45	10.23
Others	50.00	50.24
	246.28	250.51

13 Inventories

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Raw materials [Refer note 2 below]	757.35	798.26
Finished goods	7 121.79	5 157.25
Traded goods	4 026.96	3 196.05
	11 906.10	9 151.56

Notes:

(i) The above carrying amount of inventories has been mortgaged and hypothecated to secure borrowings of the company.[Refer note 19]

(ii) The stock of raw materials includes gold wastage salvaged during job work process which is valued at net realisable value.

(iii) Inventories are valued at lower of cost or net realisable value, except otherwise stated in Note (i)

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Notes forming part of the financial statements

14 Trade receivables

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Unsecured - Considered good	1 411.08	1 032.63
- Credit impaired	-	-
	1 411.08	1 032.63
Less: Allowance for bad and doubtful debts	(11.48)	(16.63)
	1 399.60	1 016.00

Notes:

1. Refer note 39e(a) for credit risk related disclosures.
2. Refer note 39e(a) for charge on current assets including trade receivable.
3. The above trade receivables have been placed as securities against borrowings of the company. [Refer note 19]

Notes forming part of the financial statements

14 A Trade receivable ageing schedule

As at 31st March, 2022

[₹ in Lakhs]

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed trade receivable							
Considered good	-	1 332.29	9.85	35.45	13.50	19.99	1 411.08
Which have significant increase in Credit Risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in Credit Risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
							1 411.08
Less : Allowance for bad/doubtful Debts							
Considered good	-	-	(0.10)	(0.71)	(0.67)	(10.00)	(11.48)
Which have significant increase in Credit Risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
							(11.48)
Total :	0.00	1 332.29	9.75	34.74	12.83	9.99	1 399.60

As at 31st March, 2021

[₹ in Lakhs]

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed trade receivable							
Considered good	-	928.68	4.34	71.09	1.31	27.21	1 032.63
Which have significant increase in Credit Risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in Credit Risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
							1 032.63
Less : Allowance for bad/doubtful Debts							
Considered good							
Which have significant increase in Credit Risk	-	-	(0.04)	(1.42)	(0.07)	(15.10)	(16.63)
Credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
							(16.63)
Total :	0.00	928.68	4.30	69.67	1.24	12.11	1 016.00

M/s. G. K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

15 Cash and cash equivalents

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance with bank		
In current accounts	0.29	56.90
Cash on hand	4.97	14.20
	5.26	71.10

16 Other bank balances

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance in fixed deposit accounts [maturity of more than three months but less than twelve months]	160.83	153.68
	160.83	153.68

Note:

1. The fixed deposits with banks aggregate amounting to Rs. 133.00 lakhs have been places as collateral securities against borrowings of the compant [Refer note 19]

M/S. G.K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

Notes forming part of the financial statements

17 Equity share capital

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Authorised		
Equity shares of Rs.10/- each [31st March,2022: 50,00,000, 31st March 2021: 50,00,000]	500.00	500.00
	500.00	500.00
Issued, subscribed and paid-up		
40,00,000 Equity shares of Rs.10/- each fully paid - up [31st March,2022: 40,00,000, 31st March 2021: 40,00,000]	400.00	400.00
	400.00	400.00

17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting Year

Particulars	As at 31st March, 2022	As at 31st March, 2021
At the beginning of the year		
Number of shares	40 00 000	41 81 800
Add : Shares issued for Cash		
Number of shares	-	-
Less : Shares bought back / redemption etc.		
Number of shares	-	(1 81 800)
Outstanding at the end of the year		
Number of shares	40 00 000	40 00 000

17.2 Rights, preferences and restrictions

Equity shares : the company has only class of equity shares having a par value of ₹ 10/- per share. each shareholder is eligible for one vote per share held. the dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. in the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, if any, in proportion to their

17.3 Details of shareholders holding more than 5% Shares in the company

Particulars	As at 31st March, 2022	As at 31st March, 2021
Rajendra K Zaveri		
Number of shares	28 00 000	28 00 000
% Holding	70.00%	70.00%
Harit R Zaveri		
Number of shares	12 00 000	12 00 000
% Holding	30.00%	30.00%

17.3 Disclosures relating to promoter's holding in the company

Shares held by promoters at the end of the year

Particulars	As at 31st March, 2022	As at 31st March, 2021
Rajendra K Zaveri		
Number of shares	28 00 000	28 00 000
% Holding	70.00%	70.00%
Change during the year	0.00%	3.04%
Harit R Zaveri		
Number of shares	12 00 000	12 00 000
% Holding	30.00%	30.00%
Change during the year	0.00%	1.30%

Note

During the period of four financial years immediately preceding the balance sheet date,

(i) The company has not allotted any fully paid-up equity shares by way of bonus shares;

(ii) The company has not allotted any equity shares pursuant to any contract without payment being received in cash;

(iii) During the F.Y. 20-21, the company has bought back equity shares 1,81,800 as on 10th March, 2021.

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18 Other equity

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Security premium (Refer Note 18.1)	12.00	12.00
Capital redumption reserve (Refer Note 18.2)	18.18	-
Retained earnings (Refer Note 18.3)	6 529.49	5 107.10
Other comprehensive income (Refer Note 18.4)	43.58	36.17
	6 603.25	5 155.27

18.1 Securities premium

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance as per previous financial statements	12.00	73.81
Add/(Less): Pursuant to buyback of equity shares	-	(61.81)
Balance at the end of the year	12.00	12.00

18.2 Capital redemption reserve

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance as per previous financial statements	-	-
Add/(Less): Pursuant to buyback of equity shares	18.18	-
Balance at the end of the year	18.18	-

18.3 Retained earnings

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Surplus / (Deficit) in the statement of profit and loss		
Balance as per financial statements	5 107.10	4 145.01
Add: Profit/(Loss) for the year	1 440.57	974.82
Add/(Less): Transfer to capital redemption reserve	(18.18)	-
Add/(Less): Pursuant to buyback of equity shares	-	(12.73)
	6 529.49	5 107.10
Less: Appropriation	-	-
Balance at the end of the year	6 529.49	5 107.10

18.4 Other comprehensive income

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance as per financial statements	36.17	9.54
Add / (Less) : Remeasurement of the defined benefit plans (net of taxes)	(2.29)	4.36
Add / (Less) : Gain on measurement of equity instruments at fair value (net of taxes)	5.77	21.96
Total addition during the year	3.48	26.32
Less / (Add) : Income taxes on remeasurement of the defined benefit plans	(2.10)	(4.47)
Less / (Add) : Income taxes on gain on measurement of equity instruments at fair value (net of taxes)	(1.83)	4.16
	(3.93)	(0.31)
Balance at the end of the year	43.58	36.17

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18 Other equity

Notes:

1 Securities premium :

Securities premium reflects issuance of the shares by the Company at a premium, whether for cash or otherwise i.e. a sum equal to the aggregate amount of the premium received on shares is transferred to a "securities premium account" as per the provisions of the Companies Act, 2013. The reserve can be utilised in accordance with the provisions of the Act.

2 Capital redemption reserve

A statutory, non-distributable reserve into which amounts are transferred following the redemption or purchase of a company's own shares out of distributable profits or, in certain circumstances, from the proceeds of a fresh issue of shares.

3 Retained earnings

The retained earnings reflect the profit of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

19 Borrowings

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current		
Secured loans - at amortised cost		
Term loans		
From banks		
Kotak Mahindra Bank Ltd. [Refer note 1 below]	3.46	14.65
Axis Bank [Refer note 2(a) below]	443.50	739.17
IDBI Bank [Refer note 3 (a) below]	407.92	-
Total (A):	854.88	753.82
Current		
Secured loans- at amortised cost		
Working capital from bank		
AXIS Bank [Refer note 2(b) below]	1 503.50	1 491.12
IDBI Bank [Refer note 3(b) below]	2 865.31	2 995.13
Unsecured loans- at amortised cost		
Directors and relatives [Refer note 4]	128.76	88.86
Inter corporate deposit [Refer note 5]	275.00	-
Current maturity of long term debt	343.75	160.90
Total (B):	5 116.32	4 736.01
Total (A+B):	5 971.20	5 489.83

Disclosure for Secured Loans

1 Kotak Mahindra Bank Ltd.

Security: The loan is secured against hypothecation of vehicles.

Repayment Terms: (a) Repayable by 60 equal monthly instalment of ₹ 0.24 lakhs commencing from 18/07/2019 to 01/07/2024.

(b) Repayable by 36 equal monthly instalment of ₹ 1.00 lakhs commencing from 01/01/2018 to 01/12/2022.

Rate of Interest: (a) Rate of interest is 9.60% p.a.

(b) Rate of interest is 7.93% p.a.

2 Axis Bank

(a) Term Loans

Security: (i) Pari passu charge with IDBI bank by hypothecation over entire current assets of the company, both present and future, as Primary Security.

(ii) Pari passu charge with IDBI Bank by way of Equitable mortgage over residential property located at Plot No. 3A and 3B, Sumadhur Society Bh.Ocean Park, Nehru Nagar Circle, Ahmedabad owned by Mrs. Kiranben Zaveri & Shri Rajendra Zaveri alongwith Commercial property situated at Block D, Mondeal Retail Park, SG Highway, Ahmedabad in the name of the company and Pari passu charge on FDR of Rs.133.00 lakhs duly lien marked with IDBI Bank as Collateral Security.

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Repayment Terms: 48 Month including 12 months of moratorium

Rate of interest: REPO Rate + 4.25% i.e., 8.25% p.a.

...Continued..

19 Borrowings *...Continued..*

(b) Working Capital Limits Security	(i) Pari passu charge with IDBI bank by hypothecation over entire current assets of the company, both present and future, as Primary Security. (ii) Pari passu charge with IDBI Bank by way of Equitable mortgage over residential property located at Plot No. 3A and 3B, Sumadhur Society Bh.Ocean Park, Nehru Nagar Circle, Ahmedabad owned by Mrs. Kiranben Zaveri & Shri Rajendra Zaveri along with Commercial property situated at Block D, Mondeal Retail Park, SG Highway, Ahmedabad in the name of the company and Pari passu charge on FDR of Rs.133.00 lakhs duly lien marked with IDBI Bank as Collateral Security.
Repayment Terms	It is repayable on demand
Rate of interest	(i) Cash Credit : Repo + 3.75% (presently 10.25% p.a) payable at monthly intervals. (ii) WCDL : Repo + 3.50% (presently 10.00% p.a) payable at monthly intervals.
3 IDBI Bank (a) Term Loans Security	(i) Secured by hypothecation of all current and movable assets, both present and future, of the company including stock and book debts on pari passu basis with Axis bank as Primary Security and Personal Guarantee of Directors as third party guarantees. (ii) First pari passu charge on immovable properties being Residential bungalow at Plot No. 3A & 3B, Sumadhur Society Bh.Ocean Park, Nehru Nagar Circle, Ahmedabad 380 015 belonging to Smt.Kiranben Zaveri & Shri Rajendra Zaveri alongwith Commercial property situated at Block D, Mondeal Retail Park, SG Highway, Nr.Rajpath Club, Ahmedabad belonging to the company with ground +2 floor construction and FDR of Rs.133.00 lakh with FD no. 0009106000384711 as Collateral Security.
Repayment Terms	Door to Door tenor of five years from the date of disbursement, including moratorium period of 1 year for principal repayment. The principal shall be repaid in 48 monthly instalments after moratorium is over.
Rate of interest	RLLR (Y) + 1% p.a. i.e., 8.70% presently.

...Continued..

M/S. G. K. CHOKSI & CO. CHARTERED ACCOUNTANTS

19 Borrowings *...Continued..*

(b) Working Capital Limits

Security	(i) Pari passu charge with IDBI bank by hypothecation over entire current assets of the company, both present and future, as Primary Security. (ii) Pari passu charge with IDBI Bank by way of Equitable mortgage over residential property located at Plot No. 3A and 3B, Sumadhur Society Bh.Ocean Park, Nehru Nagar Circle, Ahmedabad owned by Mrs. Kiranben Zaveri & Shri Rajendra Zaveri along with Commercial property situated at Block D, Mondeal Retail Park, SG Highway, Ahmedabad in the name of the company and Pari passu charge on FDR of Rs.133.00 lakhs duly lien marked with IDBI Bank as Collateral Security.
Repayment Terms	It is repayable on demand
Rate of interest	Interest to be paid monthly or as and when levied at RLLR (Y) + 1.85% p.a. i.e., 8.85% presently

Disclosure for Unsecured Loan

4	Directors and relatives	The loan both from directors and relatives are repayable on Demand. The loan from director is interest free and from relative the rate of interest is 10%.
5	Inter Corporate Deposit	The inter corporate loan is repayable on Demand and the rate of interest is 14%.

20 Lease liabilities

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current	405.61	465.90
Current	60.29	32.48
	465.90	498.38

Note:

1. Refer note no. 41 for detailed disclosures

21 Provisions

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current		
Provision for gratuity (Refer Note 37)	34.69	24.21
	34.69	24.21
Current		
Provision for gratuity (Refer Note 37)	0.55	0.44
	0.55	0.44

22 Trade payables

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Dues to micro and small enterprises	229.31	13.48
Dues to others	1 295.38	423.75
	1 524.69	437.23

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Notes forming part of the financial statements

Note - 22A : Trade payables ageing schedule

As at 31st March, 2022

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed dues							
Micro and small enterprises	-	229.31	-	-	-	-	229.31
Others	-	-	1 279.26	0.21	-	15.91	1 295.38
Disputed dues							
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	229.31	1 279.26	0.21	-	15.91	1 524.69

As at 31st March, 2021

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less Than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Undisputed dues							
Micro and small enterprises	-	13.48	-	-	-	-	13.48
Others	-	-	389.36	13.18	6.89	14.32	423.75
Disputed dues							
Micro and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	13.48	389.36	13.18	6.89	14.32	437.23

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23 Other current financial liabilities

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	29.24	38.90
	29.24	38.90

24 Current tax liabilities (Net)

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for taxation	865.00	350.00
Less: Advance tax	764.68	317.57
	100.32	32.43

25 Other current liabilities

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance from customer	172.32	158.03
Statutory dues	12.90	6.03
Others	0.32	2.82
	185.54	166.88

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Notes forming part of the financial statements

26 Revenue from operations

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of products	24 764.80	10 455.99
Sale of services	445.87	243.14
	25 210.67	10 699.13

Breakup of sale of products

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Manufactured		
Gold ornaments (22 Carats)	15 513.25	6 664.96
	15 513.25	6 664.96
Traded products		
24 carat gold	723.03	1 033.21
Gold ornaments		
22 carat gold	4 987.04	1 958.93
Others	1 844.36	605.45
	6 831.40	2 564.38
Silver	619.71	7.30
Diamond	938.30	183.59
Others	139.16	2.56
	9 251.60	3 791.04
	24 764.85	10 456.00

Breakup of sale of services

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Labour income	440.91	228.79
Repairing income	4.96	14.35
	445.87	243.14

27 Other income

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest Income from		
Banks	7.98	8.84
Others	2.32	0.09
Dividend	0.50	-
Other Non Operating Income		
Unwinding of discount on security deposit	1.17	1.06
Gain from foreign currency transactions (net)	15.65	12.10
Provision for doubtful debts no longer required	2.99	-
Profit on sale of PPE (net)	-	41.33
Other income	11.38	8.10
	41.99	71.52

28 Cost of materials consumed

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Raw materials consumed	14 387.60	4 668.44
	14 387.60	4 668.44

Breakup of raw materials consumed

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
24 Carat	12 769.96	4 220.44
22 Carat (old gold ornament)	1 617.64	448.00
	14 387.60	4 668.44
	-	-

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29 Change in inventories of finished goods and stock-in-trade

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening stock		
Finished Goods	5 157.25	5 277.92
Traded Goods	3 196.05	2 380.34
	8 353.30	7 658.26
Closing stock		
Finished Goods	7 121.79	5 157.25
Traded Goods	4 026.96	3 196.05
	11 148.75	8 353.30
(Increase)/Decrease in inventories	(2 795.45)	(695.04)

30 Employee benefits expense

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salary, wages and bonus	515.96	410.59
Contribution to provident fund, other funds and gratuity	20.97	19.01
Staff welfare expenses	4.40	3.33
	541.33	432.93

31 Finance cost

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expense for financial liabilities measured at amortised cost		
Bank Borrowings	525.44	528.44
Lease liabilities	48.44	51.40
Other Interest Expense		
Unsecured loan	6.75	12.92
Other borrowings cost	36.98	33.42
	617.61	626.18

32 Depreciation and Amortisation expense

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation		
on property, plant and equipment	81.24	92.81
Amortisation		
on right of use asset	58.41	58.41
on intangible assets	0.53	0.94
	140.18	152.16

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33 **Manufacturing and other expenses**

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Manufacturing expense		
Labour charges	558.76	252.43
Tools consumable expenses	25.73	23.78
Other Manufacturing Expenses	64.64	44.90
	649.13	321.11
Administrative and Other expenses		
Auditors' remuneration (Refer note 33.1)	5.00	5.00
Insurance	11.90	10.47
Legal and professional fees	84.96	54.95
Repair and maintenance	33.92	22.27
Rent, rates and taxes	7.42	5.40
Travelling and conveyance expense	30.90	9.16
Loss on scrap of intangible asset under developm	-	-
Office general expenses	113.90	76.66
Other admin expenses	12.63	16.32
	300.63	200.23
Selling and distribution expenses	188.86	75.23
Bad Debt	-	-
Donation	0.15	2.00
Corporate social responsibility expense (Refer note 33.2)	22.50	75.00
Allowance for doubtful debt (net)	(5.15)	11.13
Loss on sale/discard of PPE	0.10	0.42
	206.46	163.78
	1 156.22	685.12

33.1 **: Details of payments to auditors**

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Payments to auditors as		
Statutory and Tax Audit Fee	5.00	5.00
Total payments to auditors	5.00	5.00

33.2 **: Details of CSR expenditure**

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i) Amount required to be spent by the company during the year	22.26	19.58
(ii) Amount of expenditure incurred	22.50	75.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	25.51
(v) Reason for shortfall,	NIL	NIL
(vi) Nature of CSR activities,	Activities specified in Schedule VII of the Act	Activities specified in schedule VII of the Act
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard,	NIL	NIL
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NIL	NIL

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34 Income taxes

34.1 The major components of income tax expense for the period ended 31st March, 2022 are

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Income tax expense		
Current tax :		
Current tax on profits for the year	515.00	350.00
Adjustment for current tax of prior periods	44.06	0.17
	559.06	350.17
Deferred tax		
Decrease / (increase) in deferred tax liabilities	(42.17)	12.54
	(42.17)	12.54
Income tax expense attributable to continuing operations	516.89	362.71

34.2 Reconciliation of income tax expense

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Profit before tax from continuing operations	1 961.39	1 337.84
Expected income tax expense calculated using tax rate at 25.17%	493.64	467.49
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenses not allowable / deemed Income	9.61	7.99
Others items	11.75	(125.48)
	515.00	350.00
Adjustment for current tax of prior periods	44.06	0.17
Total expense as per statement of profit and loss	559.06	350.17

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

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...Continued..

34 Income taxes

34.3 Income tax recognised in other comprehensive income *continued...*

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit and loss)	(2.10)	(4.47)
Income tax expense / (income) recognised in other comprehensive income	(1.83)	4.16

34.4 Deferred tax assets / (liabilities) (net)

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	(129.96)	(117.42)
Adjustment for the current year:		
(Charged) / Credited in the statement of profit and loss	38.24	(12.85)
Charged / (Credited) through other comprehensive income	3.93	0.31
Closing Balance	(87.79)	(129.96)

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Notes forming part of the financial statements

34 Income taxes

34.5 Movement of deferred tax asset and liabilities/assets

[₹ in Lakhs]

Particulars	As at 31st March, 2022	(Charged)/Credited to profit or loss / OCI	As at 31st March, 2021	(Charged)/Credited to profit or loss / OCI	As at 31st March, 2020
Deferred tax assets					
Charged / (credited) through other comprehensive income					
Fair value measurement of investment in equity instruments	(0.01)	1.83	(1.84)	(4.16)	2.32
Remeasurement of the defined benefit plans	0.57	2.10	(1.53)	4.47	(6.00)
	0.56	3.93	(3.37)	0.31	(3.68)
(Charged)/credited in the statement of profit and loss					
Difference of book depreciation and tax depreciation	(132.39)	43.90	(176.29)	(22.37)	(153.92)
Difference due to lease liability	34.52	(3.58)	38.10	13.04	25.06
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis	9.52	(2.08)	11.60	(3.52)	15.12
	(88.35)	38.24	(126.59)	(12.85)	(113.74)
	(87.79)	42.17	(129.96)	(12.54)	(117.42)

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35 Earnings per share

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Net profit / (loss) attributable to equity shareholders (₹ in lakhs)	1 440.57	974.82
Weighted Number of equity shares	40 00 000.00	41 71 340.00
Face value of equity share (₹)	10.00	10.00
Basic earnings per share (₹)	36.01	23.37
Diluted earnings per shares (₹)	36.01	23.37

Note: The company has not issued any equity shares during the current financial period.

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36 Contingent liabilities capital commitments

[₹ in Lakhs]

Sr. No.	Particulars	31st March, 2022	31st March, 2021
(A)	**Contingent liability**		
	Bank guarantee	500.00	500.00
(B)	**Capital commitments**	20.31	NIL

37 Employee benefits plan

37.1 Defined contribution plan

The Company has defined contribution retirement benefit plans for its employees.

The Company's contributions to provident fund, pension scheme and employee state insurance scheme are made to the relevant government authorities as per the prescribed rules and regulations. The Company's contributions to the above defined contribution plans are recognised as employee benefit expenses in the statement of profit and loss for the year in which they are due.

The Company's contribution to provident, pension, superannuation funds and to employees state insurance scheme aggregating to ₹ 20.97 lakhs,(31st March 2021 ₹ 19.01 lakhs, 31st March 2020 ₹ 14.75 lakhs) has been recognised in the statement of profit and loss under the head employee benefits expense [Refer note 30]

[₹ in Lakhs]

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Contribution to Provident Fund, included under contribution to provident and other funds	7.71	7.39
Contribution to Employee State Insurance Scheme, included under contribution to provident and other funds	4.96	4.48

37.2 Defined benefits plan

(a) Gratuity

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

(b) Risk exposure to defined benefit plans

The plans typically expose the company to actuarial risks such as: investment risk, liquidity risk, market risk and legislative risk.

Actuarial risk:

It is the risk that benefits will cost more than expected. this can arise due to one of the following reasons:

Adverse salary growth experience: salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

Variability in mortality rates: if actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: if actual withdrawal rates are higher than assumed withdrawal rate assumption than the gratuity benefits will be paid earlier than expected. the impact of this will depend on whether the benefits are vested as at the resignation date.

Investment risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

Market risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. one actuarial assumption that has a material effect is the discount rate. the discount rate reflects the time value of money. an increase in discount rate leads to decrease in defined benefit obligation of the plan benefits & vice versa. this assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. the government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. this will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(c) Defined benefit plan

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Gratuity

Particulars	As at 31st March, 2022	As at 31st March, 2021
Discount rate	6.98%	6.59%
Salary escalation rate	7.00%	7.00%
Retirement age	58 & 65 years	58 & 65 years
Attrition rate	For service 4 years and below 20.00% p.a. For service 5 years and above 2.00%p.a.	For service 4 years and below 20.00% p.a. For service 5 years and above 2.00%p.a.

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(d) **Expenses recognized for defined benefit plan and movement of liabilities**

The following table sets out the status of the amounts recognised in the balance sheet & movements in

[₹ in Lakhs]

Particulars	31st March, 2022 Gratuity (unfunded)	31st March, 2021 Gratuity (unfunded)
1 Changes in the present value of obligation		
Present value of obligation (Opening)	24.65	21.87
Interest cost	1.62	1.44
Current service cost	6.68	5.70
Benefits paid directly by employer	-	-
Actuarial (Gain) / Loss arising from change in financial assumptions	(1.94)	0.06
Actuarial (Gain) / Loss arising from change in demographic assumptions	-	-
Actuarial (Gain) / Loss arising from change on account of experience changes	4.23	(4.42)
Actuarial loss (gain)	-	-
Present value of obligation (Closing)	35.24	24.65
2 Present value of unfunded obligation at the end of the year		
Current	0.55	0.44
Non-current	34.69	24.21
	35.24	24.65

Amount recognized in statement of profit and loss for the period/year in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	31st March, 2022 Gratuity (unfunded)	31st March, 2021 Gratuity (unfunded)
Current service cost	6.68	5.70
Past service cost		
Net interest cost	1.62	1.44
(Gains)/loss on settlement	-	-
Total expenses recognized in the statement of profit and loss #	8.30	7.14

#Included in 'salary and wages' under 'employee benefits expense'

Amount recognized in other comprehensive income (OCI) for the period/year in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	31st March, 2022 Gratuity (unfunded)	31st March, 2021 Gratuity (unfunded)
Actuarial (gains) / losses	2.29	(4.36)
Total (income) / expenses recognized in the OCI	2.29	(4.36)

(e) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Gratuity

Impact on defined benefit obligation as on 31st March, 2022

[₹ in Lakhs]

Particulars	Change in assumption 31st March, 2022	Changes	Increase in assumptions 31st March, 2022	Changes	Decrease in assumptions 31st March, 2022
Discount rate	1.00%	Decrease by	(4.11)	Increase by	5.05
Salary growth rate	1.00%	Increase by	5.00	Decrease by	(4.15)
Employee turnover rate	1.00%	Decrease by	(0.46)	Increase by	0.48

Impact on defined benefit obligation as on 31st March, 2021

[₹ in Lakhs]

Particulars	Change in assumption 31st March, 2021	Changes	Increase in assumptions 31st March, 2021	Changes	Changes
Discount rate	1.00%	Decrease by	(2.78)	Increase by	3.41
Salary growth rate	1.00%	Increase by	3.36	Decrease by	(2.80)
Employee turnover rate	1.00%	Decrease by	(0.31)	Increase by	0.34

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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38 **Related party disclosures**

(a) Name of related parties and description of relationship

Sr. No.	Name of related party	Relationship
1	Rajendrakumar Zaveri	Key management personnel (KMP)
2	Harit R. Zaveri	Key management personnel (KMP)
3	Kiran R Zaveri	Relative of key management personnel (KMP)
4	Harita Zaveri	Relative of key management personnel (KMP)
5	Bhagwati Jewellers B B Zaveri	Enterprise controlled by relatives of Key management personnel

(b) Related party transactions

[₹ in Lakhs]

Particular	Relationship	Year ended 31st March, 2022	Year ended 31st March, 2021
Unsecured Loan Taken			
Rajendrakumar Zaveri	Key management personnel	22.50	35.00
Harit R. Zaveri	Key management personnel	38.30	-
Kiran R. Zaveri	Relative of key management personnel	-	-
Unsecured Loan Repaid			
Rajendrakumar Zaveri	Key management personnel	7.30	75.00
Harit R. Zaveri	Key management personnel	11.00	0.82
Kiran R. Zaveri	Relative of key management personnel	-	42.38
Director's Remuneration			
Rajendrakumar Zaveri	Key management personnel	30.00	27.05
Harit R. Zaveri	Key management personnel	23.00	21.37
Incentive			
Rajendrakumar Zaveri	Key management personnel	-	-
Harit R. Zaveri	Key management personnel	-	-
Interest Expense			
Kiran R Zaveri	Relative of key management personnel	3.48	6.25
Salary			
Harita Zaveri	Relative of key management personnel	-	2.10
Commission			
Harita Zaveri	Relative of key management personnel	1.26	-
Purchase			
Bhagwati Jewellers B B Zaveri	Enterprise controlled by relatives of key management personnel	12.57	-
Sales			
Bhagwati Jewellers B B Zaveri	Enterprise controlled by relatives of key management personnel	4.33	-

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Notes forming part of the financial statements

38 Related party disclosures

(c) Related party balances

Sr. No.	Particulars	Relationship	As At 31st March, 2022	As At 31st March, 2021
	Balances towards			
	Unsecured loans			
	Rajendrakumar Zaveri	Key management personnel	33.00	17.80
	Harit R. Zaveri	Key management personnel	63.70	36.21
	Kiran R Zaveri	Relative of key management personnel	32.06	34.85
	Remueration Payable			
	Rajendrakumar Zaveri	Key Management Personnel	1.94	2.49
	Harit R. Zaveri	Key Management Personnel	1.65	1.99

(d) Terms and conditions of outstanding balances

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevail in arm's length transactions.

Outstanding balances at the year-end are unsecured.

Note:

1. Loans taken from Kiren R. Zaveri carries interest rate of 31st March 2022 10% (31st March 2021 10%,)
2. Loans taken from Rajendrakumar Zaveri and Harit R. Zaveri are interest free.

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39 Financial instrument and risk management

(a) Capital management

The Company manages its capital structure in manner to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 17, 18) and debt (borrowings as detailed in note 19).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit of 2:1.

The capital structure of the Company consists of equity and debt.

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Debt	5 971.20	5 489.83
Total equity	7 086.04	5 685.23
Debt to equity ratio	0.84	0.97

Debts is defined as all long term debt outstanding (including unamortised expense) + Contingent liability pertaining to corporate / financial guarantee given + Short term debt outstanding in lieu of long term debts.

Total Equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets– intangible asset under development.

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39 Financial instruments and risk management

(b) Category of financial instruments

[₹ in Lakhs]

Particulars		**31st March, 2022**	
	Amortized cost	**FVTPL**	**FVTOCI**
Financial assets			
Trade receivable	1 399.60	-	-
Cash and cash equivalents	5.26	-	-
Other bank balance	160.83	-	-
Loans	13.52	-	-
Other financial assets	18.58	-	-
Total financial assets	1 597.79	-	-
Financial liabilities			
Borrowings	5 971.20	-	-
Lease liabilities	465.90	-	-
Trade payables	1 524.69	-	-
Other financial liabilities	29.24	-	-
Total financial liabilities	7 991.03	-	-

[₹ in Lakhs]

Particulars		**31st March, 2021**	
	Amortized cost	**FVTPL**	**FVTOCI**
Financial assets			
Investments	0.15	-	12.43
Trade receivable	1 016.00	-	-
Cash and cash equivalents	71.10	-	-
Other bank balance	153.68	-	-
Loans	4.54	-	-
Other financial assets	15.49	-	-
Total financial assets	1 260.96	-	12.43
Financial liabilities			
Borrowings	5 489.83	-	-
Lease liabilities	498.38	-	-
Trade payables	437.23	-	-
Other financial liabilities	38.90	-	-
Total financial liabilities	6 464.34	-	-

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39 (c) Fair value measurement

Financial instruments at fair value

As at 31st March, 2022

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial liabilities				
Borrowings	-	5 971.20	-	5 971.20
Lease liabilities	-	465.90	-	465.90

As at 31st March, 2021

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
In Equity instruments	12.43	0.15	-	12.58
Financial liabilities				
Borrowings	-	5 489.83	-	5 489.83
Lease liabilities	-	498.38	-	498.38

Notes:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 : Inputs are Quoted (unadjusted) market prices in active markets for identical assets or liabilities. This includes quoted equity instruments, investments in mutual funds that have quoted price.

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. This includes unquoted floating and fixed rate borrowing.

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted equity shares, loans, security deposits, investments in Debentures, floating rate borrowings.

(d) Fair value of financial assets and liabilities measured at amortized cost

The management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to their short-term nature. difference between carrying amount of bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(e) Financial risk management

The company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the key management personnel, which is responsible for developing and monitoring the Company's risk management policies. the key management personnel holds regular meetings and report to board on its activities.

The company's risk management policies are established to identify and analysis the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. the company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversee how key management personnel monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, loans, Financial assets measured at amortized	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk	Borrowed fund at Interest Rate	Cash flow forecasting	Regular monitoring to keep the net exposure at an acceptable level.
Price Risk	Investments in mutual funds, equity securities	Credit ratings	Portfolio diversification and regular monitoring

(a) Credit Risk

(i) Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low.

M/S. G. ... & CO. CHARTERED ACCOUNTANTS

...Continued..

39 (e) Fair value measurement

(ii) Trade receivables:

1. Exposures to credit risk

The company is exposed to the counterparty credit risk arising from the possibility that counterparties might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts.

2. Credit risk management

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The Company has established criteria for admission, approval systems, authorisation levels, exposure measurement methodologies, etc. the concentration of credit risk is limited due to the fact that the customer base is large. None of the customers accounted for more than 10% of the receivables and revenue for the year ended 31st March, 2022, 31st March, 2021, the Company is dependent on the domestic market for its business and revenues.

The company's credit policies and practices with respect to distribution areas are designed to limit credit exposure by collecting security deposits prior to providing utility services or after utility service has commenced according to applicable regulatory requirements. in respect to generation business, company generally has letter of credits / bank guarantees to limit its credit exposure.

3. Other credit enhancements

The company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

4. Age of receivables and expected credit loss

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. the provision matrix takes into account historical credit loss experienced and adjusted for forward - looking information. the expected credit loss allowance is based on ageing of the days the receivables are due.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at 31st March, 2022

[₹ in Lakhs]

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	1 332.29	-
More than 6 months but less than or equal to 1 year	9.85	0.10
More than 1 year	68.94	11.38
	1 411.08	11.48

As at 31st March, 2021

[₹ in Lakhs]

	Gross trade receivables	Allowance for doubtful debt
Less than or equal to 6 months	928.68	-
More than 6 months but less than or equal to 1 year	4.34	0.04
More than 1 year	99.61	16.59
	1 032.63	16.63

5. Movement in the expected credit loss allowance

[₹ in Lakhs]

	As at 31st March, 2022	As at 31st March, 2021
Opening Balance	16.63	5.50
Movement in expected credit loss allowance on trade receivable, net [Refer note 41]	(5.15)	11.13
Closing Balance [Refer note 15]	11.48	16.63

The concentration of credit risk is very limited due to the fact that the large customers are mainly government entities and remaining customer base is large and widely dispersed and secured with security deposit.

Other financial assets:

The Company is having balances in cash and cash equivalents, term deposits with banks, Inter corporate deposits, Loans to related parties, investments in government securities and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible. Loans receivable from related parties have negligible credit risk and hence no risk of default is perceived on them.

(b) Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. the company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

M/S. ... CHOKSHI & CO. ★ CHARTERED ACCOUNTANTS ★

...Continued..

39 (e) **Fair value measurement**

Financing arrangements

The working capital position of the Company is given below:

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Financial assets		
Cash and cash equivalents	5.26	71.10
Other Bank Balances	160.83	153.68

Liquidity table

The company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. the tables include both interest and principal cash flows. the contractual maturity is based on the earliest date on which the company may be required to pay.

As at 31st March, 2022

[₹ in Lakhs]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Non-current financial liabilities			
Borrowings	-	854.88	-
Lease liabilities	62.45	343.16	-
	62.45	1 198.04	-
Current financial liabilities			
Borrowings from others			
Financial institutions	4 712.56	-	-
Others	403.76	-	-
Lease liabilities	60.29		
Trade payables	1 524.69	-	-
Other financial liabilities	29.24	-	-
	6 730.54	-	-
Total financial liabilities	6 792.99	1 198.04	-

As at 31st March, 2021

[₹ in Lakhs]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Non-current financial liabilities			
Borrowings	-	753.82	-
Lease liabilities	37.60	392.72	35.58
	37.60	1 146.54	35.58
Current financial liabilities			
Borrowings from others			
Financial institutions	4 647.15	-	-
Others	88.86	-	-
Lease liabilities	32.48	-	-
Trade payables	437.23	-	-
Other financial liabilities	38.90	-	-
	5 244.62	-	-
Total financial liabilities	5 282.22	1 146.54	35.58

(c) Regulatory risk

The company's substantial operations are subject to regulatory risk and intervention. pursuant to enactment of real estate regulation act, 2016 the company's operation are subject to liquidity risk since the company is mandatorily required to park the contribution received from purchaser of real estate property in a specified escrow account. this requirement leads to introduction of higher working capital or equity.

(d) Market risk

Market risk is the risk arising from changes in market prices such as interest rates will affect the company's income or the value of its holdings of financial instruments. market risk is attributable to all market risk sensitive financial instruments including long term debt. the company is exposed to market risk primarily related to interest rate risk and the market value of the investments. thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities.

(e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. the company's exposure to the risk of changes in market interest rates relates primarily to the company's debt obligations with floating interest rates and investments.

Most of the company's borrowings are on a floating of interest. the company has exposure to interest rate risk, arising principally on changes in marginal cost of funds based lending rate (mclr). the company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term credit lines besides internal accruals.

...Continued..

39 (e) Fair value measurement

The exposures of the company's financial liabilities at the end of the reporting period are as follows:

	As at 31st March, 2022	As at 31st March, 2021
Fixed rate borrowings	278.46	14.65
Floating rate borrowings	5 563.98	5 386.32
	5 842.44	5 400.97

(e) Price risk

Exposure

The company's exposure to securities price risk arises from investments held in mutual funds and equity instruments which are classified in the balance sheet at fair value through profit or loss and fair value through other comprehensive income respectively. to manage its price risk arising from such investments, the company diversifies its portfolio. further these are all debt base securities for which the exposure is primarily on account of interest rate risk. quotes (nav) of these investments in mutual fund are available from the mutual fund houses and unquoted price of these investments in equity instruments is available from the audited / unaudited financial statements.

Profit and other comprehensive income for the year would increase/decrease as a result of gains/losses on these securities classified as at fair value through profit or loss and fair value through other comprehensive income respectively.

40 Due to micro and small enterprise

[₹ in Lakhs]

Sr. No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
	Principal	229.31	13.48
	Interest	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The Company has initiated the process of obtaining the confirmation from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). The above information 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 auditors.

M/S. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

41 Leases

(i) Amounts recognised in balance sheet

The Balance sheet shows the following amount related to leases

Right of use assets

[₹ in Lakhs]

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
Building	6	330.96	389.37
		330.96	389.37

Lease liabilities

[₹ in Lakhs]

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
Non-current	20	405.61	465.90
Current	20	60.29	32.48
		465.90	498.38

(ii) Amounts recognised in the statement of profit and loss

The statement of profit and loss shows the following amount relating to leases

[₹ in Lakhs]

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
Amortization of ROU assets		58.41	58.41
Interest expense on lease liabilities (including in finance cost)	31	48.44	51.40
Expense relating to rent on low value assets (included in manufacturing and other expense)	33	7.42	5.40
		114.27	115.21

(iii) Maturities of lease liabilities

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
Minimum lease payments		
Less than 1 Year	103.82	80.91
Between 1 year to 5 years	512.55	539.66
5 years and above	-	76.70
	616.37	697.27

(iv) The total cash outflow for the lease for the period was 31st March, 2022 ₹ 80.91 lakhs (31st March, 2021 ₹ 72.5 lakhs)

M/S. C.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

42 First time adoption of IND AS

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2021 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions under Ind AS 101 and certain optional exemptions permitted under Ind AS 101 availed by the Company as detailed below:

1 Optional exemptions

(a) Deemed cost for property and plant and equipment.

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has opted to measure all of its property, plant and equipment at their previous GAAP carrying value.

(b) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The company has elected to apply this exemption for its investment in equity instruments.

2 Mandatory exceptions to retrospective application of other Ind AS

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) unless there is an objective evidence that those estimates were in error.

The company has not made any changes to estimates made in accordance with Previous GAAP.

(b) Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities)

An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of

The Company has no Derecognition of previously recognized Financial Assets/ Financial Liabilities and it has applied the derecognition requirements prospectively.

(c) Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets/ Financial Liabilities)

Classification and measurement of Financial Instruments shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial instruments and accordingly has classified and measured financial instruments on the date of transition.

(d) Ind AS 109 "Financial Instruments" (Impairment of Financial Assets):

Impairment requirements under Ind AS 109 should be applied retrospectively based on reasonable and supportable information that is available on the date of transition without undue cost or effort

The Company has not recognised any impairment of financial asset during the year.

(e) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

(f) Retained earnings

Retained earnings as at April 01, 2021 has been adjusted consequent to the above Ind AS transition adjustments.

(g) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

M/s. G. K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Reconciliation of Balance Sheet as on 01st April, 2019

[₹ in Lakhs]

Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Assets				
Non-current assets				
Property, plant and equipment		1 334.13	-	1 334.13
Right to use assets	4	-	506.19	506.19
Capital work-in-progress		10.20	-	10.20
Intangible assets		2.13	-	2.13
Intangible assets under development		-	-	-
Financial assets				
Investments		0.15	-	0.15
Other financial assets	5	80.30	(12.54)	67.76
Other non current assets	5	23.49	10.90	34.39
		1 450.40	504.55	1 954.95
Current assets				
Inventories	9	5 688.79	-	5 688.79
Financial assets				
Trade receivables	6	2 122.98	(1.54)	2 121.44
Cash and cash equivalents		9.99	-	9.99
Other bank balances		633.00	-	633.00
Loans		5.36	-	5.36
Other financial assets		10.83	-	10.83
Other current assets	5	305.32	1.43	306.75
		8 776.27	(0.11)	8 776.16
Total assets		10 226.67	504.44	10 731.11
Equity and liabilities				
Equity				
Equity share capital		418.18	-	418.18
Other equity		3 968.61	(32.15)	3 936.46
		4 386.79	(32.15)	4 354.64
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		31.24	-	31.24
Lease liabilities	5	-	519.48	519.48
Provisions		28.44	-	28.44
Deferred tax liabilities (Net)	1	123.85	(16.32)	107.53
		183.53	503.16	686.69
Current liabilities				
Financial liabilities				
Borrowings		5 037.28	-	5 037.28
Lease liabilities	5	-	33.43	33.43
Trade payable				
Due to micro and small enterprise		-	-	-
Due to others		333.53	-	333.53
Other financial liabilities		27.12	-	27.12
Provisions		6.00	-	6.00
Other current liabilities		51.75	-	51.75
Current tax liabilities (Net)		200.67	-	200.67
		5 656.35	33.43	5 689.78
Total equity and liabilities		10 226.67	504.44	10 731.11
			-	-

M/S G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Reconciliation of Balance Sheet as on 31st March, 2020

[₹ in Lakhs]

Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Assets				
Non-current assets				
Property, plant and equipment		1 417.98	-	1 417.98
Right to use assets	4	-	447.78	447.78
Capital work-in-progress		-	-	-
Intangible assets		1.32	-	1.32
Intangible assets under development		-	-	-
Financial assets				
Investments	3	15.24	(6.65)	8.59
Other financial assets	5	26.23	(11.58)	14.65
Non-current tax assets		58.61	0.00	58.61
Other non current assets	5	-	9.48	9.48
		1 519.38	439.03	1 958.41
Current assets				
Inventories	9	8 263.27	-	8 263.27
Financial assets				
Trade receivables	6	1 172.25	(2.51)	1 169.74
Cash and cash equivalents		65.57	-	65.57
Other bank balances		145.50	-	145.50
Loans		4.15	-	4.15
Other financial assets		51.72	-	51.72
Other current assets	5	268.93	1.42	270.35
		9 971.39	(1.09)	9 970.30
Total Assets		11 490.77	437.94	11 928.71
Equity and liabilities				
Equity				
Equity share capital		418.18	-	418.18
Other equity		4 282.53	(54.17)	4 228.36
		4 700.71	(54.17)	4 646.54
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		27.62	-	27.62
Lease liabilities	4	-	498.38	498.38
Provisions		21.03	-	21.03
Deferred tax liabilities (Net)	1	144.79	(27.37)	117.42
		193.44	471.01	664.45
Current liabilities				
Financial liabilities				
Borrowings		4 718.53	-	4 718.53
Lease liabilities	4	-	21.10	21.10
Trade payable				
Due to micro and small enterprise		-	-	-
Due to others		1 730.45	-	1 730.45
Other financial liabilities		23.13	-	23.13
Provisions		123.68	-	123.68
Other current liabilities		0.83	-	0.83
Current tax liabilities (Net)		-	-	-
		6 596.62	21.10	6 617.72
Total equity and liabilities		11 490.77	437.94	11 928.71
		-	-	-

M/S. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Reconciliation of Balance Sheet as on 31st March, 2021

[₹ in Lakhs]

Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Assets				
Non-current assets				
Property, plant and equipment		1 299.41	-	1 299.41
Right to use assets	4	-	389.37	389.37
Capital work-in-progress		-	-	-
Intangible assets		1.23	-	1.23
Intangible assets under development		-	-	-
Financial assets				
Investments	3	7.34	5.24	12.58
Other financial assets	5	26.01	(10.52)	15.49
Other non current assets	5	-	8.06	8.06
		1 333.99	392.15	1 726.14
Current assets				
Inventories	9	9 151.56	-	9 151.56
Financial assets				
Trade receivables	6	1 029.65	(13.65)	1 016.00
Cash and cash equivalents		71.10	-	71.10
Other bank balances		153.68	-	153.68
Loans		4.54	-	4.54
Other financial assets		-	-	-
Other current assets	5	249.09	1.42	250.51
		10 659.62	(12.23)	10 647.39
Total Assets		11 993.61	379.92	12 373.53
Equity and liabilities				
Equity				
Equity share capital		400.00	-	400.00
Other equity		5 237.48	(82.21)	5 155.27
		5 637.48	(82.21)	5 555.27
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	7	14.65	739.17	753.82
Lease liabilities	4	-	465.90	465.90
Provisions		24.21	-	24.21
Deferred tax liabilities (Net)	1	166.21	(36.25)	129.96
		205.07	1 168.82	1 373.89
Current liabilities				
Financial liabilities				
Borrowings	7	5 475.19	(739.18)	4 736.01
Lease liabilities	4	-	32.48	32.48
Trade payable				
Due to micro and small enterprise		13.48	-	13.48
Due to others		423.74	0.01	423.75
Other financial liabilities		41.72	(2.82)	38.90
Provisions		164.06	2.82	166.88
Other current liabilities		0.44	-	0.44
Current tax liabilities (Net)		32.43	-	32.43
		6 151.06	(706.69)	5 444.37
Total Equity and Liabilities		11 993.61	379.92	12 373.53

M/S. G. K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

RBZ JEWELLERS LIMITED [Formerly Known as RBZ JEWELLERS PRIVATE LIMITED]

Notes forming part of the financial statements

Reconciliation of total comprehensive income for the period 31st March, 2020

[₹ in Lakhs]

Particulars	**Notes**	**Amount as per IGAAP***	**Effects of transition to Ind AS**	**Amount as per Ind AS**
Revenue				
Revenue from operations		18 180.29	-	18 180.29
Other income	3 & 4	30.32	0.96	31.28
		18 210.61	0.96	18 211.57
Expenses				
Cost of materials consumed		9 114.28	-	9 114.28
Purchase of traded goods		8 121.89	-	8 121.89
Change in inventories	9	(1 972.13)	-	(1 972.13)
Employee benefit expenses	2	393.58	17.16	410.74
Finance cost	4	525.50	53.57	579.07
Depreciation and amortisation	4	96.34	58.42	154.76
Manufacturing and other expenses	4 & 5	1 496.29	(84.61)	1 411.68
		17 775.75	44.54	17 820.29
Profit/(Loss) before exceptional items & tax		434.86		391.28
Exceptional items				-
Profit/(loss) before tax		434.86	(43.58)	391.28
Tax expense				
Current tax		100.00	-	100.00
Adjustment in respect of earlier years				-
Deferred tax		20.94	(13.78)	7.16
Total tax expense		120.94	(13.78)	107.16
Profit/ (Loss) for the year, net of tax		313.92	(29.80)	284.12
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
Remeasurement Gain / (Loss) of the defined benefit plans	2	-	17.16	17.16
Equity Instruments through other comprehensive income	3	-	(6.65)	(6.65)
(ii) Income tax relating to Items that will not be reclassified to profit or loss				
Tax relating to remeasurement of the defined benefit plans	1 & 2	-	5.05	5.05
Tax relating to measurement of equity instruments at fair value	1 & 3	-	(2.32)	(2.32)
		-	7.78	7.78
(ii) Income tax relating to Items that will be reclassified to profit or loss				
Gain / (Loss) on measurement of equity instruments at fair value (Net)		-	-	-
(ii) Income tax relating to Items that will be reclassified to profit				
Tax relating to measurement of equity instruments at fair value		-	-	-
		-	-	-
Other comprehensive income [A + B]		-	7.78	7.78
Total comprehensive income for the year, net of tax		313.92	(22.02)	291.90

M/S. G.K. CHOKSI & CO. ★ CHARTERED ACCOUNTANTS ★

Reconciliation of total comprehensive income for the period 31st March, 2021

[₹ in Lakhs]

Particulars	Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Revenue				
Revenue from operations		10 699.13	-	10 699.13
Other income	3 & 4	80.54	(9.02)	71.52
		10 779.67	(9.02)	10 770.65
Expenses				
Cost of materials consumed	8	4 220.43	448.01	4 668.44
Purchase of traded goods	8	4 011.03	(448.01)	3 563.02
Change in inventories	9	(695.05)	0.01	(695.04)
Employee benefit expenses	2	428.57	4.36	432.93
Finance cost	4	574.77	51.41	626.18
Depreciation and amortisation	4	93.76	58.40	152.16
Manufacturing and other expenses	4 & 5	745.05	(59.93)	685.12
		9 378.56	54.25	9 432.81
Profit/(Loss) before exceptional items & tax		1 401.11	(63.27)	1 337.84
Exceptional items				-
Profit/(loss) before tax		1 401.11	(63.27)	1 337.84
Tax expense				
Current tax		350.00	-	350.00
Adjustment in respect of earlier years		0.17	-	0.17
Deferred tax		21.42	(8.57)	12.85
Total tax expense		371.59	(8.57)	363.02
Profit/ (Loss) for the year, net of tax		1 029.52	(54.70)	974.82
Other Comprehensive Income				
A (i) Items that will not be reclassified to profit or loss				
Remeasurement Gain / (Loss) of the defined benefit plans	2	-	4.36	4.36
Equity Instruments through Other Comprehensive Income	3	-	21.96	21.96
(ii) Income tax relating to Items that will not be reclassified to profit or loss				
Tax relating to Remeasurement of the defined benefit plans	1 & 2	-	(4.47)	(4.47)
Tax relating to measurement of equity instruments at fair value	1 & 3	-	4.16	4.16
		-	26.63	26.63
(ii) Income tax relating to Items that will be reclassified to profit or loss				
Gain / (Loss) on measurement of equity instruments at fair value (Net)		-	-	-
(ii) Income tax relating to Items that will be reclassified to profit				
Tax relating to measurement of equity instruments at fair value		-	-	-
		-	-	-
Other comprehensive income [A + B]		-	26.63	26.63
Total comprehensive income for the year, net of tax		1 029.52	(28.07)	1 001.45

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Equity reconciliation

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity (Shareholders' funds) under previous GAAP	7 116.44	5 637.48
Ind AS adjustments:		
Add / (Less): carried froward	(82.20)	(54.17)
Add / (Less): Gain (Loss) on measurement of equity instruments at fair	(5.24)	11.89
Add / (Less): Deferred tax effects of Adjustments	(1.74)	8.88
Add / (Less): Recognition of expected credit loss on trade receivables	2.16	(11.14)
Add / (Less): Recognition of lease liability and right to use asset	(25.92)	(37.30)
Add / (Less): Recognition of security deposit on amortised cost	(0.25)	(0.36)
	(113.19)	(82.20)
Total Equity as per Ind AS	7 003.25	5 555.28

Notes to reconciliation:

(1) **Deferred tax**

Under previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting income and taxable income for the year i.e., income statement approach. However, under Ind AS - 12 "deferred taxes" are computed for temporary differences between the carrying amount of an asset or liability in the balance sheet and their respective tax base i.e. balance sheet approach.

(2) **Remeasurement of gratuity recognised in other**

Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset and are recognised in other comprehensive income. Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss.

(3) **Fair valuation of investment in equity recognised in other**

Under Ind AS, Investment in equity shares is classified for fair value through other comprehensive income. Under previous GAAP, investments are carried at cost.

(4) **Right-of-use asset**

Ind AS 116 requires a lessee to recognise assets and liabilities for all leases subject to recognition exemptions.

Thus, Right-of-use asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term

Similarly, Lease liability is recognised at present value of lease payments that are not made at the commencement of lease. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

(5) **Fair valuation of security deposits**

Under the previous GAAP, the Company had accounted for security deposits at the undiscounted value. In contrast, Ind AS requires that where the effect of time value of money is material, the amount of security deposits should be the present value of the amount expected to be received. The difference arising out of such discounting as at the date of transition has been adjusted against retained

(6) **Expected credit loss**

Under the previous GAAP, the Company use to measure provision on doubtful debts based on estimate. Ind AS requires that the company to recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the

(7) **Borrowings**

The term loans availed by the company from Axis bank and IDBI Bank which were hitherto classified and disclosed under the head "short term borrowings" in the financial statements prepared under previous GAAP, have now been disclosed under the head "borrowings" with further classification into "Non-current borrowings" and "Current maturity of long term debt".

(8) **Cost of material consumed / Purchase of Traded goods**

22 carate gold purchased during the year and included in purchase of traded goods, actually used for the purpose of production has been now reclassified and accordingly disclosed.

(9) **Inventory**

The company, while compiling its financial statements under previous GAAP, had been disclosing opening and closing inventory of finished goods inclusive of stock of traded goods consisting of 22 ct gold ornaments which, while compiling the said financial statements under Ind AS for the purpose of Initial Public Offer, has been seperated and the company has disclosed the said inventory separately as stock of finished goods and stock of traded goods so as to present its financial statements more transperant and fair. While doing so, there has been no change in value of aggregate inventory disclosed so far.

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43 Other regulatory information

(a) Title deeds of immovable property

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(b) Revaluation of property, plant and equipment (including right-of-use assets) and intangible assets

The Company has not revalued any of its property, plant and equipment, including intangible assets.

(c) Loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

The company has not granted any loans or advances to promoters, directors, KMP's and the related parties

(d) Capital- work- in progress (CWIP)

As at 31st March, 2022

[₹ in Lakhs]

CWIP	Amount of CWIP for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Building	67.34	-	-	-	67.34
Office equipments	7.00	-	-	-	7.00
Total	74.34	-	-	-	74.34

As at 31st March, 2021

[₹ in Lakhs]

CWIP	Amount of CWIP for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Building	-	-	-	-	-
Office equipments	-	-	-	-	-
Total	-	-	-	-	-

Note:

Particulars	Status
Temporary Suspended Projects	None
Overdue completion of Projects	None
Projects which have exceeded the cost compared to its original	None

(e) Intangible assets under development

As at 31st March, 2022

[₹ in Lakhs]

Intangible assets under development	Amount of intangible assets under development for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Software	5.00	-	-	-	5.00
Total	5.00	-	-	-	5.00

As at 31st March, 2021

[₹ in Lakhs]

Intangible assets under development	Amount of intangible assets under development for a period of				Total
	Less Than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Software	-	-	-	-	-
Total	-	-	-	-	-

Note:

Particulars	Status
Temporary Suspended Projects	None
Overdue completion of Projects	None
Projects which have exceeded the cost compared to its original	None

(f) Details of benami property held

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

(g) Borrowings obtained on the basis of security of current assets

The company has obtained borrowings on the basis of security of current assets from bank and the quarterly return of current assets filled are in agreement with the books of accounts.

(h) Wilful defaulter

The Company has not been declared Wilful Defaulter by any bank or financial institution or any other lender.

(i) Relationship with struck off companies

The Company does not have any transactions with struck off companies.

(j) Registration of charges or satisfaction with registrar of companies (ROC)

The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

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Notes forming part of the financial statements

(k) Compliance with number of layers of companies

The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(l) Approved scheme of arrangements

The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(m) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company have not received fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

Notes forming part of the financial statements

(n) Key financial ratio

Sr. No.	Particulars	Numerator	Denominator	Year ended 31st March, 2022	Year ended 31st March, 2021	(%) of Variance	Remarks for Variance more than 25%
1	Current Ratio (In times)	Current Asset	Current Liabilities	1.96	1.96	0.06%	NA
2	Debt-Equity Ratio (In times)	Total Debt (Short Term Borrowings)	Shareholder's Equity	0.92	1.08	-14.73%	NA
3	Debt Service Coverage Ratio (In times)	Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments)	Debt service (Interest + Principal repayments)	3.80	2.96	28.28%	There has been a considerable increase in Earning for Debt Service as compared to previous year it is resulted in substantial degree of variance and increase in Debt Service Coverage ratio
4	Return on Equity Ratio (in %)	Profit for the year	Average Shareholders equity	22.94%	9.56%	140.09%	There has been a considerable increase in net profit as compared to previous year it is resulted in substantial degree of variance and increase in Return on Equity ratio
5	Inventory turnover ratio (In times)	Cost of Goods Sold	Average inventory	0.61	0.33	85.94%	There has been a considerable increase in Total Sale as compared to previous year which has resulted in substantial degree of variance and increase in Inventory turnover Ratio.
6	Trade Receivables turnover ratio (In times)	Net Credit sales	Average debtors	20.87	9.79	113.21%	There has been increase in Total Sales as compared to previous year which has resulted to higher Trade Receivables turnover Ratio.
7	Trade Payable turnover ratio (In times)	Net credit purchase	Average creditors	25.27	8.23	207.15%	There has been a considerable increase in total purchase as compared to previous year which has resulted in substantial degree of variance and increase in Trade payable turnover Ratio.
8	Net capital turnover ratio (In times)	Net sales	Working capital	3.75	2.06	82.59%	There has been a considerable increase in total sales as compared to previous year which has resulted in substantial degree of variance and increase in Net capital turnover Ratio.
9	Net profit ratio (in %)	Net profit	Net sales	5.71%	9.11%	-37.29%	Although there has been considerable increase in net profit in absolute terms, the ratio has gone down as compared to previous year due to substantial increase in denomination i.e. Total Sales.
10	Return on Capital employed (in %)	Earning before Interest and taxes	Capital employed (Net worth)	19.06%	16.82%	13.31%	NA
11	Return on investment (in %)	Income generated from investments	Average Investments	4.85%	5.52%	-12.13%	NA

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44 Additional information pursuant to provision of para 5(8) of Part-II pf the Companies Act, 2013.

(a) Value of imports of CIF basis

[₹ in Lakhs]

Particulars	31st March, 2022	31st March, 2021
Capital goods	-	-

(b) Value of imported and indigenous raw material and spare parts consumed

[₹ in Lakhs]

Particulars	31st March, 2022		31st March, 2021	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Raw materials and spare parts				
Imported	-	-	-	-
Indigenous	14 387.60	100%	4 668.44	100%
	14 387.60	100%	4 668.44	100%

(c) Earnings / inflow of foreign exchange

[₹ in Lakhs]

Particulars	31st March, 2022	31st March, 2021
Export of goods (FOB)	1 052.82	716.96

(d) Undisclosed income

The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(e) Details of crypto currency or virtual

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(d) Corporate Social Responsibility (CSR)

The Company fall under the provisions of Section 135 of the Companies Act, 2013 and accordingly is required to spend any amount for CSR. Refer Note 33(b)

M/S. G.K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

45 Balances of trade payables, unsecured loan, loans and advances are subject to confirmation by the parties concerned.

46 Additional information as required under paragraphs 5 (viii) (c) of general instructions for preparation of the statement of profit and loss as per Schedule III to the Companies Act, 2013, are NIL.

47 **Statement of management**

(a) The non-current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the accounts. provision for all known liabilities is adequate and not in excess of amount reasonably necessary. there are no contingent liabilities except those stated in the notes.

(b) Balance sheet, statement of profit and loss, cash flow statement and change in equity read together with notes to the accounts thereon, are drawn up so as to disclose the information required under the companies act, 2013 as well as give a true and fair view of the statement of affairs of the company as at the end of the year and financial performance of the company for the year under review.

48 **Code on Social Security, 2020**

The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post- employment benefits received presidential assent in September 2020. the code has been published in the gazette of India. however, the date on which the code will come into effect has not been notified. the company will assess the impact of the code when it comes into effect and will record any related impact after the code becomes effective.

49 The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current year.

As per our attached report of even date.

FOR G.K.CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants

ROHIT K. CHOKSI
Partner
Mem. No. 31103

M/s. G. K. CHOKSI & CO. * CHARTERED ACCOUNTANTS *

Place: Ahmedabad
Date: 20 MAY 2023

FOR AND ON BEHALF OF THE BOARD

RAJENDRA K. ZAVERI
Chairman and Managing Director
DIN: 02022264

HARIT R. ZAVERI
Joint Managing Director
DIN: 02022111

HARSHVARDHAN BHARDWAJ
Chief Financial Officer

HELI A. GARALA
Company Secretary

Place: Ahmedabad
Date: 20 MAY 2023